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Summarizing state legislative and regulatory developments affecting housing and the building industry.

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**Governor Perry Calls Announces Special Session for July 1**

*This is the last Legislative Line you will be receiving. TABloid will now be sent out on a monthly basis.*

**Gov. Perry Announces Special Session for July 1**

June 25, 2009

AUSTIN – Gov. Rick Perry today announced that a special session of the Texas Legislature will begin on Wednesday, July 1, at 10 a.m.

“The 81st Legislative Session was one of the most successful in recent memory, providing a tax cut to 40,000 small businesses and increasing financial aid for college students by more than 40 percent, all without touching our states Rainy Day Fund,” Gov. Perry said. “After speaking with legislators I am calling a special session to extend the operation of five critical agencies and help reduce gridlock by continuing to provide options for financing our state’s highways.”

The special session will consider the following issues:

- Legislation extending the existence of five state agencies that were subject to sunset review by the 81st Legislature that would otherwise be abolished without legislative action, and to change the review schedule for certain state agencies to balance the Sunset Advisory Commission’s workload. These agencies include the Texas Department of Transportation, Texas Department of Insurance, Texas Racing Commission, Office of Public Insurance Counsel and Texas State Affordable Housing Corporation.
- Legislation allowing the Texas Department of Transportation to issue general obligation bonds, which have already been approved by voters, for highway improvement projects, and for the creation, administration, financing and use of a Texas Transportation Revolving Fund to provide financial assistance for transportation projects.
- Legislation extending the authority of the Texas Department of Transportation and a regional mobility authority to use comprehensive development agreements to design, finance, build and maintain transportation infrastructure.

Please visit <http://governor.state.tx.us/news/proclamation/12758/> to view the governor’s proclamation announcing the special session.

Speaker Straus has proposed the following schedule for the House of Representatives:

July 1, 2009	House Convenes at 10:00 a.m. House Bills Referred Committees Hold Public Hearings Calendars Committee Meets Calendar Printed and Distributed
July 2, 2009	House Convenes House Receives Senate Bills Committees Meet (as necessary) Consideration of House Calendar
July 3, 2009	House Convenes Consideration of House Calendar House Adjourns Sine Die

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**TRCC Update**

The 81st Texas Legislative Session ended without legislation passing to continue the Texas Residential Construction Commission (TRCC). With the certain demise of the TRCC, TAB urges all homebuilders across the state to continue business as usual because the Commission and the TRCC Act remain in full effect until September 1, 2009. The TRCC statutes and rules will remain on the books in their current form until this date per state law.

Due to the Legislature’s decision to sunset the Texas Residential Construction Commission (TRCC), the Commission released an advisory regarding the sunset wind down process that can be found by clicking [here](#).

If you have any further questions regarding the wind-down process, please contact the TRCC at 877-651-8722 or TAB at 512-476-6346 for further assistance.

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### **Fire Sprinkler Bill Signed Into Law**

On Friday, June 19 Governor Perry signed into law SB 1410, the bill giving homeowners the choice to install fire sprinklers. TAB has worked very hard on this issue this session and is very pleased with Governor Perry's decision. This bill will take effect on September 1, 2009.

The language of SB 1410 effectively prohibits a city from enacting fire sprinkler mandates in single family homes, duplexes and remodeling projects. The fire sprinkler amendment was added in the House by Rep. John Otto (R- Dayton) and states:

*Notwithstanding any other provision of state law, after January 1, 2009, a municipality may not enact an ordinance, bylaw, order, building code, or rule requiring the installation of a multipurpose residential fire protection sprinkler system or any other fire sprinkler protection system in a new or existing one or two-family dwelling. A municipality may adopt an ordinance, bylaw, order, or rule allowing a multipurpose residential fire protection sprinkler specialist or other contractor to offer, for a fee, the installation of a fire sprinkler protection system in a new one or two-family dwelling.*

SB 1410 also includes an amendment added by Rep. Warren Chisum (R-Pampa) that creates a "multipurpose residential fire protection sprinkler specialist" designation under the Texas State Board of Plumbing Examiners.

Rep. Otto's amendment not only eliminates sprinkler mandates it further states that builders can use these plumbers to install single-pipe systems that supply the domestic water and fire sprinkler heads. The added language states:

*A multipurpose residential fire protection sprinkler specialist may install a multipurpose residential fire protection sprinkler system in a new or existing one or two-family dwelling in municipality described by subsections (a) and (b).*

Click [here](#) to see the final version of this bill.

Thank you to all that participated in this effort, we wouldn't have been able to accomplish this without the strong support of our members! Please do not hesitate to contact the TAB Government Relations Staff at 512-476-6346 should you have any additional questions.

