

BILL ANALYSIS

Senate Research Center
88R20999 AMF-F

C.S.S.B. 560
By: Springer
Local Government
5/15/2023
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Housing demand across the state has led to an increase in permit applications with municipalities. In many cases, cities process these applications in a few weeks. However, in numerous instances, it may take several months. Such lengthy and unnecessary delays cost homeowners thousands of dollars due to carried interest on construction loans, rising material costs, and prolongment of temporary habitation.

Under current law, municipalities can prolong permit approval for no reason. The current law allows 45 days from submission for the municipality to approve the permit application but does not prevent a municipality from leaving permits in pending limbo. Current law allows a municipality to reach a written agreement with applicants for a deadline, but there is little to no enforcement of extended delays past these deadlines.

The bill will amend the Local Government Code by more clearly stating in law that a municipality must approve or deny a building permit application within 45 days. The bill also provides for a refund of any associated fees if the city fails to approve the building permit within 45 days.

(Original Author's/Sponsor's Statement of Intent)

C.S.S.B. 560 amends current law relating to the time for processing a municipal building permit application.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 214.904, Local Government Code, by amending Subsections (b) and (d) and adding Subsections (e) and (f), as follows:

(b) Requires the municipality, not later than the 45th date after the date an application for a permit is submitted, to:

(1) makes no changes to this subdivision;

(2) provide written notice to the applicant stating the reasons why the municipality has been unable to grant or deny the permit application in the time required by this subsection; or

(3) for a commercial building permit only, reach a written agreement with the applicant providing for a deadline for granting or denying the permit.

(d) Requires a municipality to take certain actions if the municipality fails to comply with this section, rather than if the municipality fails to grant or deny a permit application in time required by Subsection (e) or by an agreement under Subsection (b)(3).

(e) Prohibits a municipality from denying a permit solely because the municipality is unable to comply with this section or requiring an applicant to waive the requirements of this section.

(f) Defines "commercial."

SECTION 2. Makes application of Section 214.904, Local Government Code, as amended by this Act, prospective.

SECTION 3. Effective date: September 1, 2023.