

1-1 By: Lucio III (Senate Sponsor - Estes) H.B. No. 1221  
1-2 (In the Senate - Received from the House April 13, 2015;  
1-3 April 23, 2015, read first time and referred to Committee on  
1-4 Business and Commerce; May 11, 2015, reported adversely, with  
1-5 favorable Committee Substitute by the following vote: Yeas 8,  
1-6 Nays 0; May 11, 2015, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
Eltife	X			
Creighton	X			
Ellis	X			
Huffines	X			
Schwertner	X			
Seliger			X	
Taylor of Galveston	X			
Watson	X			
Whitmire	X			

1-18 COMMITTEE SUBSTITUTE FOR H.B. No. 1221 By: Watson

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

1-21 relating to seller's disclosures in connection with residential  
1-22 real property subject to groundwater regulation.

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

1-24 SECTION 1. Section 5.008(b), Property Code, is amended to  
1-25 read as follows:

1-26 (b) The notice must be executed and must, at a minimum, read  
1-27 substantially similar to the following:

1-28 SELLER'S DISCLOSURE NOTICE

1-29 CONCERNING THE PROPERTY AT \_\_\_\_\_  
1-30 (Street Address and City)

1-31 THIS NOTICE IS A DISCLOSURE OF SELLER'S KNOWLEDGE OF  
1-32 THE CONDITION OF THE PROPERTY AS OF THE DATE SIGNED BY  
1-33 SELLER AND IS NOT A SUBSTITUTE FOR ANY INSPECTIONS OR  
1-34 WARRANTIES THE PURCHASER MAY WISH TO OBTAIN. IT IS NOT  
1-35 A WARRANTY OF ANY KIND BY SELLER OR SELLER'S AGENTS.

1-36 Seller \_\_\_\_\_ is \_\_\_\_\_ is not occupying the Property.

1-37 If unoccupied, how long since Seller has occupied the Property?

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1-39 1. The Property has the items checked below:

1-40 Write Yes (Y), No (N), or Unknown (U).

1-41 <input type="checkbox"/> Range	1-42 <input type="checkbox"/> Oven	1-43 <input type="checkbox"/> Microwave
1-44 <input type="checkbox"/> Dishwasher	1-45 <input type="checkbox"/> Trash Compactor	1-46 <input type="checkbox"/> Disposal
1-47 <input type="checkbox"/> Washer/Dryer	1-48 <input type="checkbox"/> Window	1-49 <input type="checkbox"/> Rain Gutters
1-50 <input type="checkbox"/> Hookups	1-51 <input type="checkbox"/> Screens	
1-52 <input type="checkbox"/> Security	1-53 <input type="checkbox"/> Fire Detection	1-54 <input type="checkbox"/> Intercom
1-55 <input type="checkbox"/> System	1-56 <input type="checkbox"/> Equipment	1-57 <input type="checkbox"/> System
1-58 <input type="checkbox"/> TV Antenna	1-59 <input type="checkbox"/> Smoke Detector	
1-60 <input type="checkbox"/> Ceiling Fan(s)	1-61 <input type="checkbox"/> Smoke Detector -	
1-62 <input type="checkbox"/> Central A/C	1-63 <input type="checkbox"/> Hearing Impaired	
	1-64 <input type="checkbox"/> Carbon Monoxide	
	1-65 <input type="checkbox"/> Alarm	
	1-66 <input type="checkbox"/> Emergency Escape	
	1-67 <input type="checkbox"/> Ladder(s)	
	1-68 <input type="checkbox"/> Cable TV	1-69 <input type="checkbox"/> Satellite
	1-70 <input type="checkbox"/> Wiring	1-71 <input type="checkbox"/> Dish
	1-72 <input type="checkbox"/> Attic Fan(s)	1-73 <input type="checkbox"/> Exhaust
	1-74 <input type="checkbox"/> Central Heating	1-75 <input type="checkbox"/> Fan(s)
		1-76 <input type="checkbox"/> Wall/Window

