

By: Gattis

H.B. No. 3411

A BILL TO BE ENTITLED

AN ACT

relating to the operation of the Texas Residential Construction Commission.

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

SECTION 1. Subchapter A, Chapter 5, Property Code, is amended by adding Section 5.016 to read as follows:

Sec. 5.016. DISCLOSURE OF ABSENCE OF CERTAIN WARRANTIES.

(a) A seller of residential real property that is exempt from Title 16 under Section 401.005 shall give to the purchaser of the property a written notice that reads substantially similar to the following:

NOTICE OF NONAPPLICABILITY OF CERTAIN WARRANTIES

AND BUILDING AND PERFORMANCE STANDARDS

The property that is subject to this contract is exempt from Title 16, Property Code, including the provisions of that title that provide statutory warranties and building and performance standards.

(b) A notice required by this section shall be delivered by the seller to the purchaser on or before the effective date of an executory contract binding the purchaser to purchase the property. If a contract is entered into without the seller providing the notice, the purchaser may terminate the contract for any reason on or before the seventh day after the date the purchaser receives the notice.

(c) This section does not apply to a transfer:

1 (1) under a court order or foreclosure sale;

2 (2) by a trustee in bankruptcy;

3 (3) to a mortgagee by a mortgagor or successor in
4 interest or to a beneficiary of a deed of trust by a trustor or
5 successor in interest;

6 (4) by a mortgagee or a beneficiary under a deed of
7 trust who has acquired the land at a sale conducted under a power of
8 sale under a deed of trust or a sale under a court-ordered
9 foreclosure or has acquired the land by a deed in lieu of
10 foreclosure;

11 (5) by a fiduciary in the course of the administration
12 of a decedent's estate, guardianship, conservatorship, or trust;

13 (6) from one co-owner to another co-owner of an
14 undivided interest in the real property;

15 (7) to a spouse or a person in the lineal line of
16 consanguinity of the seller;

17 (8) to or from a governmental entity; or

18 (9) of only a mineral interest, leasehold interest, or
19 security interest.

20 SECTION 2. Section 27.002(b), Property Code, is amended to
21 read as follows:

22 (b) Except as provided by this subsection, to [~~Te~~] the
23 extent of conflict between this chapter and any other law,
24 including the Deceptive Trade Practices-Consumer Protection Act
25 (Subchapter E, Chapter 17, Business & Commerce Code) or a common law
26 cause of action, this chapter prevails. To the extent of conflict
27 between this chapter and Title 16, Title 16 prevails.

SECTION 3. Section 27.004(d), Property Code, is amended to read as follows:

(d) The court or arbitration tribunal shall abate ~~[dismiss]~~ an action governed by this chapter if Subsection (c) does not apply and the court or tribunal, after a hearing, finds that the contractor is entitled to abatement ~~[dismissal]~~ because the claimant failed to comply with the requirements of Subtitle D, Title 16, if applicable, failed to provide the notice or failed to give the contractor a reasonable opportunity to inspect the property as required by Subsection (a), or failed to follow the procedures specified by Subsection (b). An action is automatically abated ~~[dismissed]~~ without the order of the court or tribunal beginning on the 11th day after the date a motion to abate ~~[dismiss]~~ is filed if the motion:

(1) is verified and alleges that the person against whom the action is pending did not receive the written notice required by Subsection (a), the person against whom the action is pending was not given a reasonable opportunity to inspect the property as required by Subsection (a), or the claimant failed to follow the procedures specified by Subsection (b) or Subtitle D, Title 16; and

(2) is not controverted by an affidavit filed by the claimant before the 11th day after the date on which the motion to abate ~~[dismiss]~~ is filed.

SECTION 4. Sections 401.003(a) and (c), Property Code, are amended to read as follows:

(a) In this title, "builder" means any business entity or

1 other person that ~~[individual who]~~, for a fixed price, commission,
2 fee, wage, or other compensation, constructs or supervises or
3 manages the construction of:

4 (1) a new home;

5 (2) a material improvement to a home, other than an
6 improvement solely to replace or repair a roof of an existing home;
7 or

8 (3) an improvement to the interior of an existing home
9 when the cost of the work exceeds \$20,000.

10 (c) The term does not include any business entity or
11 individual who has been issued a license by this state or a state
12 ~~[an] agency [or political subdivision of this state]~~ to practice a
13 trade or profession related to or affiliated with residential
14 construction if the work being done by the entity or individual to
15 the home is solely for the purpose for which the license was issued.

