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New Local Laws Promote Housing Safety, Affordability & Diversity

By: Client SMEs

Effective September 1, 2019, Texas lawmakers passed a law that prohibits local municipalities from mandating the type of building materials used in new construction, maintenance and renovation projects. Specifically, House Bill 2439 prevents local governments from excluding building materials otherwise approved for use in national codes.

At its core, the new law empowers the market—rather than a governmental body—to decide which building materials are most appropriate to promote housing safety, affordability and freedom of choice. Beyond its impact on homeowners, HB 2439 opens the door to new business opportunities for remodelers who were previously limited.

Creating Waves Nationwide

This conversation isn't just restricted to Texas. Similar laws have passed nationwide, including recently in Arkansas and North Carolina, and one is currently underway in Tennessee. Remodelers are finding customers are often times frustrated by the local government dictating the building materials they can and cannot use on their own homes. Additionally, many municipalities enact ordinances on the premise of creating a specific aesthetic (or "brand") for their city. In the quest to capture greater property tax collections, the trickling long-term effect can make housing less attainable by forcing remodelers (and thus homeowners) to use more expensive products in the design and construction of homes. These decisions are often based on subjective aesthetics rather than objective safety and affordability measures.

Instilling Code Confidence

National codes exist for a reason. Developed and tested by unbiased third-party experts in independent laboratories, these codes ensure health, safety and welfare objectives are met through the use of high-quality products, applications and assemblies. With respect to national code, HB 2439 mandates the inclusion of all building products permitted under the previous three cycles. Exceptions to the law include homes located in historic districts and subdivisions with HOAs. However, as long as safety

standards are met, remodelers and homeowners should have the freedom to choose the materials that best align with their individual design and price preferences.

Promoting Affordability

Local ordinances that cite the exclusive use of specific (and oftentimes more expensive or non-additive) building materials can disproportionately impact groups with lower incomes, including working families and retirees. This happens by not only forcing homeowners to use more costly products, but pricing them out of the community. Unfortunately, this outcome is often the ultimate purpose as affluent residents have a greater ability to pay higher property taxes. As these ordinances shape the outward appearance of a community, existing residents have been known to pressure city officials because they fear lifting restrictions could spark a change in area demographics—and with it a decline in housing values.

Remodelers operating in areas with material overlays can endure meaningful financial impact. Overall profitability can be compromised as the number of products and services offered are restricted. As the geographical area in which they do business gets smaller and the number of companies vying for the same projects becomes greater, it can create a business environment with more stress and less margin.

A loss of affordable housing also affects remodelers as their labor force may no longer be able to live in the same community where they work. With the shrinking labor market, it is a continuous challenge to attract and retain skilled, motivated workers. A longer commute paired with other challenges could change the composition of existing work crews.

Addressing Aesthetics

While city officials use masonry material overlays to promote a specific “brand aesthetic,” the opposite often emerges: a homogeneous community that becomes a bit monotonous. With no variety or differentiation, homes can easily lose their aesthetic identification.

Homes are an expression of the homeowners who live inside brought to life by the builder or remodeler. City officials who assign a home aesthetic and construction materials are at odds with homeowners who have a vision to live in a diverse neighborhood comprised of older and newer homes, accentuated with a variety of architectural styles. Another challenge is forcing remodelers into the strict use of relatively generic products, which prevents customization and uniqueness.

While advocating for HB 2439, some of the most compelling stories were of homeowners currently living in homes with products restricted by overlays who were speaking out for quality, affordable housing. After all, it is their home and it should be their decision so long as safety standards are aligned with code requirements.

Impacting the Future of Local Ordinances

Thanks to the recent passing of HB 2439 and similar conversations happenings nationwide, both remodelers and homeowners have the opportunity to take housing affordability and diversity into their own hands—all the while keeping codes front and center. As long as national codes are met, freedom of choice will organically cultivate affordable and aesthetically diverse communities.

If your community has enacted or is considering a materials-restrictive policy, contact your [National Association Remodeling Industry](#) or [Home Builders Association](#) for free educational opportunities and grassroots activities.