

## **BILL ANALYSIS**

Senate Research Center  
79S20034 AJA-F

S.B. 14  
By: Duncan  
State Affairs  
7/21/2005  
As Filed

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

Currently, the Residential Construction Liability Act, Chapter 27 (Residential Construction Liability), 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.

S.B. 14 clarifies that an action seeking recovery of the civil penalty may not be brought on its own. The penalty may only be recovered in conjunction with an action to recover damages resulting from a construction defect. Additionally, an action to recover the civil penalty may not be certified as a class action.

### **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, Property Code, by amending Subsection (b) and adding Subsection (c), as follows:

(b) Sets forth the conditions under which a claimant is authorized to recover from the contractor a civil penalty of \$500 in addition to any other remedy provided by this chapter.

(c) Prohibits a court from certifying an action brought under this section as a class action.

SECTION 2. Makes application of Section 27.007(b), Property Code, as amended by this Act, prospective.

SECTION 3. Makes application of Section 27.007(c), as added by this Act, prospective to July 1, 2005.

SECTION 4. Effective date: upon passage or the 91st day after adjournment.