

BILL ANALYSIS

S.B. 783
By: Menéndez
State Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The bill sponsor has informed the committee that current statute prohibits a governmental entity from adopting or enforcing regulations that limit the use or installation of building products or materials in residential or commercial construction if those products are approved under a national model code published within the last three code cycles, or that impose standards more stringent than those in such model codes. The bill sponsor has also informed the committee that while this law was intended to preserve consumer and builder choice by restricting local government overreach, it also unintentionally prevents the State Energy Conservation Office (SECO) from adopting updated energy efficiency codes. The bill sponsor has further informed the committee that the 2021 International Energy Conservation Code and the energy efficiency chapter of the 2021 International Residential Code are 5 to 10 percent more efficient than current state codes and that allowing SECO to implement these new codes would ensure that new construction is more energy and cost efficient. S.B. 783 seeks to allow SECO to do so by exempting from the prohibition established under existing statute an energy code adopted by SECO and an energy and water conservation design standard established by SECO.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

S.B. 783 amends the Government Code to exempt the following from the prohibition against a governmental entity adopting or enforcing certain regulations regarding residential or commercial building products, materials, or methods:

- an energy code adopted by the State Energy Conservation Office (SECO);
- an energy and water conservation design standard established by SECO; and
- a high-performance building standard approved by the board of regents of an applicable public institution of higher education that is applicable to the construction of an institution building, structure, or other facility, or the renovation of a building, structure, or other facility the cost of which is more than \$2 million, or, if less than \$2 million, more than 50 percent of the value of the building, structure, or other facility, if any part of the construction or renovation is financed by revenue bonds.

S.B. 783 amends the Health and Safety Code to authorize SECO to amend an adopted edition of the energy efficiency chapter of the International Residential Code and to amend an adopted edition of the International Energy Conservation Code. The bill prohibits SECO from amending

an adopted edition of the energy efficiency chapter of the International Residential Code more often than once every six years. The bill makes the procedure established by SECO rule for persons who have an interest in the adoption of energy codes to have an opportunity to comment on the codes under consideration also applicable to the amendment of energy codes.

S.B. 783 requires SECO, before amending or adopting an edition of the energy efficiency chapter of the International Residential Code, to conduct an analysis that measures the impact of the amendment or adoption on housing attainability in Texas and quantifies the incremental construction cost and energy use cost savings associated with construction to evaluate the cost-effectiveness of the proposed amendment or adoption. The bill requires the analysis of the costs and savings to 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.

EFFECTIVE DATE

September 1, 2025.