State of Tennessee

PUBLIC CHAPTER NO. 465

SENATE BILL NO. 1313

By Johnson, Jackson, Stevens, Taylor

Substituted for: House Bill No. 1326

By Lamberth, Cochran, Vaughan, Todd

AN ACT to amend Tennessee Code Annotated, Title 13, relative to planning.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 13-3-413(b), is amended by deleting the subsection and substituting instead:

(b)(1) A vested property right is established, with respect to any property, upon the submission to the local government in which the property is situated of:

(A) A preliminary development plan;

(B) A final development plan where no preliminary development plan is required by ordinance or regulation; or

(C) A building permit allowing construction of a building where there is no requirement for prior approval of a preliminary development plan for the property on which that building will be constructed.

(2) Notwithstanding subdivision (b)(1), a vested property right is not established unless the plan or building permit substantially complies with the requirements of local development ordinances and regulations pursuant to subsection (e).

(3) During the vesting period described in subsections (c) and (d), the locally adopted development standards that are in effect on the date of submission of a preliminary development plan or the date of approval of a building permit, as described by this subsection (b), shall remain the development standards applicable to that property or building during the vesting period.

SECTION 2. Tennessee Code Annotated, Section 13-3-413(c), is amended by deleting the subsection and substituting instead:

(c) The vesting period applicable to a submitted application for a building permit for a preliminary development plan or a final development plan where no preliminary development plan is required by ordinance or regulation is a period of three (3) years, beginning on the date of submission of the plan to the local government pursuant to subsection (b). Unless an extension is granted by the local government, the vesting period applicable to an approved construction project for which a building permit has been issued begins on the date of issuance of the building permit by the local government and remains in effect for the time period authorized by the approved building permit, including any approved renewal obtained by the applicant prior to the expiration or termination of the permit to be renewed; provided, that the applicant pursues site preparation with reasonable diligence, if such preparation is necessary, and construction.

SECTION 3. Tennessee Code Annotated, Section 13-3-413(d)(1), is amended by deleting the language "the local government's approval" and substituting "submission".

SECTION 4. Tennessee Code Annotated, Section 13-3-413(d)(2), is amended by deleting the language "approval" and substituting "submission".

SECTION 5. Tennessee Code Annotated, Section 13-3-413(d)(3), is amended by deleting the language "approval" wherever it appears and substituting "submission".

SECTION 6. Tennessee Code Annotated, Section 13-3-413(e), is amended by deleting the last two sentences of the subsection and substituting instead:

Any such ordinance or resolution shall also specify what constitutes substantial compliance with the requirements of local development ordinances and regulations for the submission of a development plan within its jurisdiction. If a local government has not adopted an ordinance or resolution pursuant to this section specifying substantial compliance that would trigger a vested property right, then rights shall vest upon the submission of any plan, plat, drawing, or sketch, however denominated, that is substantially similar to any plan, plat, drawing, or sketch described in subdivision (k)(5) or (k)(6).

SECTION 7. Tennessee Code Annotated, Section 13-3-413(f)(1), is amended by deleting "approval" and substituting "submission".

SECTION 8. Tennessee Code Annotated, Section 13-4-310(b), is amended by deleting the section and substituting instead:

(b)(1) A vested property right is established, with respect to any property, upon the submission to the local government in which the property is situated of:

(A) A preliminary development plan;

(B) A final development plan where no preliminary development plan is required by ordinance or regulation; or

(C) A building permit allowing construction of a building where there is no requirement for prior approval of a preliminary development plan for the property on which that building will be constructed.

(2) Notwithstanding subdivision (b)(1), a vested property right is not established unless the plan or building permit substantially complies with the requirements of local development ordinances and regulations pursuant to subsection (e).

(3) During the vesting period described in subsections (c) and (d), the locally adopted development standards that are in effect on the date of submission of a preliminary development plan or the date of approval of a building permit, as described by this subsection (b), shall remain the development standards applicable to that property or building during the vesting period.

SECTION 9. Tennessee Code Annotated, Section 13-4-310(c), is amended by deleting the subsection and substituting instead:

(c) The vesting period applicable to a submitted application for a building permit for a preliminary development plan or a final development plan where no preliminary development plan is required by ordinance or regulation is a period of three (3) years, beginning on the date of submission of the plan to the local government pursuant to subsection (b). Unless an extension is granted by the local government, the vesting period applicable to an approved construction project for which a building permit has been issued begins on the date of issuance of the building permit by the local government and remains in effect for the time period authorized by the approved building permit, including any approved renewal obtained by the applicant prior to the expiration or termination of the permit to be renewed; provided, that the applicant pursues site preparation with reasonable diligence, if such preparation is necessary, and construction.

