

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION**

**March 5, 2005**

**TO:** Honorable Troy Fraser, Chair, Senate Committee on Business & Commerce

**FROM:** John S. O'Brien, Deputy Director, Legislative Budget Board

**IN RE: SB334** by Duncan (Relating to the remedy provided for failure to disclose certain information in certain residential construction transactions.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

The bill would amend Section 27.007 of the Property Code by adding the requirement that a claimant must prove actual damages were proximately caused by a construction defect and that contract does not contain the notice required in the same section in current law before the claimant may recover from the contractor a civil penalty of \$500 in addition to any other remedy provided in current law. Based on the analysis of the Residential Construction Commission, it is assumed that the provisions of the bill could be implemented utilizing existing resources.

The bill would take effect September 1, 2005.

**Local Government Impact**

No fiscal implication to units of local government is anticipated.

**Source Agencies:** 370 Residential Construction Commission

**LBB Staff:** JOB, JRO, MW, BC