

AN ACT

relating to seller's disclosures regarding fuel gas piping in residential real property.

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

SECTION 1. Section 5.008(b), Property Code, is amended to read as follows:

(b) The notice must be executed and must, at a minimum, read substantially similar to the following:

SELLER'S DISCLOSURE NOTICE

CONCERNING THE PROPERTY AT _____
(Street Address and City)

THIS NOTICE IS A DISCLOSURE OF SELLER'S KNOWLEDGE OF THE CONDITION OF THE PROPERTY AS OF THE DATE SIGNED BY SELLER AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR WARRANTIES THE PURCHASER MAY WISH TO OBTAIN. IT IS NOT A WARRANTY OF ANY KIND BY SELLER OR SELLER'S AGENTS.

Seller ___ is ___ is not occupying the Property.

If unoccupied, how long since Seller has occupied the Property?

1. The Property has the items checked below:

Write Yes (Y), No (N), or Unknown (U).

- | | | |
|--|---|--|
| <input type="checkbox"/> Range | <input type="checkbox"/> Oven | <input type="checkbox"/> Microwave |
| <input type="checkbox"/> Dishwasher | <input type="checkbox"/> Trash Compactor | <input type="checkbox"/> Disposal |
| <input type="checkbox"/> Washer/Dryer | <input type="checkbox"/> Window | <input type="checkbox"/> Rain Gutters |
| <input type="checkbox"/> Hookups | <input type="checkbox"/> Screens | |
| <input type="checkbox"/> Security System | <input type="checkbox"/> Fire Detection Equipment | <input type="checkbox"/> Intercom System |
| | <input type="checkbox"/> Smoke Detector | |
| | <input type="checkbox"/> Smoke Detector - | |
| | <input type="checkbox"/> Hearing Impaired | |
| | <input type="checkbox"/> Carbon Monoxide | |

- 1 Alarm
- 2 ___ Emergency Escape
- 3 Ladder(s)
- 4 ___ TV Antenna ___ Cable TV ___ Satellite
- 5 Wiring ___ Dish
- 6 ___ Ceiling Fan(s) ___ Attic Fan(s) ___ Exhaust
- 7 Fan(s)
- 8 ___ Central A/C ___ Central Heating ___ Wall/Window
- 9 Air
- 10 Conditioning
- 11 ___ Plumbing System ___ Septic System ___ Public Sewer
- 12 System
- 13 ___ Patio/Decking ___ Outdoor Grill ___ Fences
- 14 ___ Pool ___ Sauna ___ Spa
- 15 ___ Hot Tub
- 16 ___ Pool Equipment ___ Pool Heater ___ Automatic Lawn
- 17 Sprinkler
- 18 System
- 19 ___ Fireplace(s) & ___ Fireplace(s) &
- 20 Chimney Chimney
- 21 (Woodburning) (Mock)
- 22 ___ Natural Gas Lines ___ Gas Fixtures
- 23 ___ Liquid Propane Gas: ___ LP Community ___ LP on Property
- 24 (Captive)
- 25 ___ Fuel Gas Piping: ___ Black Iron Pipe ___ Corrugated
- 26 ___ Copper ___ Stainless Steel
- 27 Tubing
- 28 Garage: ___ Attached ___ Not Attached ___ Carport
- 29 Garage Door Opener(s): ___ Electronic ___ Control(s)
- 30 Water Heater: ___ Gas ___ Electric
- 31 Water Supply: ___ City ___ Well ___ MUD ___ Co-op

32 Roof Type: _____ Age: _____(approx)

33 Are you (Seller) aware of any of the above items that are not in
 34 working condition, that have known defects, or that are in need of
 35 repair? ___ Yes ___ No ___ Unknown.

36 If yes, then describe. (Attach additional sheets if necessary):

37 _____

38 _____

39 2. Does the property have working smoke detectors installed in
 40 accordance with the smoke detector requirements of Chapter 766,
 41 Health and Safety Code?* ___ Yes ___ No ___ Unknown.

1 If the answer to the question above is no or unknown,
2 explain. (Attach additional sheets if necessary): _____
3 _____
4 _____

5 *Chapter 766 of the Health and Safety Code requires
6 one-family or two-family dwellings to have working smoke detectors
7 installed in accordance with the requirements of the building code
8 in effect in the area in which the dwelling is located, including
9 performance, location, and power source requirements. If you do
10 not know the building code requirements in effect in your area, you
11 may check unknown above or contact your local building official for
12 more information. A buyer may require a seller to install smoke
13 detectors for the hearing impaired if: (1) the buyer or a member of
14 the buyer's family who will reside in the dwelling is hearing
15 impaired; (2) the buyer gives the seller written evidence of the
16 hearing impairment from a licensed physician; and (3) within 10
17 days after the effective date, the buyer makes a written request for
18 the seller to install smoke detectors for the hearing impaired and
19 specifies the locations for installation. The parties may agree
20 who will bear the cost of installing the smoke detectors and which
21 brand of smoke detectors to install.

