

1-1 By: King S.B. No. 1202
1-2 (In the Senate - Filed February 10, 2025;
1-3 February 28, 2025, read first time and referred to Committee on
1-4 Business & Commerce; March 26, 2025, reported adversely, with
1-5 favorable Committee Substitute by the following vote: Yeas 11,
1-6 Nays 0; March 26, 2025, sent to printer.)

1-7 COMMITTEE VOTE

| | Yea | Nay | Absent | PNV |
|------|------------|-----|--------|-----|
| 1-8 | | | | |
| 1-9 | Schwertner | X | | |
| 1-10 | King | X | | |
| 1-11 | Blanco | X | | |
| 1-12 | Campbell | X | | |
| 1-13 | Creighton | X | | |
| 1-14 | Johnson | X | | |
| 1-15 | Kolkhorst | X | | |
| 1-16 | Menéndez | X | | |
| 1-17 | Middleton | X | | |
| 1-18 | Nichols | X | | |
| 1-19 | Zaffirini | X | | |

1-20 COMMITTEE SUBSTITUTE FOR S.B. No. 1202 By: Nichols

1-21 A BILL TO BE ENTITLED
1-22 AN ACT

1-23 relating to third-party review of property development documents
1-24 and inspections of improvements related to those documents,
1-25 including home backup power installations.

1-26 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-27 SECTION 1. Chapter 247, Local Government Code, as added by
1-28 Chapter 654 (H.B. 14), Acts of the 88th Legislature, Regular
1-29 Session, 2023, is amended by adding Section 247.0025 to read as
1-30 follows:

1-31 Sec. 247.0025. THIRD-PARTY REVIEW OR INSPECTION FOR HOME
1-32 BACKUP POWER INSTALLATIONS. (a) In this section, "home backup
1-33 power installation" means an electric generating facility, an
1-34 energy storage facility, a standby system, and any associated
1-35 infrastructure and equipment intended to provide electrical power
1-36 to a one- or two-family dwelling, regardless of whether the
1-37 facility or system is capable of participating in a wholesale
1-38 electric market, that is connected at 600 volts or less.

1-39 (b) This section does not limit the authority of:

1-40 (1) an electric utility to implement the utility's
1-41 tariff; or

1-42 (2) an electric cooperative or a municipally owned
1-43 utility to enforce interconnection and service policies.

1-44 (c) Notwithstanding Section 247.002:

1-45 (1) a person authorized to review a development
1-46 document under Section 247.002(a) may review a development document
1-47 required by a regulatory authority to install a home backup power
1-48 installation without having to submit the document to the authority
1-49 for review; and

1-50 (2) a person authorized to conduct a development
1-51 inspection under Section 247.002(b) may conduct a development
1-52 inspection required by a regulatory authority to install a home
1-53 backup power installation without having to request the inspection
1-54 from the authority.

1-55 (d) A regulatory authority shall:

1-56 (1) post on the authority's Internet website each law,
1-57 rule, standard, fee schedule, and other document necessary for a
1-58 person to review a development document or conduct a development
1-59 inspection under this section; or

1-60 (2) provide on request an electronic copy of the

information described by Subdivision (1) not later than the second business day after the date the regulatory authority receives the request.

(e) A person who reviews a development document or conducts a development inspection under this section may:

(1) use software designed to automate the required review without that person performing additional manual review; and

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

(f) If a regulatory authority has not posted on the authority's Internet website or provided upon request information as required under Subsection (d), a person reviewing a development document or conducting a development inspection of a home backup power installation under this section may use:

(1) the applicable building code standards under Section 214.212 for a dwelling located in a municipality; or

(2) the applicable building code standards under Section 233.153 for a dwelling located in the unincorporated area of a county.

(g) A regulatory authority that has not posted or provided a fee schedule as required by Subsection (d) may not charge a fee for issuance of an approval, permit, or certification for a home backup power installation under this section.

(h) A regulatory authority shall issue each approval, permit, or certification applicable to a review of a development document or development inspection conducted under this section not later than the second business day after the date the authority receives the notice prescribed by Section 247.004(a) that approves the document or inspection.

(i) A person may begin construction of a home backup power installation on submission of the notice prescribed by Section 247.004(a) that approves the development document.

SECTION 2. Section 247.003, 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. 247.003. ADDITIONAL FEE PROHIBITED. A regulatory authority may not impose a fee related to the review of a development document or the inspection of an improvement conducted under this chapter [Section 247.002].

SECTION 3. Section 247.004, 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. 247.004. THIRD-PARTY REQUIREMENTS. (a) A person who reviews a development document or conducts a development inspection under this chapter [Section 247.002] shall:

(1) review the document, conduct the inspection, and take all other related actions in accordance with all applicable provisions of law; and

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

(b) A regulatory authority may prescribe a reasonable format for the notice required under Subsection (a). If the regulatory authority has not prescribed a format, a person who reviews a development document or conducts a development inspection under this chapter may provide notice by e-mail to the e-mail address of the regulatory authority.

(c) The format prescribed by a regulatory authority under Subsection (b) may not limit a person who reviews a development document or conducts a development inspection under this chapter from using software designed to automate the review or approval process without that person performing additional manual review.

SECTION 4. This Act takes effect September 1, 2025.

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