

1-1 By: Leach, et al. (Senate Sponsor - King) H.B. No. 2024
 1-2 (In the Senate - Received from the House April 24, 2023;
 1-3 April 24, 2023, read first time and referred to Committee on
 1-4 Business & Commerce; May 10, 2023, reported favorably by the
 1-5 following vote: Yeas 9, Nays 2; May 10, 2023, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
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		X		

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

1-21 relating to statutes of limitation and repose for certain claims
 1-22 arising out of residential construction.

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

1-24 SECTION 1. Section 16.009, Civil Practice and Remedies
 1-25 Code, is amended by amending Subsections (a) and (c) and adding
 1-26 Subsections (a-2), (a-3), and (a-4) to read as follows:

1-27 (a) Except as provided by Subsection (a-1) or (a-2), a
 1-28 claimant must bring suit for damages for a claim listed in
 1-29 Subsection (b) against a person who constructs or repairs an
 1-30 improvement to real property not later than 10 years after the
 1-31 substantial completion of the improvement in an action arising out
 1-32 of a defective or unsafe condition of the real property or a
 1-33 deficiency in the construction or repair of the improvement.

1-34 (a-2) Except as provided by this subsection, with respect to
 1-35 any claim arising out of the design, construction, or repair of a
 1-36 new residence, of an alteration of or repair or addition to an
 1-37 existing residence, or of an appurtenance to a residence, a
 1-38 claimant must bring suit for damages for a claim listed in
 1-39 Subsection (b) against a person who constructs or repairs an
 1-40 improvement to real property not later than 10 years after the
 1-41 substantial completion of the improvement in an action arising out
 1-42 of a defective or unsafe condition of the real property or a
 1-43 deficiency in the construction or repair of the improvement. If the
 1-44 person being sued is a contractor who has provided a written
 1-45 warranty for the residence that complies with Subsection (a-3), the
 1-46 claimant must bring the suit not later than six years after the
 1-47 substantial completion of the improvement.

1-48 (a-3) For purposes of Subsection (a-2), a written warranty
 1-49 must provide a minimum period of:

- 1-50 (1) one year for workmanship and materials;
- 1-51 (2) two years for plumbing, electrical, heating, and
 1-52 air-conditioning delivery systems; and
- 1-53 (3) six years for major structural components.

1-54 (a-4) For purposes of Subsection (a-2):

1-55 (1) "Contractor" has the meaning assigned by Section
 1-56 27.001, Property Code.

1-57 (2) "Residence" means the real property and
 1-58 improvements for a detached one-family or two-family dwelling or a
 1-59 townhouse not more than three stories above grade plane in height
 1-60 with a separate means of egress or an accessory structure not more
 1-61 than three stories above grade plane in height.

2-1 (c) If the claimant presents a written claim for damages,
2-2 contribution, or indemnity to the person performing or furnishing
2-3 the construction or repair work during the applicable limitations
2-4 period, the period is extended for:

2-5 (1) two years from the date the claim is presented, for
2-6 a claim to which Subsection (a) applies; or

2-7 (2) one year from the date the claim is presented, for
2-8 a claim to which Subsection (a-1) or (a-2) applies.

2-9 SECTION 2. (a) Except as provided by this section, Section
2-10 16.009, Civil Practice and Remedies Code, as amended by this Act,
2-11 applies to a cause of action arising out of the design,
2-12 construction, or repair of an improvement to real property that
2-13 commences on or after the effective date of this Act. Section
2-14 16.009, Civil Practice and Remedies Code, as amended by this Act,
2-15 does not apply to a cause of action arising out of the design,
2-16 construction, or repair of an improvement to real property that
2-17 commences on or after the effective date of this Act under a
2-18 contract entered into before that date.

2-19 (b) A cause of action arising out of the design,
2-20 construction, or repair of an improvement to real property that
2-21 commenced before the effective date of this Act or arising out of
2-22 the design, construction, or repair of an improvement to real
2-23 property that commences on or after the effective date of this Act
2-24 under a contract entered into before that date is governed by the
2-25 law applicable to the cause of action immediately before the
2-26 effective date of this Act, and that law is continued in effect for
2-27 that purpose.

2-28 SECTION 3. This Act takes effect immediately if it receives
2-29 a vote of two-thirds of all the members elected to each house, as
2-30 provided by Section 39, Article III, Texas Constitution. If this
2-31 Act does not receive the vote necessary for immediate effect, this
2-32 Act takes effect September 1, 2023.

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