

PRESS RELEASE / MEDIA ADVISORY

FOR IMMEDIATE RELEASE – August 9, 2026

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INDEPENDENT AUDIT FINDS 130 NON-COMPLIANCE ISSUES IN CHANDLER, TEXAS CITY CODE – 14 CRITICAL UNDER DILLON’S RULE

Chandler, Texas – August 9, 2026 – Native Chaos Holdings, an independent transparency initiative, today publicly released a comprehensive Dillon’s Rule compliance audit of the City of Chandler, Texas Code of Ordinances.

The audit, completed after multi-pass verification and 30-day pre-release courtesy review by 11 state and federal agencies, identified **130 actionable findings** (Verified Findings Edition), of which **14 are CRITICAL**.

Key Critical Findings Include: - An ultra vires municipal oil production tax with zero statutory authority - Subsurface oil and gas well-construction standards preempted by the Railroad Commission of Texas under Natural Resources Code 81.0523 - Building, electrical, and related codes frozen at 2009/1997 editions, plus complete absence of a required energy code (Health & Safety Code 388.003) - Illegal diversion of 10% of Hotel Occupancy Tax revenue to the unrestricted general fund (Tax Code 351.101) - Multiple \$2,000 Class C misdemeanor penalty caps that exceed the statutory \$500 limit - Conflicting municipal court judge provisions, a parkland exaction lacking constitutional nexus and rough proportionality, and a drought contingency plan update 7.5 years overdue

Between July 10-11, 2026, Native Chaos Holdings transmitted formal courtesy packets to the Railroad Commission of Texas, TCEQ, Office of the Attorney General, TxDOT, State Fire Marshal’s Office, DSHS, Office of Court Administration, EPA Region 6, FCC, FEMA Region VI, HUD Region VI, Texas Comptroller, TDLR, TDHCA, and State Energy Conservation Office. Each agency was given 30 days for technical review. The full package, including all agency letters, the master Non-Compliance Report, prioritized remediation plan, Citizen Scorecard, and supporting documents, is released today.

“General-law cities are strictly limited by Dillon’s Rule,” said Eli Logan of Native Chaos Holdings. **“These findings are not political. They are about the rule of law, taxpayer protection, and ensuring that local ordinances stay within the authority the Legislature has actually granted. We gave every relevant regulator and the City itself 30 days. Now the public can see the complete record.”**

The City of Chandler has been invited to review the findings and implement a transparent remediation timeline. Native Chaos Holdings remains available for briefings and will continue to monitor compliance.

Full package available at: <https://chandlertexasaudit.com> **Media contact:**
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About Native Chaos Holdings Native Chaos Holdings is an independent transparency and compliance research initiative. It is not affiliated with, sponsored by, or authorized by the City of Chandler, its City Council, or any City official.

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