2-1  
 2-2  
 2-3  Plumbing System  Septic System  
 2-4  
 2-5  Patio/Decking  Outdoor Grill  
 2-6  Pool  Sauna  
 2-7  
 2-8  Pool Equipment  Pool Heater  
 2-9  
 2-10  
 2-11  Fireplace(s) &  Air Conditioning  
 2-12 Chimney  Public Sewer System  
 2-13 (Woodburning)  Fences  
 2-14  Natural Gas Lines  Spa  
 2-15  Liquid Propane Gas:  Hot Tub  
 2-16  LP Community  Automatic Lawn Sprinkler System  
 2-17 Garage:  Attached  LP on Property  
 2-18 Garage Door Opener(s):  Not Attached  Fireplace(s) &  
 2-19 Water Heater:  Electronic  Chimney (Mock)  
 2-20 Water Supply:  City  Gas  Gas Fixtures  
 2-21  Well  MUD  LP on Property  
 2-22 Roof Type: \_\_\_\_\_ Age: \_\_\_\_\_ (approx)  
 2-23 Are you (Seller) aware of any of the above items that are not in  
 2-24 working condition, that have known defects, or that are in need of  
 2-25 repair?  Yes  No  Unknown.  
 2-26 If yes, then describe. (Attach additional sheets if necessary):  
 2-27 \_\_\_\_\_  
 2-28 2. Does the property have working smoke detectors installed in  
 2-29 accordance with the smoke detector requirements of Chapter 766,  
 2-30 Health and Safety Code?\*  Yes  No  Unknown.  
 2-31 If the answer to the question above is no or unknown,  
 2-32 explain. (Attach additional sheets if necessary):  
 2-33 \_\_\_\_\_  
 2-34 \_\_\_\_\_

2-35 \*Chapter 766 of the Health and Safety Code requires  
 2-36 one-family or two-family dwellings to have working smoke detectors  
 2-37 installed in accordance with the requirements of the building code  
 2-38 in effect in the area in which the dwelling is located, including  
 2-39 performance, location, and power source requirements. If you do  
 2-40 not know the building code requirements in effect in your area, you  
 2-41 may check unknown above or contact your local building official for  
 2-42 more information. A buyer may require a seller to install smoke  
 2-43 detectors for the hearing impaired if: (1) the buyer or a member of  
 2-44 the buyer's family who will reside in the dwelling is hearing  
 2-45 impaired; (2) the buyer gives the seller written evidence of the  
 2-46 hearing impairment from a licensed physician; and (3) within 10  
 2-47 days after the effective date, the buyer makes a written request for  
 2-48 the seller to install smoke detectors for the hearing impaired and  
 2-49 specifies the locations for installation. The parties may agree  
 2-50 who will bear the cost of installing the smoke detectors and which  
 2-51 brand of smoke detectors to install.

2-52 3. Are you (Seller) aware of any known defects/malfunctions in any  
 2-53 of the following?

2-54 Write Yes (Y) if you are aware, write No (N) if you are not aware.

2-55  Interior Walls  Ceilings  Floors  
 2-56  Exterior Walls  Doors  Windows  
 2-57  Roof  Foundation/  Basement  
 2-58  Slab(s)  
 2-59  Walls/Fences  Driveways  Sidewalks  
 2-60  Plumbing/Sewers/  Electrical  Lighting  
 2-61  Septics  Systems  Fixtures  
 2-62  Other Structural Components (Describe):  
 2-63 \_\_\_\_\_  
 2-64 \_\_\_\_\_

2-65 If the answer to any of the above is yes, explain. (Attach  
 2-66 additional sheets if necessary):  
 2-67 \_\_\_\_\_  
 2-68 \_\_\_\_\_

3-1 4. Are you (Seller) aware of any of the following conditions?  
 3-2 Write Yes (Y) if you are aware, write No (N) if you are not aware.

