

PUBLIC SUMMARY

Independent Dillon's Rule Compliance Audit — City of Chandler, Texas

Native Chaos Holdings | Independent Transparency Initiative

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Executive Summary (For Immediate Release)

Native Chaos Holdings has completed a comprehensive, multi-pass Dillon's Rule compliance audit of the City of Chandler, Texas Code of Ordinances (Chapters 1–14, Exhibits 10A and 14A, and the 2025 New Laws Queue).

Chandler is a **Type A general-law municipality**. Under Dillon's Rule, it possesses only those powers expressly granted by the Texas Legislature, those necessarily implied from an express grant, and those essential to the city's declared purposes. Any doubt is resolved against the municipality.

The audit identified **130 actionable findings** (Verified Findings Edition): - **14 CRITICAL** (immediate legal exposure — ultra vires acts, direct statutory conflicts, preemption, constitutional risks) - **32 HIGH** - **43 MEDIUM** - **41 LOW** (primarily citation modernization)

The 14 CRITICAL Findings (Harmonized Final List)

1. Building Code frozen at the 2009 edition, five cycles out of date (§3.03.031).
2. Residential Code frozen at the 2009 edition (§3.03.091).
3. Electrical Code frozen at the 1997 National Electrical Code, ~29 years stale (§3.03.291).
4. Plumbing, Mechanical, and Fuel Gas Codes frozen at the same stale 2009 cycle (§3.03.411/.471/.521).
5. Complete absence of adopted International Energy Conservation Code despite Health & Safety Code §388.003 statewide mandate.
6. Constitutional infirmity in junk-dealer recordkeeping requiring race, sex, and nationality data (§4.03.035).
7. Ultra vires municipal oil production tax (§4.07.028) — no statutory authority; Tax Code Ch. 201–202 is state-occupied.
8. Preempted subsurface oil/gas well-construction standards (§4.07.011–.018) under Natural Resources Code §81.0523.
9. Conflicting municipal court judge provisions (§7.02.001 vs. §7.02.004) under Government Code §29.004.
10. Unlawful \$2,000 Class C misdemeanor penalty cap, sex-offender residency provision (§8.05.006) — exceeds LGC §54.001.

11. Parkland dedication exaction lacking individualized nexus and rough proportionality (Exhibit 10A §6.1) — takings exposure (*Nollan/Dolan*).
12. 10% unrestricted diversion of Hotel Occupancy Tax revenue to the general fund (§11.04.007) — direct conflict with Tax Code §351.101.
13. Unlawful \$2,000 Class C misdemeanor penalty cap, traffic/parking provision (§12.04.052) — exceeds LGC §54.001.
14. Drought Contingency Plan notification requirement 7.5 years overdue, active violation of 30 TAC §288.20(c) (§13.04.009).

Two prior “critical” items — pipeline permitting beyond the right-of-way safe harbor (§4.08) and the municipal court technology fee (§7.05.003) — were reclassified HIGH in the Verified Findings Edition. A third, fireworks seizure without a packaged/unopened carve-out (§5.04.005), was omitted as unverifiable (asserted only in a summary table with no supporting narrative in the source).

Agency Pre-Release Process

Between July 10–11, 2026, Native Chaos Holdings transmitted formal courtesy packets to: - Railroad Commission of Texas - Texas Commission on Environmental Quality (TCEQ) - Office of the Attorney General of Texas - Texas Department of Transportation (TxDOT) - Texas State Fire Marshal's Office (TDI) - Texas Department of State Health Services (DSHS — Zoonosis) - Texas Office of Court Administration (OCA) - U.S. EPA Region 6 - Federal Communications Commission (FCC) - FEMA Region VI - HUD Region VI - Texas Comptroller of Public Accounts - Texas Department of Licensing and Regulation (TDLR) - Texas Department of Housing and Community Affairs (TDHCA) - State Energy Conservation Office

Each agency received 30 days for technical review before public release. All feedback received will be published with the full package.

Call to Action for Citizens

- Review the full report and Citizen Scorecard (available at the project folder / public release site).
- Contact your Mayor and City Council and demand a public remediation timeline for the 14 CRITICAL findings.
- Use the Model Taxpayer Demand Letter to request cessation of enforcement and accounting for any collections under void provisions.
- File Open Records requests for City communications regarding the audit and any remediation efforts.

Important Disclaimer

Native Chaos Holdings is an independent research and transparency initiative. This work is not affiliated with, sponsored by, or authorized by the City of Chandler, its City Council, City Manager, or any City official. The findings are based solely on publicly available ordinance text and current Texas and federal law as of July 10, 2026.

Full package available August 9, 2026.

Native Chaos Holdings — Rule of Law. Taxpayer Accountability. Transparency.

End of Public Summary