

## **BILL ANALYSIS**

Senate Research Center  
79R3295 AJA-D

S.B. 334  
By: Duncan  
Business & Commerce  
3/4/2005  
As Filed

### **AUTHOR'S/SPONSOR'S STATEMENT OF INTENT**

Currently, the Residential Construction Liability Act (act), Chapter 27, Property Code, provides a remedy for failure to include a statutory notice in certain residential construction transactions. This remedy is a civil penalty of \$500 and is in addition to any other remedy provided by the act.

As proposed, S.B. 334 amends the language of the act to clarify that an action seeking recovery of the civil penalty may not be brought on its own and the penalty may only be recovered in conjunction with an action to recover damages resulting from a construction defect.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 27.007(b), Property Code, to authorize a claimant to recover from a contractor a civil penalty of \$500 in addition to any other remedy provided by this chapter if, in addition to the contract not containing the notice required by this section, the claimant proves actual damages were proximately caused by the construction defect. Makes conforming changes.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2005.