

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

April 14, 2019

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: John McGeady, Assistant Director Sarah Keyton, Assistant Director
Legislative Budget Board

IN RE: HB1385 by King, Tracy O. (Relating to the regulation of industrialized housing and buildings.), **As Engrossed**

<p>No significant fiscal implication to the State is anticipated.</p>
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The bill would amend Chapter 1202 of the Occupations Code, regarding industrialized housing and buildings, to remove the maximum height limit of four stories or 60 feet for a residential or commercial structure to be considered industrialized housing or an industrialized building. According to the Texas Department of Licensing and Regulation (TDLR), the changes made by the bill would result in increased business for industrialized housing and building manufacturers, as well as the number of manufacturers, which would result in an increase for TDLR in design package reviews and plant inspections. There would also be an increase in third-party inspections because of increased construction of industrialized housing and buildings, especially high-rises. The agency reports these changes in workload could be absorbed within existing resources.

The bill would take effect September 1, 2019.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 452 Department of Licensing and Regulation

LBB Staff: WP, DFR, CLo, SGr