

AN ACT

relating to the regulation of new HUD-code manufactured housing.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 1201.008, Occupations Code, is amended by amending Subsections (b) and (d) and adding Subsections (d-1), (g), and (h) to read as follows:

(b) Subject to Subsection (g), on [On] application, the municipality shall permit the installation of a HUD-code manufactured home for use as a dwelling in any area determined appropriate by the municipality, including a subdivision, planned unit development, single lot, and rental community or park. An application to install a new HUD-code manufactured home for use as a dwelling is considered to be granted unless the municipality in writing denies the application and states the reason for the denial not later than the 45th day after the date the application is received.

(d) Except as approved by the department and subject to Subsection (d-1), a local governmental unit may not require a permit, a fee, a bond, or insurance for the transportation and installation of manufactured housing by a licensed retailer or installer. This subsection does not prohibit the collection of actual costs incurred by a local governmental unit that result from the transportation of a manufactured home.

(d-1) A municipality may not require a specific use permit or other permit that serves a similar purpose to a specific use permit for a new HUD-code manufactured home if:

(1) the home has been constructed in accordance with federal law and this chapter; and

(2) the municipality does not require a specific use permit for other residential property in the same zoning classification.

(g) Except as provided by Subsection (h), a municipality with zoning regulations or zoning district boundaries:

(1) shall permit the installation, by right, of a new HUD-code manufactured home for use as a dwelling within the municipality's boundaries under at least one:

(A) residential zoning classification;

(B) type of residential zoning district; or

(C) dedicated zoning classification for residential HUD-code manufactured homes;

(2) shall ensure at least one of the residential zoning classifications or districts described by Subdivision (1) has been adopted and applies to an area of land within the municipality's boundaries; and

(3) if the municipality has a comprehensive zoning classification map, shall indicate on the map the areas within the municipality's boundaries that comply with Subdivision (2).

(h) Subsection (g) does not:

(1) limit the authority of a municipality to adopt or enforce an ordinance, rule, or other measure to protect historic landmarks or include properties within the boundaries of a local historic district;

(2) affect deed restrictions established before January 2, 2025; or

(3) apply to a municipality:

(A) in which all areas zoned for residential use have deed restrictions on September 1, 2025, prohibiting the placement of manufactured homes; or

(B) that does not have any areas or districts zoned for business or industrial use.

SECTION 2. This Act takes effect September 1, 2026.

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 785 passed the Senate on April 10, 2025, by the following vote: Yeas 28, Nays 2; and that the Senate concurred in House amendment on May 30, 2025, by the following vote: Yeas 30, Nays 1.

Secretary of the Senate

I hereby certify that S.B. No. 785 passed the House, with amendment, on May 27, 2025, by the following vote: Yeas 96, Nays 41, two present not voting.

Chief Clerk of the House

Approved:

Date

Governor