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### **81st Legislative Session - Bills of Interest Overview**

#### **81<sup>st</sup> Legislative Session**

#### **TAB Bill Tracking – Summaries of Selected Bills That Passed**

**HB 8 (John Otto, R-Dayton) Relating to certain studies and reviews of appraisal districts conducted by the comptroller of public accounts.** This bill requires the comptroller of public accounts to conduct a study, at least every two years, using comparable sales and generally accepted auditing and sampling techniques to determine the total taxable value of all property in each school district. This bill also requires the comptroller to conduct a property value study and will have an advisory committee comprised of members of the legislature, representatives of appraisal districts, taxpayers of the state and representatives of school districts. The comptroller will review appraisal districts at least once every two years to evaluate the governance of each district, taxpayer assistance provided, and the operating and appraisal standards, procedures, and methodology used by each appraisal district. At the conclusion of the evaluation, the comptroller will provide a report on the district's performance.

**HB 348 (Aaron Pena, D-Edinburg) Relating to the punishment for theft of certain aluminum, bronze or copper materials.** This bill amends the Penal Code making it a state jail felony if \$20,000 or less of insulated or non-insulated tubing, rods or wire that is at least fifty percent aluminum, bronze or copper is stolen. If the value is higher the offense becomes third degree state felony. This puts the theft of copper wire or tubing (water pipes) on par with cattle rustling.

**HB 669 (Burt Solomons, R-Carrollton) Relating to liability arising out of the filing of a mechanic's, contractor's, or materialman's lien. Senate Sponsor: Harris.** Section 12.002 of the Civil Practice and Remedies Code includes criminal penalties for filing fraudulent court documents. This bill amends that section to provide that a person claiming a lien under Chapter 53 (Mechanic's, Contractor's, or Materialman's Lien), Property Code, is not liable under this section for the making, presentation, or use of a document or other record in connection with the assertion of the claim unless the person acts with intent to defraud.

**HB 703 (Patrick Rose, D-Dripping Springs) Relating to fall prevention awareness.**

This bill establishes a "Fall Prevention Awareness Week" that begins the first Sunday after the autumnal equinox. The Texas Department of Aging and Disability Services is responsible for the program and for developing recommendations "incorporate fall prevention guidelines into state and local planning documents that affect housing."

**HB 875 (Rob Eissler, R- The Woodlands) Relating to civil liability for erecting or maintaining certain outdoor sign or advertising.** Amends the Transportation Code by establishing that individuals are liable for civil penalties relating to placing signs and bandit signs in the right of way. Currently, a person is liable for civil penalties to the state or the municipality for a violation. This bill

eliminates the language referring to the state and municipality. Also allows a district, county or city attorney to recover attorney's fees in an action brought against someone for the placement of signs or bandit signs in a public right-of-way.

**HB 1029 (Eddie Rodriguez, D- Austin) Relating to the development, rehabilitation, or expansion of affordable housing in a public improvement district established by a county or municipality.** Amends Section 372.003 of the Local Government Code to add "the development, rehabilitation, or expansion of affordable housing" to the list of authorized public improvement projects that can be implemented in a Public Improvement District (PID).

**HB 1063 (Joe Farias, D- San Antonio) Relating to emergency vehicle access to certain gated communities and multiunit housing projects.** This bill gives a commissioners court the authority to require the electric gates of a gated community or to a multifamily complex be equipped with a gate-operating device that: 1) is approved by the fire marshal and, 2) will activate on the sounding of an emergency vehicle siren.

**HB 1473 (Charlie Geren, R-River Oaks) Relating to the application of certain requirements affecting certain subdivision golf courses.** This bill expands the bracket to include Tarrant County to the section of the local government code that addresses the plat requirements of certain subdivision golf courses and related property.

**HB 1484 (Jim Pitts R-Waxahachie)/SB 1698 (Troy Fraser, R-Horseshoe Bay) Relating to the use of certain professional titles by interior designers. Senate Sponsor: Fraser** Allows non-registered interior designers and interior decorators to call themselves an "Interior Designer" so long as they do not portray themselves, or use the professional business title, of "Registered Interior Designer" unless they are, in fact, a registered interior designer.

**HB 1513 (Wayne Smith, R-Baytown) Relating to construction contract trust funds and the misapplication of those funds. Senate Sponsor: Jackson.** This bill amends the Property Code to state that trust funds paid to a creditor are not property or an interest in property of a debtor who is a trustee. The bill also amends the construction trust fund statute to create a trust fund relationship between a builder and homeowner, just as it currently exists between a builder and subcontractor.

**HB 1819 (Dwayne Bohac, R- Houston) Relating to minimum habitability standards for multi-family rental buildings in certain municipalities.** This bill empowers a municipality with more than 1.7 million people the ability to enact an ordinance that establishes minimum habitability standards for multifamily building including "maintenance of proper operating conditions" and the municipality can "establish other standards as necessary to reduce material risks to physical health or safety".