SECTION 10. Tennessee Code Annotated, Section 13-4-310(d)(1), is amended by deleting the language "the local government's approval" and substituting "submission".

SECTION 11. Tennessee Code Annotated, Section 13-4-310(d)(2), is amended by deleting the language "approval" and substituting "submission".

SECTION 12. Tennessee Code Annotated, Section 13-4-310(d)(3), is amended by deleting the language "approval" wherever it appears and substituting "submission".

SECTION 13. Tennessee Code Annotated, Section 13-4-310(e), is amended by deleting the last two sentences of the subsection and substituting instead:

Any such ordinance or resolution shall also specify what constitutes substantial compliance with the requirements of local development ordinances and regulations for the submission of a development plan within its jurisdiction. If a local government has not adopted an ordinance or resolution pursuant to this section specifying substantial compliance that would trigger a vested property right, then rights shall vest upon the submission of any plan, plat, drawing, or sketch, however denominated, that is substantially similar to any plan, plat, drawing, or sketch described in subdivision (k)(5) or (k)(6).

SECTION 14. Tennessee Code Annotated, Section 13-4-310(f)(1), is amended by deleting "approval" and substituting "submission".

SECTION 15. Tennessee Code Annotated, Section 13-7-109, is amended by deleting subdivision (2).

SECTION 16. Tennessee Code Annotated, Section 13-7-109, is amended by designating the existing language as subsection (a) and adding the following as a new subsection (b):

(1) A local government may, by ordinance, delegate initial jurisdiction over specified special exceptions, for interpretation of the map, or for decisions upon other special questions upon which the board of appeals is authorized by such ordinance to pass, to the local building commissioner or other administrative official.

(2) For matters delegated pursuant to subdivision (b)(1):

(A) The board's jurisdiction is appellate only;

(B) The local building official or other administrative official shall make the initial ruling based on the criteria set forth in the ordinance; and

(C) The delegation ordinance must specify which special exceptions have been delegated to the local building commissioner or other administrative official.

(3) The ordinance must include specific and objective standards by which special exceptions are evaluated.

(4) A request for a special exception must not be denied on the basis of health, safety, or general welfare, unless those bases are defined in the ordinance.

(5) For any request for a special exception, or request for interpretation of the map, the local building commissioner or other administrative official to whom jurisdiction has been delegated must render a decision within one hundred twenty (120) days of submission of a complete application, and the board must render a decision within one hundred twenty (120) days of the filing of an appeal. An applicant may consent to an extension or waive these deadlines. An application is deemed to be approved if the local building commissioner, other administrative official, or board fails to approve, deny, or extend with consent the application within the required time period.

SECTION 17. Tennessee Code Annotated, Section 13-7-207, is amended by deleting subdivision (2).

SECTION 18. Tennessee Code Annotated, Section 13-7-207, is amended by adding the following as a new subsection (b):

(b)(1) A local government may, by ordinance, delegate initial jurisdiction over specified special exceptions, for interpretation of the map, or for decisions upon other special questions upon which the board of appeals is authorized by such ordinance to pass, to the local building commissioner or other administrative official.

(2) For matters delegated pursuant to subdivision (b)(1):

(A) The board's jurisdiction is appellate only;

(B) The local building official or other administrative official shall make the initial ruling based on the criteria set forth in the ordinance; and

(C) The delegation ordinance must specify which special exceptions have been delegated to the local building commissioner or other administrative official.

(3) The ordinance must include specific and objective standards by which special exceptions are evaluated.

(4) A request for a special exception must not be denied on the basis of health, safety, or general welfare, unless those bases are defined in the ordinance.

(5) For any request for a special exception, or request for interpretation of the map, the local building commissioner or other administrative official to whom jurisdiction has been delegated must render a decision within one hundred twenty (120) days of submission of a complete application, and the board must render a decision within one hundred twenty (120) days of the filing of an appeal. An applicant may consent to an extension or waive these deadlines. An application is deemed to be approved if the local building commissioner, other administrative official, or board fails to approve, deny, or extend with consent the application within the required time period.

SECTION 19. This act takes effect on July 1, 2025, the public welfare requiring it.

SENATE BILL NO. 1313

PASSED: April 21, 2025

RANDY McNALLY
SPEAKER OF THE SENATE

CAMERON SEXTON, *SPEAKER*
HOUSE OF REPRESENTATIVES

APPROVED this 9th **day of** May **2025**

BILL LEE, *GOVERNOR*