

1-1 By: Duncan S.B. No. 14  
1-2 (In the Senate - Filed July 21, 2005; July 21, 2005, read  
1-3 first time and referred to Committee on State Affairs;  
1-4 July 21, 2005, reported favorably by the following vote: Yeas 7,  
1-5 Nays 0; July 21, 2005, sent to printer.)

1-6 A BILL TO BE ENTITLED  
1-7 AN ACT

1-8 relating to the remedy provided for failure to disclose certain  
1-9 information in certain residential construction transactions.

1-10 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-11 SECTION 1. Section 27.007, Property Code, is amended by  
1-12 amending Subsection (b) and adding Subsection (c) to read as  
1-13 follows:

1-14 (b) ~~A [If a contract does not contain the notice required by~~  
1-15 ~~this section, the]~~ claimant may recover from the contractor a civil  
1-16 penalty of \$500 in addition to any other remedy provided by this  
1-17 chapter if:

1-18 (1) the contract does not contain the notice required  
1-19 by this section; and

1-20 (2) the claimant proves actual damages were  
1-21 proximately caused by the construction defect.

1-22 (c) A court may not certify an action brought under this  
1-23 section as a class action.

1-24 SECTION 2. The change in law made by Subsection (b), Section  
1-25 27.007, Property Code, as amended by this Act, applies only to a  
1-26 cause of action that is brought on or after the effective date of  
1-27 this Act.

1-28 SECTION 3. The change in law made by Subsection (c), Section  
1-29 27.007, Property Code, as added by this Act, applies only to the  
1-30 certification of a class action on or after July 1, 2005.  
1-31 Certification of a class action before July 1, 2005, is governed by  
1-32 the law in effect immediately before the effective date of this Act,  
1-33 and that law is continued in effect for that purpose.

1-34 SECTION 4. This Act takes effect immediately if it receives  
1-35 a vote of two-thirds of all the members elected to each house, as  
1-36 provided by Section 39, Article III, Texas Constitution. If this  
1-37 Act does not receive the vote necessary for immediate effect, this  
1-38 Act takes effect on the 91st day after the last day of the  
1-39 legislative session.

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