16 SECTION 5. Section 401.005, Property Code, is amended by
17 adding Subsection (c) to read as follows:

18 (c) An individual who builds a home or a material
19 improvement to a home with the intent to sell the home immediately
20 following completion of the building or remodeling and does not
21 live in the home for at least one year following completion of the
22 building or remodeling is liable as a builder under the warranty
23 obligation created by this title for work completed by the
24 individual.

25 SECTION 6. Chapter 401, Property Code, is amended by adding
26 Section 401.007 to read as follows:

27 Sec. 401.007. INJUNCTION. (a) The commission acting

1 through the executive director may petition the district court for
2 injunctive relief as provided by this section. If the district
3 court finds that a person is violating this chapter, the district
4 court may by injunction:

5 (1) prohibit the person from continuing the violation;
6 or
7 (2) grant any other injunctive relief warranted by the
8 facts.

9 (b) The attorney general shall institute and conduct a suit
10 authorized by this section at the request of the commission, acting
11 through the executive director, and in the name of the state.

12 (c) The suit for injunctive relief must be brought in Travis
13 County.

14 SECTION 7. Section 406.001, Property Code, is amended by
15 adding Subsection (c) to read as follows:

16 (c) In making appointments under Subsection (a)(2), the
17 governor should consider individuals who can represent the
18 interests of homeowners, including individuals who have experience
19 representing consumer or homeowner interests.

20 SECTION 8. Section 406.004(b), Property Code, is amended to
21 read as follows:

22 (b) A person may not be a member of the commission and may
23 not be a commission employee employed in a "bona fide executive,
24 administrative, or professional capacity," as that phrase is used
25 for purposes of establishing an exemption to the overtime
26 provisions of the federal Fair Labor Standards Act of 1938 (29
27 U.S.C. Section 201 et seq.) and its subsequent amendments, if:

1 (1) the person is an officer, employee, or paid
2 consultant of a Texas trade association in the field of residential
3 construction; or

4 (2) the person's spouse is an officer, ~~[a]~~ manager, or
5 paid consultant of a Texas trade association in the field of
6 residential construction.

7 SECTION 9. Section 408.002, Property Code, is amended to
8 read as follows:

9 Sec. 408.002. FEES. (a) The commission shall adopt fees
10 as required by this title in amounts that are reasonable and
11 necessary to provide sufficient revenue to cover the costs of
12 administering this title.

13 (b) The commission may charge a late fee for late payment of
14 any fee due to the commission. The late fee may be any amount that
15 does not exceed the amount of the fee due.

16 SECTION 10. Section 408.003, Property Code, is amended by
17 adding Subsection (c) to read as follows:

18 (c) The commission may distribute to consumers
19 informational materials and promotional items that contain
20 commission contact details and outreach information.

21 SECTION 11. Chapter 408, Property Code, is amended by
22 adding Section 408.005 to read as follows:

23 Sec. 408.005. COLLECTION OF AMOUNTS DUE. The commission
24 may seek reimbursement of any amounts due to the commission and
25 restitution for any dishonored payment instrument presented for
26 payment to the commission.

27 SECTION 12. Section 416.002, Property Code, is amended by

1 adding Subsection (e) to read as follows:

2 (e) Based on information contained in a complaint to the
3 commission, the commission may require an applicant for renewal of
4 a certificate of registration to disclose to the commission every
5 person with a financial or management interest in the applicant's
6 business as a builder. This subsection does not apply to a publicly
7 traded company.

8 SECTION 13. Section 416.004, Property Code, is amended by
9 amending Subsection (a) and adding Subsection (c) to read as
10 follows:

11 (a) The commission shall charge and collect:

12 (1) a filing fee for an application for an original
13 certificate of registration that does not exceed \$500; ~~and~~

14 (2) a fee for renewal of a certificate of registration
15 that does not exceed \$300; and

16 (3) a late fee that does not exceed the amount of the
17 fee due if payment of a registration application or renewal fee due
18 under this title is late.

19 (c) All fees paid to the commission under this section are
20 nonrefundable.

21 SECTION 14. Section 416.008(d), Property Code, is amended
22 to read as follows:

23 (d) The hearing officer may grant a motion for continuance
24 of the hearing on the request of the commission or the applicant
25 ~~[may be continued from time to time with the consent of the~~
26 ~~applicant]~~.