22 3. Are you (Seller) aware of any known defects/malfunctions in any
23 of the following?

24 Write Yes (Y) if you are aware, write No (N) if you are not aware.

25
26 Interior Walls Ceilings Floors
27 Exterior Walls Doors Windows
28 Roof Foundation/
29 Slab(s)
30 Walls/Fences Driveways Sidewalks

1 Plumbing/Sewers/ Electrical Lighting
2 Septics Systems Fixtures

3 Other Structural Components (Describe): _____

4 _____

5 _____

6 If the answer to any of the above is yes, explain. (Attach
7 additional sheets if necessary): _____

8 _____

9 _____

10 4. Are you (Seller) aware of any of the following conditions?

11 Write Yes (Y) if you are aware, write No (N) if you are not aware.

- 12 Active Termites Previous Structural
- 13 (includes or Roof Repair
- 14 wood-destroying insects)
- 15 Termite or Wood Rot Damage Hazardous or Toxic Waste
- 16 Needing Repair
- 17 Previous Termite Damage Asbestos Components
- 18 Previous Termite Urea formaldehyde
- 19 Treatment Insulation
- 20 Radon Gas
- 21 Improper Drainage Lead Based Paint
- 22 Water Damage Not Due to a Aluminum Wiring
- 23 Flood Event Previous Fires
- 24 _____
- 25 _____

26 Unplatted Easements

- 27 _____
- 28 Landfill, Settling, Soil Subsurface
- 29 Movement, Fault Lines Structure or Pits
- 30 Single Blockable Main Previous Use of Premises
- 31 Drain in Pool/Hot for Manufacture of
- 32 Tub/Spa* Methamphetamine
- 33 _____

34 If the answer to any of the above is yes, explain. (Attach
35 additional sheets if necessary): _____

36 _____

37 _____

38 *A single blockable main drain may cause a suction entrapment

1 hazard for an individual.

2 5. Are you (Seller) aware of any item, equipment, or system in or
3 on the property that is in need of repair? Yes (if you are
4 aware) No (if you are not aware). If yes, explain (attach
5 additional sheets as necessary).

6 _____

7 6. Are you (Seller) aware of any of the following conditions?

8 * Write Yes (Y) if you are aware, write No (N) if you are not aware.

- 9 Present flood insurance coverage
- 10 Previous flooding due to a failure or breach of a reservoir or a
- 11 controlled or emergency release of water from a reservoir
- 12 Previous water penetration into a structure on the property due
- 13 to a natural flood event

14 Write Yes (Y) if you are aware and check wholly or partly as
15 applicable, write No (N) if you are not aware.

- 16 Located () wholly () partly in a 100-year floodplain (Special
- 17 Flood Hazard Area-Zone A, V, A99, AE, AO, AH, VE, or AR)
- 18 Located () wholly () partly in a 500-year floodplain (Moderate
- 19 Flood Hazard Area-Zone X (shaded))
- 20 Located () wholly () partly in a floodway
- 21 Located () wholly () partly in a flood pool
- 22 Located () wholly () partly in a reservoir

23 If the answer to any of the above is yes, explain (attach additional
24 sheets as necessary): _____

25 _____

26 * For purposes of this notice:

27 "100-year floodplain" means any area of land that:

28 (A) is identified on the flood insurance rate map as a
29 special flood hazard area, which is designated as Zone A, V, A99,
30 AE, AO, AH, VE, or AR on the map;

31 (B) has a one percent annual chance of flooding, which
32 is considered to be a high risk of flooding; and

1 (C) may include a regulatory floodway, flood pool, or
2 reservoir.

3 "500-year floodplain" means any area of land that:

4 (A) is identified on the flood insurance rate map as a
5 moderate flood hazard area, which is designated on the map as Zone X
6 (shaded); and

7 (B) has a two-tenths of one percent annual chance of
8 flooding, which is considered to be a moderate risk of flooding.

9 "Flood pool" means the area adjacent to a reservoir that lies
10 above the normal maximum operating level of the reservoir and that
11 is subject to controlled inundation under the management of the
12 United States Army Corps of Engineers.