**HB 1937 (Mike Villarreal, D- San Antonio) Relating to the voluntary assessment of property owners by a municipality to finance certain energy conservation improvements.** The bill amends Chapter 376 of the Local Government Code to permit municipalities to create financial districts to loan money for renewable power and energy efficiency improvements that are permanently fixed to residential, commercial, industrial or other real property. The cost of energy efficiency improvements is paid back through property assessments that the owner contractually agree to and the assessment id passed on to subsequent buyers. The energy "PID" can be financed by the sale of bonds or other financing and any assessments constitute a lien on the lot until paid.

**HB 2275 (Richard Raymond, D-Laredo) Relating to creating a task force to develop uniform standards for subdivisions in the unincorporated areas of counties near the international border and in economically distressed counties. Senate Sponsor: Zaffirini.** The bill would amend statute and create a task force to research and identify the conflicts and deficiencies in current law regarding the regulation of subdivision development in the unincorporated areas of counties near the international border and in economically distressed counties. The task force must develop recommendations and draft a proposal for legislation to create uniform standards for subdivision regulation in these areas. The Texas Water Development Board would provide administrative support to the task force, including necessary staff and meeting facilities. Of the 23 members on the task force, three will be appointed by the president of TAB to represent the interests of builders and land developers.

**HB 2344 (Helen Giddings, D-De Soto) Relating to the urban land bank demonstration program in certain municipalities.** This bill provides that tax lien foreclosed property can be sold to a land bank regardless of zoning and upon development may be zoned for more than one use that must include residential. The bill also extends the time that land in an urban land bank must be sold to a developer for the purpose of constructing affordable housing from 3 years to 4 years. The bill also allows developers to do lot exchanges between land sold by the bank and other land owned or purchased by a developer who receives the land. Finally, the bill allows a land bank to sell two adjacent properties to a developer if: 1) one of the properties is residential and, 2) the developer agrees to replat the properties into one that is appropriate for residential.

**HB 2649 (Wayne Smith, R-Baytown) Relating to the regulation and practice of engineering.** Among other things, this bill requires all TWIA windstorm certifications/inspections to be performed by a licensed engineer. This bill also requires all foundations located in soil meeting the IRC expansive soil certifications to be either designed by a licensed engineer or meet the IRC prescriptive requirements for expansive soil.

**HB 2665 (Allan Ritter, D-Nederland) Relating to authorizing the commissioners court of a county to adopt and impose standards and specifications for the design and installation of address number signs to identify properties located in unincorporated areas of the county.** This bill gives the commissioners court the authority to adopt standards and specs for the design and installation of property address numbers. The address sign standards and specs can include size, material, ability to reflect light, and longevity. The bill further provides that the commissioners court may also require property owners to obtain the signs and install and maintain those signs at the location and in the manner required by those standards. If property owners fail to comply they can be charged with a Class C Misdemeanor.

**HB 2667 (Allan Ritter, D-Nederland) Relating to performance standards for plumbing fixtures sold in this state.** This bill addresses water flow rates for plumbing fixtures. The flow rates for lavatory faucets are set at 2.2 gallons per minute. The water flow rate for shower heads is 2.5 gallons per minute. For toilets the maximum flow rate is 1.6 gallons per flush. After January 1, 2014 any toilet "sold, offered for sale or distributed in this state" must be a dual flush toilet that where the average flush volume of two reduced flushes and one full flush does not exceed 1.28 gallons or a single flush toilet with an average flush volume that does not exceed 1.28 gallons. The toilet manufacturers must have at

least 50% of their models comply with the new standard on display after January 1, 2010. This percentage increases every year until year 2014.

**HB 2833 (Marissa Marquez, D-El Paso) Relating to certain building code standards applicable to the unincorporated areas of certain counties; providing a penalty.** Gives all counties, except Loving County, the authority to require one- and two-family homes in the unincorporated areas of that county to be built/remodeled to either the county seat's version of the IRC or the 2006 IRC (the builder makes the choice), and to require a third party inspection to ensure code compliance. The inspectors, as chosen by the builder, may be one of the following:

1. a licensed engineer;
2. a registered architect;
3. a TREC inspector;
4. a plumbing inspector employed by a municipality and licensed by the Texas State Board of Plumbing Examiners;
5. a building inspector employed by a political subdivision; or
6. an individual certified as a residential combination inspector by the ICC.

The inspections must occur at the following stage, if applicable:

1. the foundation stage, before the placement of concrete;
2. the framing and mechanical systems stage, before covering with drywall or other interior wall covering; and
3. on completion of construction of the residence.

