

## **BILL ANALYSIS**

Senate Research Center  
82R7944 JAM-F

S.B. 892  
By: Carona  
Business & Commerce  
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As Filed

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

Industrialized housing and buildings are defined as buildings that are constructed in one or more modules. The Department of Licensing and Regulation (TDLR) is the umbrella agency for the Texas Industrialized Building Code Council (TIBCC), which is a twelve member council consisting of engineers and architects. Texas statute requires TIBCC or third party agencies, known as design review agencies (DRA), to place a stamp of approval on each page of a design, plan, and specification of modular units to prove that they meet or exceed code standards. This process is dated and does not utilize advancements in technology.

S.B. 892 would allow TIBCC to conduct a study to evaluate the current method of approving plans and evaluate an alternative method in the design, plan, and specification process for industrialized housing and buildings. The goal of the study would be to determine, then implement by rule, a more efficient and cost-effective process of approval while maintaining all current building code and design requirements, ensuring consumer safety.

As proposed, S.B. 892 amends current law relating to the approval of designs, plans, and specifications of industrialized housing and buildings.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Texas Commission of Licensing and Regulation in SECTION 1 (Section 1202.155, Occupations Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 1202.155, Occupations Code, by adding Subsection (c), to authorize the Texas Commission of Licensing and Regulation (TCLR) by rule, notwithstanding Subsections (a) (relating to the Texas Industrialized Building Code Council's (TIBCC) stamp of approval) and (b) (relating to specifications to be met for the stamp of approval), to adopt another method of indicating that the designs, plans, and specifications of industrialized housing and buildings satisfy the requirements of Subsection (a)(1) and are approved in accordance with Subsection (a)(2) if the study conducted under Section 1202.1551 recommends the method.

SECTION 2. Amends Subchapter D, Chapter 1202, Occupations Code, by adding Section 1202.1551, as follows:

Sec. 1202.1551. STUDY CONCERNING APPROVAL OF DESIGNS, PLANS, AND SPECIFICATIONS. (a) Requires TIBCC to conduct a study to:

- (1) evaluate the current method of indicating approval of designs, plans, and specifications of industrialized housing and buildings under Sections 1202.155(a) and (b); and
- (2) identify and evaluate methods of indicating approval of designs, plans, and specifications of industrialized housing and buildings that are alternatives to the method described by Subdivision (1).

(b) Authorizes that the study recommend for adoption by TCLR an alternative method identified under Subsection (a)(2) if TIBCC determines that the method would ensure that the designs, plans, and specifications of industrialized housing and buildings meet or exceed the code standards and requirements under TIBCC interpretations and instructions; and are approved by the Texas Department of Licensing and Regulations (TDLR) or an approved design review agency; and be more efficient and cost-effective for TDLR or approved design review agencies.

(c) Provides that this section expires September 1, 2014.

SECTION 3. Amends Section 1202.252(a), Occupations Code, to authorize a municipality that regulates the on-site construction or installation of industrialized housing and buildings to take certain actions, including to require and review, for compliance with mandatory building codes, a complete set of designs, plans, and specifications approved by TIBCC, rather than bearing the council's stamp of approval, for each installation of industrialized housing or buildings in the municipality.

SECTION 4. Requires TIBCC, not later than September 1, 2012, to complete the study required by Section 1202.1551, Occupations Code, as added by this Act.

SECTION 5. Effective date: September 1, 2011.