Amend CSHB 1038 as follows:

(1) On page 2, line 14, strike "constructs" and substitute "<u>sells</u>, constructs<u></u>".

(2) On page 2, line 15, between "construction of" and the colon, insert ", or contracts for the construction of or the supervision or management of the construction of".

(3) On page 3, line 1, after "by", insert "amending Subsection (b) and".

(4) On page 3, between lines 2 and 3, insert the following:

(b) This title does not apply to a homeowner or to a homeowner's real estate broker, agent, <u>interior designer</u> <u>registered under Chapter 1053, Occupations Code</u>, or property manager who supervises or arranges for the construction of an improvement to a home owned by the homeowner.

(5) On page 6, line 2, strike "and (e)" and substitute ", (e)
, and (f)".

(6) On page 6, line 8, between "<u>title</u>" and the period, insert ", except as necessary to implement this title".

(7) On page 6, between lines 8 and 9, insert the following:

(f) Notwithstanding Subsections (d) and (e), the commission may not disclose the address of an individual home registered with the commission:

(1) on the commission's Internet website; or

(2) in connection with an open records request under Chapter 552, Government Code.

(8) On page 6, after line 27, insert the following appropriately numbered SECTION and renumber subsequent SECTIONS accordingly:

SECTION ____. Section 416.010, Property Code, is amended by adding Subsection (e) to read as follows:

(e) A builder may designate a United States Postal Service postal box for use in correspondence. The builder may not use the box as the builder's principal place of business for purposes of this section.

(9) On page 10, line 14, strike "or".

(10) On page 10, between lines 14 and 15, insert the following:

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(22) failure to participate in commission efforts to

resolve a complaint that arises during the construction or <u>renovation of a home;</u>

(23) failure to act in good faith in responding to a commission request for information; or

(11) On page 10, line 15, strike "<u>(22)</u>" and substitute "<u>(24)</u>".

(12) On page 11, strike lines 6 through 13 and substitute the following:

(b) The commission must consider the factors described by Section 419.002(b) before taking disciplinary action under this chapter.

(13) On page 12, line 21, strike "Subsection (a)" and insert "Subsections (a) and (b)".

(14) On page 12, between lines 25 and 26, insert the following:

(b) In determining the amount of an administrative penalty, the hearings officer or commission shall consider:

(1) the seriousness of the violation, including the nature, circumstances, extent, and gravity of the prohibited acts;

- (2) the history of previous violations;
- (3) the amount necessary to deter a future violation;
- (4) efforts to correct the violation; [and]
- (5) the deterrent effect on others in the industry;
- (6) the economic harm to the homeowner; and

(7) any other matter justice may require.

(15) On page 15, lines 15-16, strike "Sections 427.001(b),(c), and (d), Property Code, are" and substitute "Section 427.001,Property Code, is".

(16) On page 15, line 16, between "amended" and "to read" insert "by amending Subsections (b), (c), and (d) and adding Subsection (c-1)".

(17) On page 16, between lines 2 and 3, insert the following:

(c-1) A third-party inspector who inspects an issue involving a structural matter and an unrelated issue involving workmanship and materials matters must meet the requirements of

Subsections (b) and (c).

(18) On page 17, between lines 3 and 4, insert the following appropriately numbered SECTION and renumber subsequent SECTIONS accordingly:

SECTION ____. Section 428.003(a), Property Code, is amended to read as follows:

(a) On or before the <u>30th</u> [15th] day after the date the commission receives a request, the commission shall appoint the next available third-party inspector from the applicable lists of third-party inspectors maintained by the commission under Subsection (c).

(19) On page 17, line 25, strike "<u>section</u>" and substitute "<u>chapter</u>".

(20) On page 17, line 26, between "<u>request</u>" and "<u>may</u> submit", insert ", including a third-party warranty company,".