- 3-3  Active Termites  
 (includes  
 wood-destroying insects)
- 3-4  Previous Structural  
 or Roof Repair
- 3-5  Termite or Wood Rot Damage  
 Needing Repair
- 3-6  Hazardous or Toxic Waste
- 3-7  Previous Termite Damage
- 3-8  Asbestos Components
- 3-9  Previous Termite Treatment
- 3-10  Urea formaldehyde  
 Insulation
- 3-11  Previous Flooding
- 3-12  Radon Gas
- 3-13  Improper Drainage
- 3-14  Lead Based Paint
- 3-15  Water Penetration
- 3-16  Aluminum Wiring
- 3-17  Located in 100-Year  
 Floodplain
- 3-18  Previous Fires
- 3-19  Present Flood Insurance  
 Coverage
- 3-20  Unplatted Easements
- 3-21  Landfill, Settling, Soil  
 Movement, Fault Lines
- 3-22  Subsurface  
 Structure or Pits
- 3-23  Single Blockable Main  
 Drain in Pool/Hot  
 Tub/Spa\*
- 3-24  Previous Use of Premises  
 for Manufacture of  
 Methamphetamine

3-25 If the answer to any of the above is yes, explain. (Attach  
 3-26 additional sheets if necessary): \_\_\_\_\_

3-27 \*A single blockable main drain may cause a suction entrapment  
 3-28 hazard for an individual.

3-29 5. Are you (Seller) aware of any item, equipment, or system in or  
 3-30 on the property that is in need of repair?  Yes (if you are  
 3-31 aware)  No (if you are not aware). If yes, explain (attach  
 3-32 additional sheets as necessary).

3-33 6. Are you (Seller) aware of any of the following?

3-34 Write Yes (Y) if you are aware, write No (N) if you are not aware.

- 3-36  Room additions, structural modifications, or other  
 alterations or repairs made without necessary permits or not  
 in compliance with building codes in effect at that time.
- 3-37  Homeowners' Association or maintenance fees or assessments.
- 3-38  Any "common area" (facilities such as pools, tennis courts,  
 walkways, or other areas) co-owned in undivided interest with  
 others.
- 3-39  Any notices of violations of deed restrictions or  
 governmental ordinances affecting the condition or use of the  
 Property.
- 3-40  Any lawsuits directly or indirectly affecting the Property.
- 3-41  Any condition on the Property which materially affects the  
 physical health or safety of an individual.
- 3-42  Any rainwater harvesting system located on the property that  
 is larger than 500 gallons and that uses a public water supply  
 as an auxiliary water source.
- 3-43  Any portion of the property that is located in a groundwater  
 conservation district, a subsidence district, or other  
 special purpose district with the authority to regulate the  
 withdrawal of groundwater.

3-44 If the answer to any of the above is yes, explain. (Attach  
 3-45 additional sheets if necessary): \_\_\_\_\_

3-46 7. If the property is located in a coastal area that is seaward of  
 3-47 the Gulf Intracoastal Waterway or within 1,000 feet of the mean high  
 3-48 tide bordering the Gulf of Mexico, the property may be subject to  
 3-49 the Open Beaches Act or the Dune Protection Act (Chapter 61 or 63,  
 3-50 Natural Resources Code, respectively) and a beachfront  
 3-51 construction certificate or dune protection permit may be required  
 3-52 for repairs or improvements. Contact the local government with  
 3-53 ordinance authority over construction adjacent to public beaches

4-1 for more information.

4-2 \_\_\_\_\_

4-3 Date Signature of Seller

4-4 The undersigned purchaser hereby acknowledges receipt of the

4-5 foregoing notice.

4-6 \_\_\_\_\_

4-7 Date Signature of Purchaser

4-8 SECTION 2. Section 5.008(b), Property Code, as amended by

4-9 this Act, applies only to a transfer of property that occurs on or

4-10 after the effective date of this Act. A transfer of property that

4-11 occurs before the effective date of this Act is governed by the law

4-12 applicable to the transfer immediately before that date, and the

4-13 former law is continued in effect for that purpose. For purposes of

4-14 this section, a transfer of property occurs before the effective

4-15 date of this Act if the contract binding the purchaser to purchase

4-16 the property is executed before that date.

4-17 SECTION 3. This Act takes effect January 1, 2016.

4-18 \* \* \* \* \*