27 SECTION 15. Section 416.011(d), Property Code, is amended

to read as follows:

(d) The certification issued by the commission as a "Texas Star Builder" is valid for at most one year and renewable on a date to be determined at the commission's discretion ~~[shall be for the same period of time as the builder's registration under this chapter]~~.

SECTION 16. Chapter 416, Property Code, is amended by adding Section 416.012 to read as follows:

Sec. 416.012. CONTINUING EDUCATION. (a) During the first year a builder is registered with the commission, the builder must complete five hours of continuing education, one hour of which must address ethics.

(b) After satisfying the requirements of Subsection (a), a builder must complete five hours of continuing education, one hour of which must address ethics, once every five years.

(c) Continuing education courses that satisfy the requirements of this section must address the International Residential Code for One- and Two-Family Dwellings adopted under Section 430.001 and state laws and rules that apply to builders under this chapter.

(d) The commission by rule shall approve continuing education courses, course content, and course providers. This subsection does not prohibit the commission from providing continuing education courses for a reasonable fee.

SECTION 17. Section 417.003, Property Code, is amended to read as follows:

Sec. 417.003. FEES. (a) The commission shall charge and

collect:

(1) a filing fee for an application for certification under this chapter that does not exceed \$100; ~~and~~

(2) a fee for renewal of a certification under this chapter that does not exceed \$50; and

(3) a late fee that does not exceed the amount of the fee due if payment of a registration or application fee due under this title is late.

(b) All fees paid to the commission under this section are nonrefundable.

SECTION 18. Sections 418.001 and 418.002, Property Code, are amended to read as follows:

Sec. 418.001. GROUNDS FOR DISCIPLINARY ACTION. (a) A person, including a builder or a person who is designated as a builder's agent under Section 416.006 and who owns or controls a majority ownership interest in the builder, is subject to disciplinary action under this chapter for:

(1) fraud or deceit in obtaining a registration or certification under this subtitle;

(2) misappropriation of trust funds in the practice of residential construction;

(3) naming false consideration in a contract to sell a new home or in a construction contract;

(4) discriminating on the basis of race, color, religion, sex, national origin, or ancestry;

(5) publishing a false or misleading advertisement;

(6) failure to honor, within a reasonable time, a

1 check issued to the commission, or any other instrument of payment,
2 including a credit or debit card or electronic fund transfer, after
3 the commission has sent by certified mail a request for payment to
4 the person's last known business address, according to commission
5 records;

6 (7) failure to pay an administrative penalty assessed
7 by the commission under Chapter 419 or a fee due under Chapter 426;

8 (8) nonpayment of a final nonappealable judgment
9 arising from a construction defect or other transaction between the
10 person and a homeowner;

11 (9) failure to register a home as required by Section
12 426.003;

13 (10) failure to remit the fee for registration of a
14 home under Section 426.003; ~~[or]~~

15 (11) failure to reimburse a homeowner the amount
16 ordered by the commission as provided by ~~[in]~~ Section 428.004(d);

17 (12) engaging in statutory or common law fraud or
18 misappropriation of funds, as determined by the commission after a
19 hearing under Section 418.003;

20 (13) failure to participate in the state-sponsored
21 inspection and dispute resolution process if required by this
22 title;

23 (14) failure to register as a builder as required
24 under Chapter 416;

25 (15) continuous or repeated failure to comply with the
26 statutory warranties and building performance standards required
27 by this title; or

1 (16) otherwise violating this title or a commission
2 rule adopted under this title.

3 (b) For the purposes of Subsection (a)(12), the commission
4 may not revoke a registration or certification or impose an
5 administrative penalty unless the determination of statutory or
6 common law fraud or misappropriation of funds has been made in a
7 final nonappealable judgment by a court.

8 Sec. 418.002. DISCIPLINARY POWERS OF COMMISSION. On a
9 determination that a ground for disciplinary action under Section
10 418.001 exists, the commission may:

11 (1) revoke or suspend a registration or certification;
12 (2) probate the suspension of a registration or
13 certification; ~~or~~

14 (3) formally or informally reprimand a registered or
15 certified person; or

16 (4) impose an administrative penalty under Chapter
17 419.

