

By: Eissler

H.B. No. 662

A BILL TO BE ENTITLED

AN ACT

relating to the disclosure of certain convictions and judgments by persons regulated by the Texas Residential Construction Commission.

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

SECTION 1. Chapter 409, Property Code, is amended by adding Section 409.004 to read as follows:

Sec. 409.004. DISCLOSURE OF CONVICTIONS AND JUDGMENTS. (a) Not later than the 30th day after entry of the judgment or plea, a builder who holds a certificate of registration issued under this title shall disclose to the commission:

(1) each plea of guilty or nolo contendere to a felony charge, or to a misdemeanor based on conduct involving a construction defect or other transaction between the builder and a homeowner;

(2) each conviction of a felony, or of a misdemeanor based on conduct involving a construction defect or other transaction between the builder and a homeowner; and

(3) each judgment against the builder in a dispute involving a construction defect or other transaction between the builder and a homeowner.

(b) The commission shall make the disclosed information available to the public and shall post the information on the commission's website. The commission shall make the information

1 searchable by the name of the builder.

2 SECTION 2. Section 416.002(b), Property Code, is amended to  
3 read as follows:

4 (b) Each applicant must disclose in the application whether  
5 the applicant has:

6 (1) entered a plea of guilty or nolo contendere to a  
7 felony charge or a misdemeanor involving moral turpitude or based  
8 on conduct involving a construction defect or other transaction  
9 between the applicant and a homeowner; [or]

10 (2) been convicted of a felony or a misdemeanor  
11 involving moral turpitude or based on conduct involving a  
12 construction defect or other transaction between the applicant and  
13 a homeowner, and the time for appeal has elapsed or the conviction  
14 has been affirmed on appeal; or

15 (3) been found liable on a judgment in a dispute  
16 involving a construction defect or other transaction between the  
17 applicant and a homeowner.

18 SECTION 3. (a) Not later than November 1, 2005, builders  
19 regulated by the Texas Residential Construction Commission shall  
20 disclose to the commission all information described by Section  
21 409.004(a), Property Code, as added by this Act, that has not been  
22 previously disclosed to the commission.

23 (b) Not later than February 1, 2006, the Texas Residential  
24 Construction Commission shall comply with Section 409.004(b),  
25 Property Code, as added by this Act.

26 SECTION 4. (a) Not later than October 1, 2005, the Texas  
27 Residential Construction Commission shall modify the form

1 prescribed for an application for a certificate under Section  
2 416.002(a), Property Code, to comply with Section 416.002(b),  
3 Property Code, as amended by this Act.

4 (b) Section 416.002(b), Property Code, as amended by this  
5 Act, applies only to an application received by the Texas  
6 Residential Construction Commission on or after November 1, 2005.

7 SECTION 5. This Act takes effect immediately if it receives  
8 a vote of two-thirds of all the members elected to each house, as  
9 provided by Section 39, Article III, Texas Constitution. If this  
10 Act does not receive the vote necessary for immediate effect, this  
11 Act takes effect September 1, 2005.