

BILL ANALYSIS

Senate Research Center
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C.S.H.B. 2237
By: Burrows et al. (Johnson)
Business & Commerce
5/20/2021
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

It has been noted that certain provisions under Texas' current mechanic's, contractor's, and materialman's lien statutes may lead to confusion when securing lien rights. Under those statutes, certain notice requirements and deadlines can lead to confusion and some difficulties when securing liens and understanding lien rights. H.B. 2237 seeks to streamline the current Texas lien statutes, remove redundant provisions, address various ambiguities, and provide for specific statutory forms for notice.

(Original Author's/Sponsor's Statement of Intent)

C.S.H.B. 2237 amends current law relating to mechanic's, contractor's, or materialman's liens.

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 3503.051(3), Insurance Code, to redefine "notice of claim" for Subchapter B (Prompt Payment of Construction Payment Bonds).

SECTION 2. Amends Section 53.001, Property Code, by amending Subdivisions (2), (3), (4), (8), (11), (13), and (14) and adding Subdivision (7-a) to redefine "improvement," "labor," "material," "residence," "retainage," "subcontractor," and "work" and to define "purported original contractor" for purposes of Chapter 53 (Mechanic's, Contractor's, or Materialman's Lien).

SECTION 3. Amends Section 53.003, Property Code, by amending Subsections (b) and (c) and adding Subsection (e), as follows:

(b) Requires that any notice or other written communication required by Chapter 53, except as provided by Subsection (c) or (d), rather than authorizes any notice or other written communication, be delivered:

- (1) creates this subdivision from existing text and makes a nonsubstantive change;
- (2) by certified mail; or
- (3) by any other form of traceable, private delivery or mailing service that can confirm proof of receipt.

Deletes existing text authorizing any notice or other written communication may be delivered in person to the party entitled to the notice or to that party's agent, regardless of the manner prescribed by law.

(c) Provides that if notice is sent by certified mail, rather than if notice is sent by registered or certified mail, deposit or mailing of the notice in the United States mail in the form required constitutes compliance with the notice requirement.

(e) Provides that in computing the period of days in which to provide a notice or to take any action required under Chapter 53, if the last day of the period is a Saturday, Sunday, or legal holiday, the period is extended to include the next day that is not a Saturday, Sunday, or legal holiday.

SECTION 4. Amends Section 53.021, Property Code, as follows:

Sec. 53.021. PERSONS ENTITLED TO LIEN. Provides that a person has a lien if the person, under a contract with the owner or the owner's agent, trustee, receiver, contractor, or subcontractor:

- (1) labors or furnishes labor or materials for construction or repair of an improvement;
- (2) specially fabricates material, even if the material is not delivered;
- (3) is a licensed architect, engineer, or surveyor providing services to prepare a design, drawing, plan, plat, survey, or specification;
- (4) provides labor, plant material, or other supplies for the installation of landscaping for an improvement, including the construction of a retention pond, retaining wall, berm, irrigation system, fountain, or other similar installation; or
- (5) performs labor as part of, or furnishes labor or materials for, the demolition of an improvement on real property.

Deletes existing text relating to the persons entitled to have a lien and the qualifying conditions of a person who labors, the qualifying conditions of a contract with certain actors, and the states of certain structures to be entitled to have a lien. Makes nonsubstantive changes.

SECTION 5. Amends Sections 53.022(a), (c), and (d), Property Code, as follows:

(a) Provides that the lien extends to the improvements and to each lot of land necessarily connected, rather than the lien extends to the house, building, fixtures, or improvements, the land reclaimed from overflow, or the railroad and all of its properties, and to each lot of land necessarily connected or reclaimed.

(c) Provides that a lien against land in a city, town, or village extends to each lot on which the improvement, rather than each lot on which the house, building, or improvement, is situated or on which the labor was performed.

(d) Makes a conforming change to this subsection.

SECTION 6. Amends Section 53.023, Property Code, as follows:

Sec. 53.023. PAYMENT SECURED BY LIEN. Provides that the lien secures payment for:

- (1) the labor done or material furnished for the construction, repair, design, survey, or demolition, rather than for the construction or repair; or
- (2) the specially fabricated material, even if the material has not been delivered or incorporated into the construction or repair, less its fair salvage value.

Deletes existing text providing that the lien secures payment for the preparation of a certain plan or plat by an architect, engineer, or surveyor. Makes nonsubstantive changes.