The county may also require that certain notice, including notice of the inspections and the location and approximate date of construction, be given to the county. If such notice is not given, the county may seek injunctive relief and make the builder subject to a Class C Misdemeanor. The bill specifically states that it may not be construed to require prior approval by the county before the beginning of new residential construction or authorize the commissioners court of a county to adopt or enforce zoning regulations.

**HB 2919 (Susan King, R-Abilene) Relating to the regulation of land use and the creation of regional military sustainability commissions to ensure compatible development with military installations in certain areas. Senate Sponsor: Fraser.** HB 2919 prohibits the defense community of Dyess Air Force Base in Abilene from adopting or amending an ordinance, rule, or plan in an area located within 8 miles of the boundary line of Dyess until the 31st day after the date the community receives comments and analysis from the base. HB 2919 further prohibits the defense community of Dyess Air Force Base in Abilene from approving a building permit in an area located within 8 miles of the boundary line of Dyess until the 5th day after the date the community receives comments and analysis from the base.

HB 2919 also amends the Local Government Code to authorize counties with unincorporated areas within 5 miles of a military base and cities of 1.1 million or more with ETJs within 5 miles of a military installation to establish and fund a regional military sustainability commissions (commission). A commission would be required to establish an advisory committee to advise the commission on protecting the critical military missions of the military installation with regard to development. The bill would allow a landowner aggrieved by a report submitted by the commission or by a permit application decision by the participating governmental entities to appeal to a district court. The court would have the authority to reverse, modify, wholly or partly, the report or the permit application decision that is appealed. The following are exempted from the bill:

1. a tract of land used for a single family residence located outside the boundaries of a platted subdivision;
2. agricultural uses; and
3. an area subject to the vested rights statute.

**HB 3065 (Dwayne Bohac, R- Houston) Relating to municipal registration of vacant buildings in certain counties.** This bill establishes in the Local Government Code that a building is presumed to be vacant if all activity, including construction activity has ceased for more than 150 days. The bill allows that a municipality located in a county with a population of 1.5 million or more may adopt an ordinance requiring owners of vacant building to register their building and to provide the disclosure of information "reasonably necessary for the municipality to minimize the threat to health, safety and welfare that a vacant building may present to the public.

**HB 3502 (Joe Pickett, D-El Paso) Relating to acknowledgements required of a purchaser of residential real property in connection with the receipt of a seller's disclosure notice regarding the property. Senate Sponsor: Fraser.** This bill changes the seller disclosure language for property buyers by striking language that addressed the presence or non-presence of smoke detectors and adding new language on the topic. The new language in the seller's disclosure clearly states that a buyer may require the seller to install smoke detectors for the hearing impaired if the buyer or a member of the buyer's family is hearing impaired. The parties may agree who will bear the cost and which brand of detectors will be installed.

**HB 3611 (John Otto, R-Dayton) Relating to the consolidation of appraisal review boards.** This bill allows for two or more adjoining appraisal districts to combine their appraisal review boards into one by interlocal contract.

**HB 3612 (John Otto, R-Dayton) Relating to the creation of a pilot program that allows taxpayer appeals from certain appraisal review board determinations in certain counties to be heard by the State Office of Administrative Hearings.** This bill creates a three year pilot program for a property owner to protest an appraisal review board order to the State Office of Administrative Hearings if the value of the home is greater than \$1 million. The following counties are to be included: Bexar, Cameron, El Paso, Harris, Tarrant, and Travis.

**HB 3613 (John Otto, R-Dayton) Relating to the determination of the market value of a residence homestead for ad valorem tax purposes on the basis of the property's value as a residence homestead and to an exemption from ad valorem taxation of the residence homesteads of certain totally disabled veterans and to the amount of the exemption from ad valorem taxation to which a disabled veteran is entitled based on disability rating.** A disabled veteran receiving 100% disability

compensation from a service related accident and a disability rating of 100% an exemption from taxation on the total appraised value of their homestead. The bill also amends the disability ratings to 10-30% for a \$5,000 exemption, 30-50% for \$7,500 exemption, 50-70% for \$10,000 exemption and 70% and over for a \$12,000 exemption. In determining school district appraisal values, a resident that receives the exemption is not considered to be taxable property during the year of study. This bill states that the market value of a residence homestead should be only be determined by the property's value, not the highest and best use.

**HB 3661 (Sylvester Turner, D-Houston) Relating to standards for installing fire hydrants in certain residential areas.** This bill establishes that the regulatory authority for a public utility shall adopt rules for installing fire hydrants and maintaining adequate pressure for service to fire hydrants adequate to protect public safety in residential areas in a municipality with a population of 1,000,000 or more.

