

BILL ANALYSIS

C.S.H.B. 1737
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Judiciary & Civil Jurisprudence
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Concerns have been raised about the length of time property owners are able to sue architects, engineers, and other contractors for defects discovered in the property. It has been suggested that the period during which a person is permitted to bring suit for these defects is too long and outside the national norm, which causes contractors to carry liability insurance for projects unlikely to demand recourse. C.S.H.B. 1737 seeks to address this issue by revising the periods within which certain suits may be brought against these individuals.

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. 1737 amends the Civil Practice and Remedies Code to shorten the period during which a person must bring suit for damages for certain claims against a registered or licensed architect, engineer, interior designer, or landscape architect in Texas who designs, plans, or inspects the construction of an improvement to real property or equipment attached to real property from 10 to seven years after the substantial completion of the improvement or the beginning of operation of the equipment in an action arising out of a defective or unsafe condition of the real property, the improvement, or the equipment.

C.S.H.B. 1737 shortens the period during which a person must bring suit for damages for certain claims against a person who constructs or repairs an improvement to real property from 10 to seven years after the substantial completion of the improvement in an action arising out of a defective or unsafe condition of the real property or a deficiency in the construction or repair of the improvement.

C.S.H.B. 1737 establishes that the bill's provisions do not apply to a cause of action arising out of a design, plan, or inspection that commences on or after the bill's effective date under a contract entered into before that date or to a cause of action arising out of construction or repair of an improvement to real property that commences on or after the bill's effective date under a contract entered into before that date.

EFFECTIVE DATE

September 1, 2019.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 1737 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 does not include provisions relating to four-year limitations periods for actions arising from certain patent or latent deficiencies and does not include provisions defining patent and latent deficiencies for those purposes.

The substitute shortens the applicable limitations periods from eight to seven years.