

1-1 By: Lucio III (Senate Sponsor - Estes) H.B. No. 1221
 1-2 (In the Senate - Received from the House April 13, 2015;
 1-3 April 23, 2015, read first time and referred to Committee on
 1-4 Business and Commerce; May 11, 2015, reported adversely, with
 1-5 favorable Committee Substitute by the following vote: Yeas 8,
 1-6 Nays 0; May 11, 2015, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14			X	
1-15	X			
1-16	X			
1-17	X			

1-18 COMMITTEE SUBSTITUTE FOR H.B. No. 1221 By: Watson

1-19 A BILL TO BE ENTITLED
 1-20 AN ACT

1-21 relating to seller's disclosures in connection with residential
 1-22 real property subject to groundwater regulation.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Section 5.008(b), Property Code, is amended to
 1-25 read as follows:

1-26 (b) The notice must be executed and must, at a minimum, read
 1-27 substantially similar to the following:

1-28 SELLER'S DISCLOSURE NOTICE

1-29 CONCERNING THE PROPERTY AT _____

1-30 (Street Address and City)

1-31 THIS NOTICE IS A DISCLOSURE OF SELLER'S KNOWLEDGE OF
 1-32 THE CONDITION OF THE PROPERTY AS OF THE DATE SIGNED BY
 1-33 SELLER AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR
 1-34 WARRANTIES THE PURCHASER MAY WISH TO OBTAIN. IT IS NOT
 1-35 A WARRANTY OF ANY KIND BY SELLER OR SELLER'S AGENTS.

1-36 Seller ___ is ___ is not occupying the Property.

1-37 If unoccupied, how long since Seller has occupied the Property?

1-38 _____

1-39 1. The Property has the items checked below:

1-40 Write Yes (Y), No (N), or Unknown (U).

- | | | |
|-------------------------|----------------------|------------------|
| 1-41 ___ Range | ___ Oven | ___ Microwave |
| 1-42 ___ Dishwasher | ___ Trash Compactor | ___ Disposal |
| 1-43 ___ Washer/Dryer | ___ Window | ___ Rain Gutters |
| 1-44 ___ Hookups | ___ Screens | |
| 1-45 ___ Security | ___ Fire Detection | ___ Intercom |
| 1-46 ___ System | ___ Equipment | ___ System |
| 1-47 | ___ Smoke Detector | |
| 1-48 | ___ Smoke Detector - | |
| 1-49 | ___ Hearing Impaired | |
| 1-50 | ___ Carbon Monoxide | |
| 1-51 | ___ Alarm | |
| 1-52 | ___ Emergency Escape | |
| 1-53 | ___ Ladder(s) | |
| 1-54 ___ TV Antenna | ___ Cable TV | ___ Satellite |
| 1-55 | ___ Wiring | ___ Dish |
| 1-56 ___ Ceiling Fan(s) | ___ Attic Fan(s) | ___ Exhaust |
| 1-57 | | ___ Fan(s) |
| 1-58 ___ Central A/C | ___ Central Heating | ___ Wall/Window |

- 2-1 Air
- 2-2 Conditioning
- 2-3 Plumbing System Septic System Public Sewer
- 2-4 System
- 2-5 Patio/Decking Outdoor Grill Fences
- 2-6 Pool Sauna Spa
- 2-7 Hot Tub
- 2-8 Pool Equipment Pool Heater Automatic Lawn
- 2-9 Sprinkler
- 2-10 System
- 2-11 Fireplace(s) & Fireplace(s) &
- 2-12 Chimney Chimney
- 2-13 (Woodburning) (Mock)
- 2-14 Natural Gas Lines Gas Fixtures
- 2-15 Liquid Propane Gas: LP Community LP on Property
- 2-16 (Captive)
- 2-17 Garage: Attached Not Attached Carport
- 2-18 Garage Door Opener(s): Electronic Control(s)
- 2-19 Water Heater: Gas Electric
- 2-20 Water Supply: City Well MUD Co-op
- 2-21 Roof Type: _____ Age: _____(approx)

2-22 Are you (Seller) aware of any of the above items that are not in
 2-23 working condition, that have known defects, or that are in need of
 2-24 repair? Yes No Unknown.

2-25 If yes, then describe. (Attach additional sheets if necessary):
 2-26 _____
 2-27 _____

2-28 2. Does the property have working smoke detectors installed in
 2-29 accordance with the smoke detector requirements of Chapter 766,
 2-30 Health and Safety Code?* Yes No Unknown.

2-31 If the answer to the question above is no or unknown,
 2-32 explain. (Attach additional sheets if necessary): _____
 2-33 _____
 2-34 _____

2-35 *Chapter 766 of the Health and Safety Code requires
 2-36 one-family or two-family dwellings to have working smoke detectors
 2-37 installed in accordance with the requirements of the building code
 2-38 in effect in the area in which the dwelling is located, including
 2-39 performance, location, and power source requirements. If you do
 2-40 not know the building code requirements in effect in your area, you
 2-41 may check unknown above or contact your local building official for
 2-42 more information. A buyer may require a seller to install smoke
 2-43 detectors for the hearing impaired if: (1) the buyer or a member of
 2-44 the buyer's family who will reside in the dwelling is hearing
 2-45 impaired; (2) the buyer gives the seller written evidence of the
 2-46 hearing impairment from a licensed physician; and (3) within 10
 2-47 days after the effective date, the buyer makes a written request for
 2-48 the seller to install smoke detectors for the hearing impaired and
 2-49 specifies the locations for installation. The parties may agree
 2-50 who will bear the cost of installing the smoke detectors and which
 2-51 brand of smoke detectors to install.