**HB 3866 (Elliott Naishtat, D-Austin) Relating to fire safety inspections.** This bill stipulates that only an individual certified as a fire inspector may conduct fire safety inspections required by state or local laws. The bill applies only to a fire safety inspection that occurs on or after September 1, 2011. It is unclear how this bill will affect the provision of SB 1410 that allows a plumber that installs a multipurpose fire sprinkler system to inspect their own work.

**HB 4275 (Jose Menendez, D-San Antonio) Relating to the application process and scoring for the low income housing tax credit program. Senate Sponsor: West** This bill would allow the state to open its application process outside the uniform application cycle for low-income housing tax credits if/when the state gets funds from the federal government via the American Recovery and Reinvestment Act. The bill also provides that the state, if allowed by federal law, secure the interests of the state through bonds, ownership interests in property, restrictive covenants, and/or liens filed on the property for which the applicant has accepted funds until such time as the department and the State of Texas do not have liability to repay or recapture such funds.

**HB 4409 (Larry Taylor, R-League City) Relating to emergency preparation and management.** HB 4409 directs the General Land Office (GLO), the Texas Department of Transportation (TxDOT), and the Texas Department of Housing and Community Affairs (TDHCA) to solicit and enter into pre-event contracts for weather-related disaster response activities after a disaster.

HB 4409 also addresses windstorm issues. It adds all homes "altered, remodeled or enlarged" to the current "constructed or repaired" homes that must get a windstorm inspection in order to be eligible for TWIA windstorm insurance. Directs TDI to implement a reasonable fee for all inspections. States that TDI may not consider any coverage request if, within six months after the final inspection of a structure, the department has not received: (1) fully completed documentation verifying that the structure has been built in compliance with TDI windstorm requirements; and (2) full payment of all inspection fees. Further states that a home in the designated catastrophe area may not be insured by TWIA unless it is built in compliance with TDI building code requirements. Sets a surcharge for certain non-complaint buildings. The bill would restructure the revenues collected and deposited into the Catastrophe Reserve Trust Fund. The bill would authorize the Texas Public Finance Authority to issue public securities on behalf of TWIA. The bill would create the windstorm insurance legislative oversight board to monitor TWIA and review proposed legislation. The bill would require the board to produce a biennial report on the board's recommendations.

**HB 4765 (Rene Oliviera, D-Brownsville) Relating to the computation of the franchise tax.** This bill raises the franchise tax exemption from \$300,000 to \$1 million until December 31, 2011. After that date, the exemption amount is lowered to \$600,000. Beginning January 1, 2012, a taxable entity is eligible for discounts of 40%, 20% on taxes imposed if their total revenue is between \$600,000-\$700,000, \$700,000-\$900,000.

**HJR 14 (Frank Corte, Jr., R-San Antonio) Proposing constitutional amendments limiting the public taking of private property, establishing the national research university fund to fund emerging research universities, and eliminating the higher education fund.** Proposes an amendment to Article I of the Texas Constitution to specify that the taking of private property is authorized only if it is necessary for: the ownership, use, and enjoyment of the state, a political subdivision of the state, the public at large, or an entity granted the power of eminent domain under the law; or the elimination of urban blight on a particular parcel of property.

The definition of term "public use" would be modified to not include the taking of property by the state or a political subdivision of the state for transfer to a private entity for the purpose of economic development or enhancement of tax revenues. On or after January 1, 2010, the legislature would be allowed to enact a general, local, or special law granting the power of eminent domain to an entity only on a two-thirds vote of all the members elected to each house.

The proposed constitutional amendment would be submitted to the voters at an election to be held November 3, 2009.

**HJR 36 (John Otto, R-Dayton)/SJR 48 (Tommy Williams, R-The Woodlands) Proposing a constitutional amendment authorizing the legislature to provide for the ad valorem taxation of a residence homestead solely on the basis of the property's value as a residence homestead; authorizing the legislature to authorize a single board of equalization for two or more adjoining appraisal entities that elect to provide for consolidated equalizations; and authorizing the legislature to provide for the administration and enforcement of uniform standards and procedures for appraisal of property for ad valorem tax purposes.** The joint resolution allows for real property that is a homestead to be taxed only for property's value as a residence, not for the highest and best use. Two or more adjoining appraisal districts are permitted to combine their appraisal review boards into one should they elect to do so. The joint resolution also allows for uniform standards and procedures in appraising property as it pertains to ad valorem taxation.

**HJR 132 (Frank J. Corte, Jr., R-San Antonio) proposing a constitutional amendment relating to the financing, including through tax increment financing, of the acquisition by municipalities and counties of buffer areas or open spaces adjacent to a military installation for certain purposes. Senate Sponsor: Wentworth.** Proposes an amendment to Article III of the Texas Constitution to authorize a municipality or county to issue bonds or notes to finance the acquisition of buffer areas or open spaces adjacent to a military installation for the prevention of encroachment or for the construction of roadways or infrastructure to protect or promote the mission of the military installation. The municipality or county may pledge their ad valorem tax revenue for repayment of the bonds or notes.

