BILL ANALYSIS

Senate Research Center 84R24948 JTS-D C.S.S.B. 1679 By: Huffines Intergovernmental Relations 4/27/2015 Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Chapter 214, Local Government Code, establishes the following as the municipal codes of Texas: the International Building Code (IBC), the International Residential Code, and the National Electric Code. These guidelines are uniform sets of construction and design best practices written by the International Code Council. Current law also enables local governments to create a process for amending these building codes.

Changes to these guidelines can have significant economic impacts on businesses, builders, homebuyers, and those who lease commercial and residential space. Because these codes outline internationally respected standards, and amending them can impose additional costs and questionable benefits, it's important that political subdivisions justify their code alterations and provide ample opportunity for public input.

C.S.S.B. 1679 requires that the procedures adopted by local governments for amending the IBC incorporate a cost-benefit analysis of the change. The cost-benefit analysis must include the effect of the code alteration to local tax revenues, development expansion, and economic growth. A municipality must also provide a justification for any claims of protecting public health and safety. Under current law, municipalities with more than 100,000 people must post notice before amending a building code and hold a public hearing if more than five individuals express interest in doing so. C.S.S.B. 1679 applies those same requirements to all municipalities regardless of size. Additionally, the legislation would require a minimum of two public hearings.

Because building code changes can have significant economic impacts, they should be adopted in a deliberative fashion that allows for public comment by those who might be affected.

A cost-benefit analysis and public comment will allow local leaders to adopt thoughtful, workable building codes that balance government interests in health and safety with free market principles and a strong economy.

C.S.S.B. 1679 creates a cooperative relationship between local leaders, their business community, and residents by requiring them to work together on any proposed changes to building codes.

C.S.S.B. 1679 amends current law relating to procedures for a municipality to adopt or amend a national model building code.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends the heading to Section 214.217, Local Government Code, to read as follows:

Sec. 214.217. PROCEDURES FOR MODEL CODE ADOPTION OR AMENDMENT.

SECTION 2. Amends Section 214.217, Local Government Code, by amending Subsection (e) and adding Subsection (g), as follows:

(e) Requires the governing body of the municipality to hold two public hearings, rather than requires the governing body of the municipality, on the written request from five or more persons, to hold a public hearing, open to public comment on the proposed adoption of or amendment to a national model code under this section. Requires that the hearings, rather than the hearing, be held on or before the 14th day before the date the governing body adopts the ordinance that adopts or amends a national model code under this section.

(g) Requires the governing body of a municipality, before adopting or amending a national model code, to publish a cost-benefit analysis of the code or amendment that includes:

(1) estimations of the code's or amendment's:

(A) cost to the local economy;

(B) effect on tax revenue;

(C) effect on net growth in new development in the municipality; and

(D) additional cost per unit of development in each type of zoning use designated by the municipality; and

(2) for an amendment that addresses existing or potential harm to health and safety:

(A) scientific evidence supporting the probability or likelihood that the harm has occurred or will occur; and

(B) scientific evidence supporting the probability or likelihood that the amendment will prevent or address the harm.

SECTION 3. Repealer: Section 214.217(b) (providing that this section applies only to a municipality with a population of more than 100,000), Local Government Code.

SECTION 4. Effective date: September 1, 2015.