

Amend CSHB 1038 to read as follows:

1) On page 3, line 4, strike the words "with the intent to sell" and substitute "and sells"

2) On page 3, line 9, after "individual." add "Liability under this subsection does not automatically require an individual to register under Section 416.001."

3) Add the following appropriately numbered SECTION and renumber subsequent SECTIONS accordingly:

SECTION \_\_\_\_\_. Section 401.002, Property Code, is amended to read as follows:

(8) Improvement to the interior of an existing home---any modification to the interior living space of a home which includes the addition or installation of permanent fixtures inside the home. An improvement to the interior of an existing home does not include improvements to an existing home if the improvements are designed primarily to repair or replace the home's component parts.

(9) ~~(8)~~ "Limited statutory warranty and building and performance standards" means the limited statutory warranty and building and performance standards adopted by the commission under Section 430.001.

(10) Material improvement---a modification to an existing home that either increases or decreases the home's total square footage of living space that also modifies the home's foundation, perimeter walls or roof. A material improvement does not include modifications to an existing home if the modifications are designed primarily to repair or replace the home's component parts.

(11) ~~(9)~~ "Nonstructural matter" has the meaning assigned by the limited statutory warranty and building and performance standards adopted by the commission under Section 430.001.

(12) ~~(10)~~ "Request" means a request submitted under Section 428.001.

(13) ~~(11)~~ "State inspector" means a person employed by the commission under Section 427.002.

(14) ~~(12)~~ "State-sponsored inspection and dispute

resolution process" means the process by which the commission resolves a request.

(15) ~~(13)~~ "Structural" means the load-bearing portion of a home.

(16) ~~(14)~~ "Structural failure" has the meaning assigned by the limited statutory warranty and building and performance standards adopted by the commission under Section 430.001.

(17) ~~(15)~~ "Third-party inspector" means a person appointed by the commission under Section 428.003.

(18) ~~(16)~~ "Warranty of habitability" means a builder's obligation to construct a home or home improvement that is in compliance with the limited statutory warranties and building and performance standards adopted by the commission under Section 430.001 and that is safe, sanitary, and fit for humans to inhabit.

4) On page 20, line 8, after the words "Property Code" and before "." add "or is exempt from registration under Section 401.005, Property Code".