The proposed constitutional amendment would be required to be placed on the ballot at an election to be held November 3, 2009.

**SB 293 (John Carona, R-Dallas) Relating to the pledge of certain revenue of a regional transportation authority to the payment of bonds. House Sponsor: Alonzo** This bill amends the Transportation Code with regard to how a transportation authority secures bonds with pledged taxes and revenues. Any revenue in excess of amounts pledged shall be used to fund operations and maintenance and fund operating reserves.

**SB 361 (Dan Patrick, R-Houston) Relating to the requirement that water and sewer service providers ensure operations during an extended power outage. House Sponsor: Callegari** Amends Sec. 13.139 of the Water Code to require utilities (retail public utilities, exempt utilities, or providers of wholesale sewer or potable water service) in a county with a population of 3.3 million or more or in a county of 400,000 or more adjacent to a county with a population of 3.3 million to ensure the operation of their water and sewer systems during an extended power outage, as well as adopt an emergency preparedness plan that demonstrates the entity's ability to continue to provide water and sewer services during an extended power outage. The PUC will prepare a emergency plan template to use when preparing and submitting the plan.

**SB 627 (John Carona, R-Dallas) Relating to a rebuttable presumption regarding liability of an in-home service company or residential delivery company for negligent hiring. House Sponsor: Solomons** Amends Sec. 145.003 of the Civil Practices and Remedies Code to make a few changes to the current law that requires that before associating with or hiring an officer, employee, or prospective employee in a position whose duties include entry into another persons residence(including an attached garage or other attached area) the employer must do a criminal history check or ascertain that the person hold an occupational license in Texas and that a background check was performed in order for the person to obtain the license. The bill also establishes a rebuttable presumption to negligent actions if a background check was performed for felonies in the past twenty years or Class A or Class B Misdemeanors for the past ten years and a check was done to see if the employee had been placed on deferred adjudication for offenses against persons, property or public indecency.

**SB 679 (Eddie Lucio Jr., D- Brownsville) Relating to the administration of certain housing funds by the Texas Department of Housing and Community Affairs.**

This bill cleans-up TDHCA operations language by allowing them to accept gifts and donations and increases the loan cap from \$30K to \$45K. The bill also states that 45% of the funds beyond the \$2.6 million available through the housing trust funds "as determined on September 1 of each year" be distributed to non-profit organizations and other eligible entities. The bill also establishes that loan recipients provide at least 65% of the labor necessary to build or reconstruct a home and that loans shall be secured by a first lien if the loan is the largest secured by the real property.

**SB 768 (Glenn Hegar, R-Katy) Relating to exemptions from the Texas Structural Pest Control Act. House Sponsor: Homer** This bill lists several activities that are performed without the use of pesticides to remove or prevent infestation by nuisance animals or other pests and therefore can be done without a license. Activities include physical removal, removal by mechanical means, installation of a physical barrier and the use of a raptor to control or relocate birds. The person performing these activities have to provide information to the customer about the DTPA or face administrative penalty.

**SB 771 (Tommy Williams, R- The Woodlands) Relating to the determination of the value of property for ad valorem tax purposes, including appeals through binding arbitration of appraisal review board orders determining protests of property value determinations; providing penalties.**

This bill states that if a property's appraisal is determined to be lower under Subtitle F (Remedies) of the Tax Code, that is considered to be the value for the year. A chief appraiser may not increase the appraised value by a percentage greater than the average percentage for the next year unless there is substantial supporting evidence. A sale of real property cannot be used as comparable sales data unless the sale was made within 24 months. The bill also clarifies how agricultural land is appraised during a temporary cessation. The bill explains the process a property owner would go through should they qualify and choose to appeal their appraisal using binding arbitration.

**SB 820 (Robert Duncan, R- Lubbock)/HB 554 (Jose Menendez, D-San Antonio) Relating to the adoption and amendment of model building codes by municipalities. House sponsor: Menendez**

This bill applies to a municipality with a population of 100,000 or more. The bill provides that three weeks before a city takes action on building codes it must announce he proposed action on its website and take efforts to encourage public input. If five or more persons want a special public hearing on the matter the city must hold one no sooner than two weeks before the city council takes any actions. If a city already has an advisory board or similar entity used to elicit public comments the rules do not apply. Any code actions taken including code amendments, the bill requires cities to wait thirty days before implementing the code changes.

