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H.B. No. 1665

A BILL TO BE ENTITLED

AN ACT

relating to notice of water level fluctuations to purchasers of
real property adjoining an impoundment of water.

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

SECTION 1. Subchapter A, Chapter 5, Property Code, is
amended by adding Section 5.019 to read as follows:

Sec. 5.019. NOTICE OF WATER LEVEL FLUCTUATIONS. (a) This
section applies only to the sale of residential or commercial real
property adjoining an impoundment of water, including a reservoir
or lake, constructed and maintained under Chapter 11, Water Code,
that has a storage capacity of at least 5,000 acre-feet at the
impoundment's normal operating level.

(b) A seller of real property shall give to the purchaser of
the property a written notice in substantially the following form:

NOTICE OF WATER LEVEL FLUCTUATIONS

The water level of the impoundment of water adjoining the
property at _____ (street address and city) or described
as _____ (legal description) fluctuates for various
reasons, including as a result of:

(1) an entity lawfully exercising its right to use the
water stored in the impoundment; or

(2) drought or flood conditions.

(c) The notice described by Subsection (b) shall be
delivered by the seller to the purchaser on or before the effective

1 date of an executory contract binding the purchaser to purchase the
2 property.

3 (d) If a contract is entered into without the seller
4 providing the notice within the period required by Subsection (c),
5 the purchaser may terminate the contract for any reason within
6 seven days after the date the purchaser receives:

7 (1) the notice described by Subsection (b) from the
8 seller; or

9 (2) information described by the notice under
10 Subsection (b) from any other person.

11 (e) After the date of the conveyance, the purchaser may
12 bring an action for misrepresentation against the seller if the
13 seller:

14 (1) failed to provide the notice before the date of the
15 conveyance; and

16 (2) had actual knowledge that the water level
17 described by Subsection (b) fluctuates for various reasons,
18 including the reasons stated in Subsection (b).

19 SECTION 2. Section 5.019, Property Code, as added by this
20 Act, applies only to an executory contract entered into on or after
21 the effective date of this Act. An executory contract entered into
22 before the effective date of this Act is governed by the law as it
23 existed immediately before the effective date of this Act, and that
24 law is continued in effect for that purpose.

25 SECTION 3. This Act takes effect September 1, 2015.