

By: Johnson

H.B. No. 2696

Substitute the following for H.B. No. 2696:

By: Rodriguez of Travis

C.S.H.B. No. 2696

A BILL TO BE ENTITLED

1 AN ACT

2 relating to requiring a home inspection report as a condition of a
3 residential service contract.

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

5 SECTION 1. Subchapter G, Chapter 1303, Occupations Code, is
6 amended by adding Section 1303.305 to read as follows:

7 Sec. 1303.305. HOME INSPECTION REPORT REQUIREMENT AND
8 CERTAIN PAYMENT PROHIBITED. (a) A residential service company may
9 not require a homeowner, lessor, or renter to provide a home
10 inspection report to the company after a residential service
11 contract is entered into by the homeowner, lessor, or renter.

12 (b) If a residential service company requires a home
13 inspection report before a residential service contract is entered
14 into and declines the contract, the company may not collect any
15 payment from the homeowner, lessor, or renter.

16 (c) A residential service company that requires a home
17 inspection report may not deny a claim on any structural component,
18 appliance, or system that is addressed in the home inspection
19 report and included in the residential service contract unless the
20 company gives the homeowner, lessor, or renter express notice of
21 exclusion of the component, appliance, or system before the
22 contract is entered into by the homeowner, lessor, or renter.

23 SECTION 2. The change in law made by this Act applies only
24 to a contract entered into or renewed on or after the effective date

1 of this Act. A contract entered into or renewed before that date is
2 governed by the law in effect immediately before the effective date
3 of this Act, and that law is continued in effect for that purpose.

4 SECTION 3. This Act takes effect immediately if it receives
5 a vote of two-thirds of all the members elected to each house, as
6 provided by Section 39, Article III, Texas Constitution. If this
7 Act does not receive the vote necessary for immediate effect, this
8 Act takes effect September 1, 2013.