18 SECTION 19. Chapter 418, Property Code, is amended by
19 adding Section 418.005 to read as follows:

20 Sec. 418.005. JOINT AND SEVERAL LIABILITY OF BUILDER AND
21 AGENT. (a) The commission may simultaneously take administrative
22 action under this chapter against:

23 (1) a builder; and

24 (2) a builder's agent who:

25 (A) is designated as the builder's agent under
26 Section 416.006; and

27 (B) owns or controls a majority ownership

1 interest in the builder.

2 (b) A builder and a builder's agent who is designated under
3 Section 416.006 and owns or controls a majority ownership interest
4 in the builder are jointly and severally liable for any amounts due
5 to the commission under this title.

6 SECTION 20. Section 419.001, Property Code, is amended to
7 read as follows:

8 Sec. 419.001. IMPOSITION OF ADMINISTRATIVE
9 PENALTY. (a) The [~~In a contested case involving disciplinary~~
10 ~~action, the~~] commission may[, ~~as part of the commission's order,~~]
11 impose an administrative penalty on a [~~registered or certified~~]
12 person who violates this title or a rule adopted or order issued by
13 the commission under this title.

14 (b) To impose an administrative penalty for failure to
15 comply with statutory warranties or building and performance
16 standards, the commission must show at a hearing that the
17 violations were repeated or continuous.

18 SECTION 21. Section 426.003(b), Property Code, is amended
19 to read as follows:

20 (b) A builder who enters into a transaction governed by this
21 title, other than the transfer of title of a new home from the
22 builder to the seller, shall register the home involved in the
23 transaction with the commission. The registration must:

24 (1) include the information required by the commission
25 by rule;

26 (2) be accompanied by the fee required by Subsection
27 (c); and

(3) be delivered to the commission not later than the 15th day after the earliest ~~[earlier]~~ of:

(A) the date of the substantial completion of the construction of the home by ~~[agreement that describes the transaction between the homeowner and]~~ the builder; ~~[or]~~

(B) the date the home is occupied; or

(C) the date of issuance of a certificate of occupancy or a certificate of completion ~~[the commencement of the work on the home]~~.

SECTION 22. Section 426.004, Property Code, is amended by adding Subsection (d) to read as follows:

(d) The commission may reimburse an inspector for travel expenses incurred to complete an inspection regardless of whether the expenses exceed the amount collected under this section.

SECTION 23. Section 426.006, Property Code, is amended to read as follows:

Sec. 426.006. TIME FOR REQUESTING INSPECTION AND DISPUTE RESOLUTION. (a) For an alleged defect discovered during an applicable warranty period, the ~~[The]~~ state-sponsored inspection and dispute resolution process must be requested on or before the second anniversary of the date of discovery of the conditions claimed to be evidence of the construction defect but not later than the 90th ~~[30th]~~ day after the date the applicable warranty period expires.

(b) If the alleged defect was not discoverable by a reasonable, prudent inspection or examination of the home or improvement within the applicable warranty period, the

1 state-sponsored inspection and dispute resolution process must be
2 requested:

3 (1) on or before the second anniversary of the date of
4 discovery of the conditions claimed to be evidence of the
5 construction defect; and

6 (2) not later than the 10th anniversary of the date of
7 the initial transfer of title from the builder to the initial owner
8 of the home or improvement that is the subject of the dispute or, if
9 there is not a closing, the date on which the contract for
10 construction of the improvement is entered into.

11 SECTION 24. Section 426.007, Property Code, is amended to
12 read as follows:

13 Sec. 426.007. ADMISSIBILITY OF CERTAIN EVIDENCE. A person
14 who submits a request for state-sponsored inspection and dispute
15 resolution or responds to a request under Chapter 428 must disclose
16 in the request or response the name of any person who, before the
17 request is submitted, inspected the home on behalf of the requestor
18 or respondent in connection with the construction defect alleged in
19 the request or response. If a person's name is known to the
20 requestor or respondent at the time of the request or response and
21 is not disclosed as required by this section, the requestor or
22 respondent may not designate the person as an expert or use
23 materials prepared by that person in:

24 (1) the state-sponsored inspection and dispute
25 resolution process arising out of the request or response; or

26 (2) any action arising out of the construction defect
27 that is the subject of the request or response.

1 SECTION 25. Chapter 427, Property Code, is amended by
2 adding Section 427.003 to read as follows:

3 Sec. 427.003. IMMUNITY FROM LIABILITY. (a) A person who
4 performs services for the commission as a third-party inspector or
5 a state inspector is not liable in a civil action for an act
6 performed in good faith in the execution of the person's duties as a
7 third-party inspector or state inspector.

