

BILL ANALYSIS

S.B. 334
By: Duncan
Civil Practices
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, the Residential Construction Liability Act, Chapter 27, Property Code, provides a remedy for failure to include a statutory notice in certain residential construction transactions. This remedy is a civil penalty of \$500 and is in addition to any other remedy provided by the act.

SB 334 amends the language of the act to clarify that an action seeking recovery of the civil penalty may not be brought on its own and the penalty may only be recovered in conjunction with an action to recover damages resulting from a construction defect.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

ANALYSIS

SB 334 amends Section 27.007(b), Property Code, to authorize a claimant to recover from a contractor a civil penalty of \$500 in addition to any other remedy provided by this chapter if, in addition to the contract not containing the notice required by this section, the claimant proves actual damages were proximately caused by the construction defect.

EFFECTIVE DATE

September 1, 2005.