**SB 1299 (Kirk Watson, D- Austin) Relating to the regulation of stormwater management by certain counties. House Sponsor: Rodriguez.** Chapter 573 (Authority of Certain Counties and Districts to Regulate Stormwater Management) of the Local Government Code authorizes Harris County and Bexar County to assess fees associated with development compliance with a Storm Water Management Program. This bill adds Travis County to that list of counties.

**SB 1609 (Glenn Hegar, R-Katy) Relating to the control of access to state highways by the Texas Department of Transportation. House Sponsor Callegari.** The bill would amend the Transportation Code to require the Texas Transportation Commission to adopt rules to provide procedures for appealing a decision by a Texas Department of Transportation (TxDOT) district office to deny access to a specific location on a controlled access highway, including procedures that allow an applicant to appeal the denial to the design division of TxDOT; grant the requested access to the applicant if the appeal is not decided before the 91st day after the appeal was filed; allow the applicant to appeal the decision of the design division to the executive director of TxDOT; and, if the decision is affirmed, to a board of variance appointed by the executive director.

**SB 1715 (Royce West, D- Dallas) Relating to the requirements for a smoke detector in multifamily residential units. House Sponsor: Giddings** This bill amends the Property Code by requiring a smoke alarm in multi-family units that is audible to a person with normal hearing. If requested by a tenant as an accommodation for a person with a hearing impairment s smoke detector must be installed that alerts a person with hearing impairments.

**SB 1717 (Royce West, D- Dallas) Relating to owners of devolvements supported with low income housing tax credit allocations and of housing sponsors of certain multifamily housing**

**developments. House Sponsor: Davis, Y.** This bill requires that multifamily housing developments that receive financial assistance from the state or federal government submit quarterly reports to the department that identifies the number of vacant units and the number of days the unit has been vacant. The department shall provide to each member of the legislature, upon request, a report that disaggregates the information by zip code in the member's district. The bill further provides that a tax credit allocation devolvement owner may not lock out a person unless by judicial process or seize personal property unless by judicial process.

**SB 1918 (West, D-Dallas)/HB 2395 (Kirk England, D-Grand Prairie) Relating to disclosure of certain information by a property owners' association.** This bill requires a POA to deliver requested resale certificates within 7 days. An updated resale certificate must also include the right of first refusal of the sale, status of unpaid assessments and any other changes to the information provided in the certificate. A request for an updated resale certificate must be made within 180 days of requesting the original resale certificate.

**SB 1919 (Royce West, D-Dallas)/HB 2394 (Kirk England, D-Grand Prairie) Relating to the requirements for recording a property owners' association management certificate.** A purchaser, lender, or title insurance company is not liable for pre-closing delinquent assessments to the POA if the POA fails to record a management certificate. A lien by a POA that failed to file a management certificate in order to secure an amount due on the effective date of the transfer is only enforceable to amounts incurred after the effective date of the sale. This bill also expands the list of items to be included in a management certificate.

**SB 1945 (Royce West, D- Dallas) Relating to the issuance of a citation to an owner of real property for a violation of a county or municipal rule or ordinance.** This bill would allow employees of the owner of real property, or managers of real property, to not be held responsible for ordinance or county/municipal rule violations if they give the authorities the property owners current street address within 5 calendar days of the citation.

**SB 2534 (Jeff Wentworth, R-San Antonio) Relating to the creation of an interagency task force on economic growth and endangered species; providing information and direction regarding endangered species issues in certain areas of the state. House Sponsor: Corte.** SB 2534 creates a task force on economic growth and endangered species composed of the comptroller of public accounts, the commissioner of agriculture, the executive director of the Parks and Wildlife Department, the executive director of the Texas Department of Transportation, and the executive director of the State Soil and Water Conservation Board. The functions and duties of the task force include assessing the economic impact on the state of federal, state, or local regulations relating to endangered species; assisting landowners to identify, evaluate, and implement cost-efficient strategies for mitigation of impacts to and recovery of endangered species that will promote economic growth and development in this state; and facilitate state and local governmental efforts to effectively implement endangered species regulations in a cost-efficient manner. Allows the task force, if requested by a local government or state official, to review state and local governmental efforts to address endangered species issues and provide recommendations to make those efforts more cost effective. Authorizes the comptroller, with the advice of the task force, to create advisory committees to assist the task force with its work. The members of an advisory committee are as follows: one-third are representatives of affected landowners, one-third are representatives of conservation interests, and one-third are representatives of municipalities or other affected jurisdictions.

SB 2534 requires the comptroller to create an advisory committee to assist the task force in identifying cost-efficient and effective recommendations for economic development and Endangered Species Act enforcement in the Camp Bullis area. It requires the task force, with input from the advisory committee, to provide a recommendation on a specific coordination program of work to assist Camp Bullis in accomplishing its training missions in a manner consistent with applicable endangered species regulations and programs. It further requires the task force to provide a report to the legislature on the activities of the task force and the status of efforts to mitigate harm to and efforts toward recovery of endangered species at Camp Bullis.

