

By: Wray

H.B. No. 1116

A BILL TO BE ENTITLED

AN ACT

relating to the limitations periods for certain suits against real estate appraisers and appraisal firms.

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

SECTION 1. Subchapter A, Chapter 16, Civil Practice and Remedies Code, is amended by adding Section 16.013 to read as follows:

Sec. 16.013. REAL ESTATE APPRAISERS AND APPRAISAL FIRMS.

(a) In this section:

(1) "Appraisal" has the meaning assigned by Section 1103.003, Occupations Code.

(2) "Appraisal review" has the meaning assigned by Section 1104.003, Occupations Code.

(3) "Real estate appraisal firm" means an entity engaging a real estate appraiser as an owner, member, shareholder, partner, employee, or independent contractor to perform an appraisal or appraisal review.

(4) "Real estate appraiser" means an individual licensed or certified under Chapter 1103, Occupations Code.

(b) Except for a suit based on fraud or breach of contract, a person must bring suit for damages or other relief arising from an appraisal or appraisal review conducted by a real estate appraiser or appraisal firm not later than the earlier of:

(1) two years after the day the person knew or should

1 have known the facts on which the action is based; or  
2 (2) five years after the day the appraisal or  
3 appraisal review was completed.

4 SECTION 2. Subchapter D, Chapter 154, Civil Practice and  
5 Remedies Code, is amended by adding Section 154.074 to read as  
6 follows:

7 Sec. 154.074. RESOLUTION OF DISPUTES BY CONTRACTUAL  
8 APPRAISAL PROCESS. A party must invoke a contractual appraisal  
9 process that resolves disputes over the amount of loss not later  
10 than the 60th day after the date the party receives or submits, as  
11 applicable, written notice of the dispute. The parties may invoke  
12 the appraisal process after the period described by this section by  
13 mutual agreement in a separate written agreement.

14 SECTION 3. Section 16.013, Civil Practice and Remedies  
15 Code, as added by this Act, applies only to a cause of action that  
16 accrues on or after the effective date of this Act.

17 SECTION 4. This Act takes effect September 1, 2019.