8 (b) Immunity from liability under this section does not
9 apply to intentional acts of misconduct or gross negligence on the
10 part of the inspector.

11 SECTION 26. Section 428.001(g), Property Code, is amended
12 to read as follows:

13 (g) The commission by rule shall establish a standard form
14 for submitting a request under this section [~~and provide a means to~~
15 ~~submit a request electronically~~].

16 SECTION 27. Chapter 428, Property Code, is amended by
17 adding Section 428.0011 to read as follows:

18 Sec. 428.0011. RESPONSE TO REQUEST. (a) If a request for
19 state-sponsored inspection and dispute resolution is filed under
20 this chapter, the party to the dispute who did not file the request
21 may submit a written response to the allegations specified in the
22 request and evidence in support of that response not later than the
23 15th day after the date the person receives a copy of the request
24 under Section 428.001(d).

25 (b) If the response alleges the existence of a construction
26 defect not alleged in the original request, the third-party
27 inspector shall inspect for an issue a determination with regard to

1 that defect and any defect alleged in the request.

2 SECTION 28. Sections 428.004(a) and (d), Property Code, are
3 amended to read as follows:

4 (a) If the dispute involves workmanship and materials in the
5 home of a nonstructural matter, the third-party inspector shall
6 issue a recommendation not later than the 30th [~~15th~~] day after the
7 date the third-party inspector receives the appointment from the
8 commission.

9 (d) Except as provided by this subsection, the third-party
10 inspector's recommendation may not include payment of any monetary
11 consideration. If the inspector finds for the party who submitted
12 the request, the commission may order the other party to reimburse
13 all or part of the fees and inspection expenses paid by the
14 requestor under Section 426.004. The commission may not require a
15 builder to reimburse fees or inspection expenses under this
16 subsection if, before the inspection, the builder made or offered
17 to make repairs substantially equivalent to those required by the
18 findings of the final report confirming the defect requiring
19 repair.

20 SECTION 29. Section 430.001(f), Property Code, is amended
21 to read as follows:

22 (f) Except as provided by a written agreement between the
23 builder, developer, or marketing company and the initial homeowner,
24 a warranty period adopted under this section for a new home begins
25 on the earlier of the date of:

26 (1) occupancy; or

27 (2) transfer of title from the builder, developer, or

1 marketing company to the initial homeowner.

2 SECTION 30. Section 430.005, Property Code, is amended to
3 read as follows:

4 Sec. 430.005. ALTERNATIVE STANDARDS FOR CERTAIN
5 CONSTRUCTION. (a) For the purpose of this title, the only
6 statutory warranty and building and performance standards that
7 apply to residential construction in unincorporated areas of
8 counties that are considered economically distressed areas as
9 defined by Section 15.001(11) of the Water Code and located within
10 50 miles of an international border are the standards established
11 for colonial housing programs administered by the Texas Department
12 of Housing and Community Affairs, unless a county commissioners
13 court has adopted other building and performance standards
14 authorized by statute.

15 (b) This section does not exempt a builder in an area
16 described by Subsection (a) from the registration requirements
17 imposed by this title, including the requirements of Sections
18 416.001 and 426.003.

19 (c) An allegation of a postconstruction defect in a
20 construction project in an area described by Subsection (a) is
21 subject to the state-sponsored inspection and dispute resolution
22 process described by this subtitle.

23 SECTION 31. Section 430.006, Property Code, is amended to
24 read as follows:

25 Sec. 430.006. STATUTORY WARRANTIES EXCLUSIVE. The
26 warranties established under this chapter supersede all implied
27 warranties. The only warranties that exist for residential

1 construction or residential improvements are:

2 (1) warranties created by this chapter;

3 (2) warranties created [~~or~~] by other statutes
4 expressly referring to residential construction or residential
5 improvements;

6 (3) [~~or~~] any express, written warranty acknowledged
7 by the homeowner and the builder; and

8 (4) warranties that apply to an area described by
9 Section 430.005(a) as described by that section.

10 SECTION 32. Subchapter Z, Chapter 214, Local Government
11 Code, is amended by adding Section 214.906 to read as follows:

12 Sec. 214.906. VERIFICATION OF BUILDER REGISTRATION. A
13 municipality may not issue a building permit to a builder, as
14 defined by Section 401.003, Property Code, for construction
15 described by Section 401.003(a), Property Code, unless the
16 municipality has determined that the builder is registered with the
17 Texas Residential Construction Commission under Chapter 416,
18 Property Code.