**SB 2553 (Glenn Hegar, R-Katy) Relating to the regulatory authority of counties, including granting certain counties authority to regulate the cutting of certain trees; providing a penalty. House Sponsor: Morrison.** SB 2553 applies to counties with a population of 50,000 or less, that border the Gulf, and in which is located at least one state park and one national wildlife refuge. The bill authorizes the commissioners court of such a county to prohibit or restrict the clear-cutting of live oak trees in the unincorporated area of the county. An offense is a Class C misdemeanor punishable by a fine not to exceed \$500. It further authorizes the county attorney or an attorney representing the county to file an action in district court to enjoin a violation or threatened violation of an order adopted under this section. Authorizes the court to grant appropriate relief.

To look up any bill, visit the [Texas Legislature Online](#).

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## RESPA Rule Update

NAHB released the following statement regarding the proposed RESPA rule:

### HUD Withdraws Proposed RESPA Rule

**May 25, 2009** - In response to a lawsuit and comments filed by NAHB and its allies, the [Department of Housing and Urban Development](#) earlier this month withdrew a proposed rule governing affiliated businesses that would have dampened demand for new home purchases.

NAHB and a coalition of its members had filed suit against HUD in federal district court in Virginia to challenge the rule, which was intended to implement some changes to [Real Estate Settlement and Procedures Act](#) (RESPA) regulations.

The rule would have prohibited home builders from offering bona fide discounts and packaging of real estate settlement services, which have saved home buyers thousands of dollars in closing costs, title searches and other fees.

NAHB submitted detailed comments to HUD, saying that this rule would have been bad for

consumers, bad for the housing industry and bad for the economy.

Although the rule was withdrawn, HUD did say that it may still come back in the future and conduct a new rulemaking on the "required use" definition that was at the heart of this issue.

For more information, e-mail [Duane Desiderio](mailto:Duane.Desiderio@NAHB.org) at NAHB, or call him at 800-368-5242 x8146; or contact [Bill Renner](mailto:Bill.Renner@NAHB.org), x8597.

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### **The 2009 Star Awards Call for Entries is Open!**

**The Calls for Entries are now available for download at [www.TexasBuilders.org](http://www.TexasBuilders.org).** This year we have separate Calls for Entries for the following: Custom Builder, Volume Builder, Remodeler, Developer, Green Building and Individual Achievement.

The Star Awards recognizes excellence in all areas of the home building industry. Both members of the Texas Association of Builders (TAB) and non-members may enter to win one of these prestigious awards that recognize the industry's best from the Southwest region of the United States: Texas, Arkansas, Louisiana, New Mexico and Oklahoma.

All home building, remodeling and promotional projects completed between January 1, 2008 and July 13, 2009 may be entered for consideration. If you meet our Early Bird submission deadline of 5 p.m., June 22, 2009, the entry fees are \$100 per entry for members, and \$200 per entry for non-members. The final deadline to receive entries is 5 p.m., Monday, July 13, 2009. The TAB member fee is \$125 per entry; the non-member fee is \$225 per entry.

The entries will be judged by a distinguished panel of industry experts. Finalists will be notified in September, and the 2009 Star Awards Gala will be held on Friday, October 30, at the Gaylord Texan Resort in Grapevine, Texas. The awards ceremony is held in conjunction with the annual Sunbelt Builders Show™ and Education Conference ([www.SunbeltBuildersShow.com](http://www.SunbeltBuildersShow.com)).

If you have questions or need additional information after you have downloaded the entries from [www.TexasBuilders.org](http://www.TexasBuilders.org), please call TAB at (800) 252-3625.

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### **HOME PAC**

Contributing to HOME PAC just got easier! Visit the HOME PAC page on the TAB website at [www.TexasBuilders.org/homepac](http://www.TexasBuilders.org/homepac) and make your contributions online.

Thank you for your generous past support of HOME PAC, the Texas Association of Builders political action committee. TAB's continued legislative success at the Texas Capitol is due to your commitment as a HOME PAC contributor. We encourage you to donate at one of the following annual levels of giving so that you, along with the other builder, developer and associate members of TAB may continue to play a crucial role in Texas politics. Whichever level you choose, your donation will have an impact.

**We need *you* to make a difference!**

**Capitol Club - \$5,000    Diamond Key - \$3,000    Platinum Key - \$1,500**  
**Gold Key - \$1,000    Silver Star - \$500    Lone Star - \$250**

***Thank you to our 2009 Rally Day Partners!***



**Texas Panhandle Builders Association PAC**

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