

By: Harris , Hunter, Gates, Metcalf, et al.

H.B. No. 23

Substitute the following for H.B. No. 23:

By: Gates

C.S.H.B. No. 23

A BILL TO BE ENTITLED

AN ACT

relating to the authority of certain persons to obtain third-party review of plats and property development plans, permits, and similar documents, and the inspection of an improvement related to such a document.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 247.001(4), Local Government Code, as added by Chapter 654 (H.B. 14), Acts of the 88th Legislature, Regular Session, 2023, is amended to read as follows:

(4) "Plan" means a subdivision development plan, including a subdivision plan, subdivision construction plan, land development application, and site development plan ~~[has the meaning assigned by Section 212.001]~~.

SECTION 2. Section 247.002, Local Government Code, as added by Chapter 654 (H.B. 14), Acts of the 88th Legislature, Regular Session, 2023, is amended to read as follows:

Sec. 247.002. OPTION FOR THIRD-PARTY REVIEW OR INSPECTION ~~[REQUIRED]~~. (a) Notwithstanding any other law, an applicant for ~~[If a regulatory authority does not approve, conditionally approve, or disapprove a development document by the 15th day after the date prescribed by a provision of this code for the approval, conditional approval, or disapproval of the document,]~~ any required review of a development ~~[the]~~ document may obtain review of the document from ~~[be performed by]~~ a person:

(1) other than:

(A) the applicant; or

(B) a person whose work is the subject of the application; and

(2) who is:

(A) employed by the regulatory authority to review development documents;

(B) employed by another political subdivision to review development documents, if the regulatory authority has approved the person to review development documents; or

(C) an engineer licensed under Chapter 1001, Occupations Code.

(b) Notwithstanding any other law, an owner of land or an improvement to the land that requires a development ~~[If a regulatory authority does not conduct a required development inspection by the 15th day after the date prescribed by a provision of this code for conducting the inspection, the]~~ inspection may obtain the inspection from ~~[be conducted by]~~ a person:

(1) other than:

(A) the owner of the land or improvement to the land that is the subject of the inspection; or

(B) a person whose work is the subject of the inspection; and

(2) who is:

(A) certified to inspect buildings by the International Code Council;

(B) employed by the regulatory authority as a

1 building inspector;

2 (C) employed by another political subdivision as
3 a building inspector, if the regulatory authority has approved the
4 person to perform inspections; or

5 (D) an engineer licensed under Chapter 1001,
6 Occupations Code.

7 (c) Notwithstanding any other law, an applicant or owner of
8 land or an improvement to land who uses a person to conduct a review
9 or inspection under this section may rely on the determinations
10 made by the person, and any permits and approvals issued based on
11 those determinations are binding on the regulatory authority.

12 SECTION 3. Section 247.004, Local Government Code, as added
13 by Chapter 654 (H.B. 14), Acts of the 88th Legislature, Regular
14 Session, 2023, is amended by amending Subsection (a) and adding
15 Subsection (c) to read as follows:

16 (a) A person who reviews a development document or conducts
17 a development inspection under Section 247.002 shall:

18 (1) review the document, conduct the inspection, and
19 take all other related actions in accordance with all applicable
20 provisions of law as if the person is the regulatory authority; and

21 (2) not later than the 15th day after the date the
22 person completes the review or inspection, provide notice to the
23 regulatory authority of the results of the review or inspection.

24 (c) A person who reviews a development document or conducts
25 a development inspection under Section 247.002 shall maintain
26 commercially reasonable professional liability insurance with a
27 minimum annual limit of \$500,000 per occurrence and \$1 million in

the aggregate and that names the regulatory authority and the applicant as additional insureds. The person shall provide a certificate of the required insurance to the regulatory authority before the person may commence a review or inspection under Section 247.002.

SECTION 4. Chapter 247, Local Government Code, as added by Chapter 654 (H.B. 14), Acts of the 88th Legislature, Regular Session, 2023, is amended by adding Section 247.0043 to read as follows:

Sec. 247.0043. REGULATORY AUTHORITY LIABILITY. A regulatory authority is not liable for a review or inspection conducted by a person under Section 247.002.

SECTION 5. Chapter 247, Local Government Code, as added by Chapter 654 (H.B. 14), Acts of the 88th Legislature, Regular Session, 2023, is amended by adding Section 247.0047 to read as follows:

Sec. 247.0047. REQUIRED PROVISION OF NECESSARY INFORMATION; RELIANCE. (a) A regulatory authority shall:

(1) post on the regulatory authority's Internet website each law, rule, standard, fee schedule, and other document necessary for a person to review a development document or conduct a development inspection under Section 247.002; or

(2) provide an electronic copy of the information described by Subdivision (1) on request not later than the second business day after the date the request is made.

(b) A person who reviews a development document or conducts a development inspection under Section 247.002 may rely on the

1 accuracy and completeness of the information provided by a
2 regulatory authority under Subsection (a).

3 SECTION 6. Section 247.005, Local Government Code, as added
4 by Chapter 654 (H.B. 14), Acts of the 88th Legislature, Regular
5 Session, 2023, is amended to read as follows:

6 Sec. 247.005. WAIVER AND ADDITIONAL APPROVAL PROHIBITED. A
7 regulatory authority may not request or require an applicant to:

8 (1) waive:

9 (A) the applicant's right to obtain third-party
10 review under Section 247.002; or

11 (B) a deadline or other procedure under this
12 chapter; or

13 (2) obtain the regulatory authority's approval for a
14 development document or development inspection that a third-party
15 reviewer has approved.

16 SECTION 7. (a) Except as provided by Subsection (b) of this
17 section, Chapter 247, Local Government Code, as amended by this
18 Act, applies only to a development document or a request for a
19 development inspection, as those terms are defined by Section
20 247.001 of that chapter, that was not final on the effective date of
21 this Act. A development document or request for a development
22 inspection that was final before the effective date of this Act is
23 governed by the law applicable to the document or inspection
24 immediately before the effective date of this Act, and that law is
25 continued in effect for that purpose.

26 (b) Section 247.004(c), Local Government Code, as added by
27 this Act, applies only to the review of a development document or

1 development inspection, as those terms are defined by Section
2 [247.001](#), Local Government Code, that begins on or after September
3 1, 2025.

4 SECTION 8. This Act takes effect immediately if it receives
5 a vote of two-thirds of all the members elected to each house, as
6 provided by Section [39](#), Article III, Texas Constitution. If this
7 Act does not receive the vote necessary for immediate effect, this
8 Act takes effect September 1, 2025.