

BILL ANALYSIS

C.S.H.B. 3506
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Urban Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties assert that some political subdivisions in Texas require builders and contractors to obtain an occupational license or other form of certification from the political subdivision as a condition of obtaining a building permit or other authorization to construct or remodel a commercial structure. The purpose of C.S.H.B. 3506 is to remove barriers for builders or contractors who wish to bid on such construction jobs by prohibiting this practice.

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

C.S.H.B. 3506 amends the Local Government Code to prohibit a political subdivision from adopting or enforcing an ordinance, order, or other measure that requires a builder or contractor to obtain an occupational license or other form of certification from the political subdivision as a condition of obtaining a building permit or other authorization to construct or remodel a commercial structure.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2017.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3506 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the bill.

INTRODUCED

No equivalent provision.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. The heading to Chapter 250, Local Government Code, is amended to read as follows:

CHAPTER 250. MISCELLANEOUS REGULATORY AUTHORITY OF MORE

THAN ONE TYPE OF LOCAL GOVERNMENT [MUNICIPALITIES AND COUNTIES]

SECTION 1. Subchapter G, Chapter 214, Local Government Code, is amended by adding Section 214.221 to read as follows:

SECTION 214.221. PROHIBITION TO REQUIRE A LOCAL LICENSE FOR CONSTRUCTION OR REMODEL OF A COMMERCIAL OR RESIDENTIAL STRUCTURE. (a)

A local governmental entity may not require a builder or contractor to obtain a local license through ordinance for the construction or remodel of a commercial or residential structure.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2017.

SECTION 2. Chapter 250, Local Government Code, is amended by adding Section 250.008 to read as follows:

Sec. 250.008. LIMITATION ON AUTHORITY TO REGULATE CERTAIN BUILDERS OR CONTRACTORS.

A political subdivision may not adopt or enforce an ordinance, order, or other measure that requires a builder or contractor to obtain an occupational license or other form of certification from the political subdivision as a condition of obtaining a building permit or other authorization to construct or remodel a commercial structure.

SECTION 3. Same as introduced version.