

BILL ANALYSIS

C.S.H.B. 1116
By: Wray
Judiciary & Civil Jurisprudence
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Concerns have been raised regarding lawsuits that may relate to assessments made at any time in an appraiser's past practice. It has been observed that cases involving facts from the distant past can be difficult and expensive for courts to handle and that maintaining business records and insurance in anticipation of such litigation may create an unnecessary burden for owners of smaller appraisal businesses. C.S.H.B. 1116 seeks to address these concerns by providing a limitations period for filing such suits, except for a suit based on fraud or breach of contract.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 1116 amends the Civil Practice and Remedies Code to set the limitations period for a suit for damages or other relief arising from an appraisal or appraisal review conducted by a real estate appraiser or appraisal firm, except a suit based on fraud or breach of contract, at not later than the earlier of two years after the day the person knew or should have known the facts on which the action is based or five years after the day the appraisal or appraisal review was completed.

EFFECTIVE DATE

September 1, 2019.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1116 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute includes an exception to the limitations period for a suit based on fraud or breach of contract.