13 "Flood insurance rate map" means the most recent flood hazard
14 map published by the Federal Emergency Management Agency under the
15 National Flood Insurance Act of 1968 (42 U.S.C. Section 4001 et
16 seq.).

17 "Floodway" means an area that is identified on the flood
18 insurance rate map as a regulatory floodway, which includes the
19 channel of a river or other watercourse and the adjacent land areas
20 that must be reserved for the discharge of a base flood, also
21 referred to as a 100-year flood, without cumulatively increasing
22 the water surface elevation more than a designated height.

23 "Reservoir" means a water impoundment project operated by the
24 United States Army Corps of Engineers that is intended to retain
25 water or delay the runoff of water in a designated surface area of
26 land.

27 7. Have you (Seller) ever filed a claim for flood damage to the

1 property with any insurance provider, including the National Flood
2 Insurance Program (NFIP)?* Yes No. If yes, explain (attach
3 additional sheets as necessary): _____
4 _____

5 *Homes in high risk flood zones with mortgages from federally
6 regulated or insured lenders are required to have flood
7 insurance. Even when not required, the Federal Emergency
8 Management Agency (FEMA) encourages homeowners in high risk,
9 moderate risk, and low risk flood zones to purchase flood insurance
10 that covers the structure(s) and the personal property within the
11 structure(s).

12 8. Have you (Seller) ever received assistance from FEMA or the
13 U.S. Small Business Administration (SBA) for flood damage to the
14 property? Yes No. If yes, explain (attach additional sheets
15 as necessary): _____
16 _____

17 9. Are you (Seller) aware of any of the following?

18 Write Yes (Y) if you are aware, write No (N) if you are not aware.

- 19
20 Room additions, structural modifications, or other
21 alterations or repairs made without necessary permits or not
22 in compliance with building codes in effect at that time.
23 Homeowners' Association or maintenance fees or assessments.
24 Any "common area" (facilities such as pools, tennis courts,
25 walkways, or other areas) co-owned in undivided interest with
26 others.
27 Any notices of violations of deed restrictions or
28 governmental ordinances affecting the condition or use of the
29 Property.
30 Any lawsuits directly or indirectly affecting the Property.
31 Any condition on the Property which materially affects the
32 physical health or safety of an individual.
33 Any rainwater harvesting system located on the property that
34 is larger than 500 gallons and that uses a public water supply
35 as an auxiliary water source.

1 ___ Any portion of the property that is located in a groundwater
2 conservation district or a subsidence district.

3 If the answer to any of the above is yes, explain. (Attach
4 additional sheets if necessary): _____

5 _____
6 _____

7 10. If the property is located in a coastal area that is seaward of
8 the Gulf Intracoastal Waterway or within 1,000 feet of the mean high
9 tide bordering the Gulf of Mexico, the property may be subject to
10 the Open Beaches Act or the Dune Protection Act (Chapter 61 or 63,
11 Natural Resources Code, respectively) and a beachfront
12 construction certificate or dune protection permit may be required
13 for repairs or improvements. Contact the local government with
14 ordinance authority over construction adjacent to public beaches
15 for more information.

16 11. This property may be located near a military installation and
17 may be affected by high noise or air installation compatible use
18 zones or other operations. Information relating to high noise and
19 compatible use zones is available in the most recent Air
20 Installation Compatible Use Zone Study or Joint Land Use Study
21 prepared for a military installation and may be accessed on the
22 Internet website of the military installation and of the county and
23 any municipality in which the military installation is located.

24 _____
25 Date Signature of Seller

26 The undersigned purchaser hereby acknowledges receipt of the
27 foregoing notice.

28 _____
29 Date Signature of Purchaser

1 SECTION 2. Section 5.008(b), Property Code, as amended by
2 this Act, applies only to a transfer of property that occurs on or
3 after the effective date of this Act. A transfer of property that
4 occurs before the effective date of this Act is governed by the law
5 applicable to the transfer immediately before that date, and the
6 former law is continued in effect for that purpose. For the
7 purposes of this section, a transfer of property occurs before the
8 effective date of this Act if the contract binding the purchaser to
9 purchase the property is executed before that date.

10 SECTION 3. This Act takes effect September 1, 2023.

President of the Senate

Speaker of the House

I certify that H.B. No. 697 was passed by the House on April 13, 2023, by the following vote: Yeas 142, Nays 6, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 697 on May 19, 2023, by the following vote: Yeas 139, Nays 2, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 697 was passed by the Senate, with amendments, on May 17, 2023, by the following vote: Yeas 30, Nays 1.

Secretary of the Senate

APPROVED: _____

Date

Governor