2-52 3. Are you (Seller) aware of any known defects/malfunctions in any
 2-53 of the following?
 2-54 Write Yes (Y) if you are aware, write No (N) if you are not aware.

- 2-55 Interior Walls Ceilings Floors
- 2-56 Exterior Walls Doors Windows
- 2-57 Roof Foundation/
2-58 Slab(s) Basement
- 2-59 Walls/Fences Driveways Sidewalks
- 2-60 Plumbing/Sewers/
2-61 Septics Electrical Lighting
- 2-62 Other Structural Components (Describe): _____
2-63 _____
2-64 _____

2-65 If the answer to any of the above is yes, explain. (Attach
 2-66 additional sheets if necessary): _____
 2-67 _____
 2-68 _____

3-1 4. Are you (Seller) aware of any of the following conditions?
3-2 Write Yes (Y) if you are aware, write No (N) if you are not aware.

- 3-3 Active Termites Previous Structural
- 3-4 (includes or Roof Repair
- 3-5 wood-destroying insects)
- 3-6 Termite or Wood Rot Damage Hazardous or Toxic Waste
- 3-7 Needing Repair
- 3-8 Previous Termite Damage Asbestos Components
- 3-9 Previous Termite Urea formaldehyde
- 3-10 Treatment Insulation
- 3-11 Previous Flooding Radon Gas
- 3-12 Improper Drainage Lead Based Paint
- 3-13 Water Penetration Aluminum Wiring
- 3-14 Located in 100-Year Previous Fires
- 3-15 Floodplain
- 3-16 Present Flood Insurance Unplatted Easements
- 3-17 Coverage
- 3-18 Landfill, Settling, Soil Subsurface
- 3-19 Movement, Fault Lines Structure or Pits
- 3-20 Single Blockable Main Previous Use of Premises
- 3-21 Drain in Pool/Hot for Manufacture of
- 3-22 Tub/Spa* Methamphetamine
- 3-23 If the answer to any of the above is yes, explain. (Attach
- 3-24 additional sheets if necessary): _____
- 3-25 _____
- 3-26 _____

3-27 *A single blockable main drain may cause a suction entrapment
3-28 hazard for an individual.

3-29 5. Are you (Seller) aware of any item, equipment, or system in or
3-30 on the property that is in need of repair? Yes (if you are
3-31 aware) No (if you are not aware). If yes, explain (attach
3-32 additional sheets as necessary).

3-33 _____
3-34 6. Are you (Seller) aware of any of the following?
3-35 Write Yes (Y) if you are aware, write No (N) if you are not aware.

- 3-36 Room additions, structural modifications, or other
- 3-37 alterations or repairs made without necessary permits or not
- 3-38 in compliance with building codes in effect at that time.
- 3-39 Homeowners' Association or maintenance fees or assessments.
- 3-40 Any "common area" (facilities such as pools, tennis courts,
- 3-41 walkways, or other areas) co-owned in undivided interest with
- 3-42 others.
- 3-43 Any notices of violations of deed restrictions or
- 3-44 governmental ordinances affecting the condition or use of the
- 3-45 Property.
- 3-46 Any lawsuits directly or indirectly affecting the Property.
- 3-47 Any condition on the Property which materially affects the
- 3-48 physical health or safety of an individual.
- 3-49 Any rainwater harvesting system located on the property that
- 3-50 is larger than 500 gallons and that uses a public water supply
- 3-51 as an auxiliary water source.
- 3-52 Any portion of the property that is located in a groundwater
- 3-53 conservation district, a subsidence district, or other
- 3-54 special purpose district with the authority to regulate the
- 3-55 withdrawal of groundwater.

3-56 If the answer to any of the above is yes, explain. (Attach
3-57 additional sheets if necessary): _____

3-58 _____
3-59 _____
3-60 7. If the property is located in a coastal area that is seaward of
3-61 the Gulf Intracoastal Waterway or within 1,000 feet of the mean high
3-62 tide bordering the Gulf of Mexico, the property may be subject to
3-63 the Open Beaches Act or the Dune Protection Act (Chapter 61 or 63,
3-64 Natural Resources Code, respectively) and a beachfront
3-65 construction certificate or dune protection permit may be required
3-66 for repairs or improvements. Contact the local government with
3-67 ordinance authority over construction adjacent to public beaches

4-1 for more information.

4-2 _____
 4-3 Date Signature of Seller
 4-4 The undersigned purchaser hereby acknowledges receipt of the
 4-5 foregoing notice.

4-6 _____
 4-7 Date Signature of Purchaser

4-8 SECTION 2. Section 5.008(b), Property Code, as amended by
 4-9 this Act, applies only to a transfer of property that occurs on or
 4-10 after the effective date of this Act. A transfer of property that
 4-11 occurs before the effective date of this Act is governed by the law
 4-12 applicable to the transfer immediately before that date, and the
 4-13 former law is continued in effect for that purpose. For purposes of
 4-14 this section, a transfer of property occurs before the effective
 4-15 date of this Act if the contract binding the purchaser to purchase
 4-16 the property is executed before that date.

4-17 SECTION 3. This Act takes effect January 1, 2016.

4-18 * * * * *