BILL ANALYSIS

H.B. 2223 By: Parker Business & Industry Committee Report (Unamended)

BACKGROUND AND PURPOSE

A Texas homeowner who finds defects in a new home and who works in good faith with the builder in an effort to repair the home is sometimes unable to obtain the necessary repairs or take advantage of the Texas Residential Construction Commission's services. The length of time it takes to work through the process with the builder can extend past the home warranty's expiration date and even past the deadline for filing a complaint with the commission. Requiring the commission to send a notice to the homeowner stating the deadlines for requesting commission services will give the homeowner information needed to understand the time constraints involved with warranties and commission requests. Currently, the commission is planning to execute such notice requirements using existing funds.

H.B. 2223 requires the Texas Residential Construction Commission, nine months after a builder registers a home with the commission, to send to the home's record owner a notice that describes the warranty provisions applicable to the home and that informs the owner about the state inspection and dispute resolution process and the deadline for filing a request for relief using that process.

RULEMAKING AUTHORITY

It is the committee's opinion that this resolution does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 2223 amends the Property Code to require the Texas Residential Construction Commission, nine months after a builder registers a home with the commission, to send to the home's record owner a notice that describes the warranty provisions applicable to the home, including the warranty periods, and informs the owner that the owner must file a request for state inspection and dispute resolution to pursue a civil action for damages or other relief arising from a construction defect and that the request must be filed on or before the 90th day after the date the applicable warranty period expires. The bill makes its provisions applicable to a home registered by a builder on or after January 1, 2009.

EFFECTIVE DATE

September 1, 2009.

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