19 SECTION 33. (a) The change in law made by Section 5.016,
20 Property Code, as added by this Act, applies only to a contract for
21 the sale of real property entered into on or after the effective
22 date of this Act. A contract entered into before the effective date
23 of this Act is governed by the law in effect immediately before the
24 effective date of this Act, and that law is continued in effect for
25 that purpose.

26 (b) The amendment by this Act of Section 27.002(b), Property
27 Code, is intended to clarify rather than change existing law.

1 (c) The change in law made by Section 27.004(d), Property
2 Code, as amended by this Act, applies only to an action commenced on
3 or after the effective date of this Act. An action commenced before
4 the effective date of this Act is governed by the law in effect
5 immediately before the effective date of this Act, and that law is
6 continued in effect for that purpose.

7 (d) Not later than December 1, 2007, the Texas Residential
8 Construction Commission shall adopt rules under Section 401.003,
9 Property Code, as amended by this Act. Except as provided by this
10 subsection, the change in law made by Section 401.003, Property
11 Code, as amended by this Act, applies only to conduct occurring on
12 or after the effective date of those rules. Conduct occurring
13 before the effective date of those rules or under a contract entered
14 into before the effective date of this Act is governed by the law in
15 effect immediately before the effective date of this Act, and that
16 law is continued in effect for that purpose.

17 (e) The change in law made by Section 401.007, Property
18 Code, as added by this Act, applies only to a person's act or
19 omission that occurs on or after the effective date of this Act. An
20 act or omission that occurs before the effective date of this Act is
21 governed by the law in effect immediately before that date, and that
22 law is continued in effect for that purpose.

23 (f) The change in law made by Section 406.004, Property
24 Code, as amended by this Act, applies only to a member of the Texas
25 Residential Construction Commission appointed on or after the
26 effective date of this Act. The service of a commission member
27 appointed before the effective date of this Act is governed by the

1 law in effect immediately before that date, and that law is
2 continued in effect for that purpose.

3 (g) Except as provided by this subsection, the change in law
4 made to Chapter 416, Property Code, as amended by this Act, applies
5 only to an application for a certificate of registration under that
6 chapter, or for renewal of a certificate, that is submitted on or
7 after the effective date of this Act. An application submitted
8 before the effective date of this Act is governed by the law in
9 effect immediately before that date, and that law is continued in
10 effect for that purpose. Section 416.012, Property Code, as added
11 by this Act, applies only to an application for renewal of a
12 certificate of registration submitted on or after January 1, 2008.

13 (h) The change in law made by Chapters 418 and 419, Property
14 Code, as amended by this Act, applies only to conduct that occurs on
15 or after the effective date of this Act. Conduct that occurs before
16 the effective date of this Act is governed by the law in effect
17 immediately before that date, and that law is continued in effect
18 for that purpose.

19 (i) The change in law made by Section 426.003(b), Property
20 Code, as amended by this Act, applies only to a home involved in a
21 transaction entered into on or after the effective date of this Act.
22 A home involved in a transaction entered into before the effective
23 date of this Act is governed by the law in effect immediately before
24 that date, and that law is continued in effect for that purpose.

25 (j) The change in law made by Sections 426.006, 426.007, and
26 428.004, Property Code, as amended by this Act, and Section
27 428.0011, Property Code, as added by this Act, applies only to a

1 request for state-sponsored inspection and dispute resolution
2 submitted under Title 16, Property Code, on or after the effective
3 date of this Act. A request submitted before the effective date of
4 this Act is governed by the law in effect immediately before that
5 date, and that law is continued in effect for that purpose.

6 (k) Section 427.003, Property Code, as added by this Act,
7 applies only to a cause of action that accrues on or after the
8 effective date of this Act. A cause of action that accrues before
9 the effective date of this Act is governed by the law in effect
10 immediately before that date, and that law is continued in effect
11 for that purpose.

12 (l) The change in law made by Section 214.906, Local
13 Government Code, as added by this Act, applies only to a building
14 permit issued on or after the effective date of this Act. A
15 building permit issued before the effective date of this Act is
16 governed by the law in effect immediately before that date, and that
17 law is continued in effect for that purpose.

18 SECTION 34. This Act takes effect September 1, 2007.