**BILL ANALYSIS**

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| Senate Research Center | S.B. 2453 |
|  | By: Menéndez |
|  | Business & Commerce |
|  | 6/28/2023 |
|  | Enrolled |

**AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Government Code restricts governmental entities from prohibiting the use of building products that have been approved for use by a national model code with various exemptions.  Exemptions include restrictions to comply with state agency programs, insurance eligibility, historical landmarks, and dark-sky provisions.  This restriction has been interpreted to prevent the State Energy Conservation Office (SECO) from adopting the 2021 International Energy Conservation Code (IECC) and the Energy Chapter of the 2021 International Residential Code (IRC).  These new codes have been shown by the Energy Systems Laboratory to be 5-10 percent more efficient than current state code.  Allowing SECO to implement the new codes would ensure that new construction is more energy and cost efficient.

S.B. 2453 allows SECO to adopt the 2021 IECC and 2021 IRC Energy Chapter by adding the following exemptions to Section 3000.002(c) of the Government Code: an energy code as adopted by the State Energy Conservation Office, energy and water conservation design standard established by the State Energy Conservation Office, and a high-performance building standard approved by a board of regents.

S.B. 2453 amends current law relating to certain regulations adopted by governmental entities for the building products, materials, or methods used in the construction of residential or commercial buildings.

**RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the State Energy Conservation Office is modified in SECTION 2 (Section 388.003, Health and Safety Code) of this bill.

**SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 3000.002(c), Government Code, as follows;

(c) Provides that Section 3000.002 (Certain Regulations Regarding Building Products, Materials, or Methods Prohibited) does not apply to an energy code as adopted by the State Energy Conservation Office (office) under Section 388.003(a) (relating to providing that the energy efficiency chapter of the International Energy Conservation Code is adopted, to achieve energy conservation in single-family residential construction) or (b) (relating to providing that the energy efficiency chapter of the International Energy Conservation Code is adopted, to achieve energy conservation in all other residential, commercial, and industrial construction), Health and Safety Code; to an energy and water conservation design standard established by the office under Section 447.004 (Design Standards); and to a high-performance building standard approved by a board of regents under Section 55.115 (High-Performance, Sustainable Design, Construction, and Renovation Standards for Certain Facilities), Education Code.

SECTION 2. Amends Section 388.003, Health and Safety Code, by amending Subsections (a), (b), and (b-2) and adding Subsections (a-1) and (a-2), as follows:

(a) Provides that the office:

(1) is prohibited from amending or adopting an edition under this subsection more often than once every six years;

(2) makes a nonsubstantive change to this subdivision; and

(3) is authorized to amend an adopted edition.

(a-1) Requires the office, before amending or adopting an edition of the energy efficiency chapter of the International Residential Code under Subsection (a), to conduct an analysis that:

(1) measures the impact of the amendment or adoption on housing attainability in this state; and

(2) quantifies the incremental construction cost and energy use cost savings associated with construction to evaluate the cost-effectiveness of the proposed amendment or adoption.

(a-2) Requires that the analysis under Subsection (a-1)(2) calculate the payback period for any required products or minimum standards or requirements that are more stringent than the energy code in effect on the date immediately before the date the amendment or adoption would take effect.

(b) Provides that the office:

(1) makes a nonsubstantive change to this subdivision; and

(2) is authorized to amend an adopted edition.

(b-2) Requires the office by rule to establish a procedure for persons who have an interest in the amendment or adoption of energy codes under Subsection (a) or (b) to have an opportunity to comment on the codes under consideration.

SECTION 3. Effective date: September 1, 2023.