

BILL ANALYSIS: SB 1450

BY **Judge Shepard**, Texas Public Policy Foundation
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ISSUE

The passing of HB 14 (2023) in the 88th Texas Legislature has led to reduced wait times for construction permits. For example, a November 2024 memorandum from the City of Dallas stated, “the October 2024 median issuance time for New Construction Commercial Permits dropped to 112 days, the lowest median time of 2024 and one of the lowest since 2021” ([Letter from Robin Bentley, 2024](#)). It is on the success of HB 14 that in the 89th Texas Legislature, Senate Bill 1450 (2025) has been filed to ensure that the legislative intent of the previous session is fully expressed.

Per the National Association of Home Builders (NAHB), in 2023, Texas was “the state with the highest number of single-family permits issued,” as well as “the state with the highest number of multifamily permits issued” ([NAHB, 2025](#)). Similarly, data from the NAHB shows that the number of single-family permits issued by Texas to be 149,860 and 82,513 for multifamily permits for 2023 ([NAHB, 2025](#)). “Every hitch and delay in the development process, from reviews to supply chain to available labor to financing to inspections, adds to the final cost of housing” ([HB 14 Bill Analysis, 2023](#)). SB 1450 (2025) seeks to increase the number of permits issued by expediting this process. Faster permitting leads to faster building, which ultimately brings costs down. Lowering costs will allow more Texans to achieve the American dream of home ownership.

SECTION-BY-SECTION ANALYSIS

Section 1 of the bill begins by amending Section 247.002(a) of the Texas Local Government Code (the “shot clock” provision), stating that if a “regulatory authority does not approve, conditionally approve, or disapprove a development permit, including a development permit, by the 15th day after the date prescribed by a provision of this code.” Essentially, this section adds development permits to the list of documents in which third-party review may be sought. It also amends Section 247.002(b)(2) of the Texas Local Government Code by removing the provision “to inspect buildings” with the intent that any professional that is certified by the International Code Council (ICC) may offer third-party review services in relation to their respective ICC certification. Finally, it adds a new subsection that states that liability will not fall on to political subdivisions for a review or inspection that is performed by a third party.

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Section 2 of the bill states that the amendments made in Section 1 of the bill are “intended to clarify rather than change existing law.”

Section 3 of the bill states that the bill takes effect immediately if it receives a two-thirds vote from all the members of each house. If that two-thirds vote is not secured, then the effective date of this bill is September 1, 2025.

RECOMMENDATION

- Removing the shot clock provision would allow for third-party review at all stages of the permitting process. This would foster economic growth by allowing builders to skip the 15 days and go straight to the private sector, in turn creating new jobs and lowering costs associated with building.

REFERENCES

HB 14 Bill Analysis. 88th Texas Legislature. Regular. (2023, May). <https://capitol.texas.gov/tlodocs/88R/analysis/pdf/HB00014H.pdf#navpanes=0>

Letter from Robin Bentley to the City of Dallas Mayor and members of the City Council [Memorandum]. (2024, November 1). https://mcusercontent.com/28714f1c5787e91d0431fb89a/files/e3909604-3624-72aa-f567-12a18b3bf968/Commercial_Permitting_Process_Improvement_Project_Launch.01.pdf

National Association of Home Builders. (n.d.). *Building permits by state and metro area*. Retrieved March 12, 2025, from <https://www.nahb.org/news-and-economics/housing-economics/state-and-local-data/building-permits-by-state-and-metro-area>

SB 1450. Filed. 89th Texas Legislature. Regular. (2025). <https://capitol.texas.gov/tlodocs/89R/billtext/pdf/SB01450I.pdf#navpanes=0>