SECTION 7. Amends Section 53.026(a), Property Code, as follows:

(a) Provides that a person who labors or furnishes labor or materials under a direct contractual relationship with a purported original contractor is considered to be an original contractor for purposes of perfecting a mechanic's lien. Deletes existing text providing that a person who labors, specially fabricates materials, or furnishes labor or materials under a direct contractual relationship with another person is considered to be in direct contractual relationship with the owner and has a lien as an original contractor if certain conditions are met.

SECTION 8. Amends Section 53.052, Property Code, as follows:

Sec. 53.052. FILING OF AFFIDAVIT. (a) Requires an original contractor claiming the lien to file an affidavit with the county clerk:

(1) for projects other than residential construction projects, not later than the 15th day of the fourth month after the month in which the original contractor's work was completed, terminated, or abandoned; or

(2) for residential construction projects, not later than the 15th day of the third month after the month in which the original contractor's work was completed, terminated, or abandoned.

(b) Creates this subsection from existing text. Requires a claimant other than an original contractor claiming the lien, except as provided by Subsection (c) or (d), to file an affidavit with the county clerk not later than the 15th day of the fourth month after the later of the month the claimant last provided labor or materials or the month the claimant would normally have been required to deliver the last of specially fabricated materials that have not been actually delivered. Deletes existing text requiring the person claiming the lien, except as provided by Subsection (b), to file an affidavit with the county clerk of the county in which the property is located or into which the railroad extends not later than the 15th day of the fourth calendar month after the day on which the indebtedness accrues. Makes a nonsubstantive change.

(c) Creates this subsection from existing text and makes conforming and nonsubstantive changes.

(d) Requires a claimant other than an original contractor claiming a lien for retainage to file an affidavit with the county clerk not later than the 15th day of the third month after the month in which the original contract under which the claimant performed was completed, terminated, or abandoned.

(e) Creates this subsection from existing text. Requires that an affidavit under Chapter 53 be filed in the county where the improvements are located. Requires the county clerk to record the affidavit in records kept for that purpose and to index and cross-index the affidavit in the names of the claimant, the original contractor, and the owner. Provides that failure of the county clerk to properly record or index a filed affidavit does not invalidate the lien.

SECTION 9. Amends Section 53.055(a), Property Code, as follows:

(a) Requires a person who files an affidavit to send a copy of the affidavit, rather than to send a copy of the affidavit by registered or certified mail, to the owner or reputed owner at the owner's last known business or residence address not later than the fifth day after the date the affidavit is filed with the county clerk.

SECTION 10. Amends the heading to Section 53.056, Property Code, to read as follows:

Sec. 53.056. DERIVATIVE CLAIMANT: NOTICE TO OWNER AND ORIGINAL CONTRACTOR.

SECTION 11. Amends Section 53.056, Property Code, by amending Subsection (a) and adding Subsections (a-1), (a-2), (a-3), and (a-4), as follows:

(a) Requires a claimant other than an original contractor, except as provided by Section 53.057, to give the notice prescribed by Subsections (a-1) and (a-2), rather than except as provided by Subchapter K (Residential Construction Projects) to give the notice prescribed by this section, for the lien to be valid.

(a-1) Requires the claimant, for all unpaid labor or materials provided, to send a notice of claim for unpaid labor or materials to the owner or reputed owner and the original contractor. Requires that the notice be sent:

(1) for projects other than residential construction projects, not later than the 15th day of the third month after the month during which:

(A) the labor or materials were provided; or

(B) the undelivered specially fabricated materials would normally have been delivered; or

(2) for residential construction projects, not later than the 15th day of the second month after the month during which:

(A) the labor or materials were provided; or

(B) the undelivered specially fabricated materials would normally have been delivered.

(a-2) Requires that the notice be in substantially a certain form. Sets forth the required language of the notice.

(a-3) Authorizes that the notice include an invoice or billing statement.

(a-4) Authorizes a claimant to give to the original contractor a written notice of an unpaid labor or materials invoice that is past due. Provides that a notice under this subsection is not required for a lien to be valid.

SECTION 12. Amends the heading to Section 53.057, Property Code, to read as follows:

Sec. 53.057. DERIVATIVE CLAIMANT: NOTICE OF CLAIM FOR UNPAID RETAINAGE.

SECTION 13. Amends Section 53.057, Property Code, by amending Subsections (a) and (f) and adding Subsections (a-1), (a-2), and (a-3), as follows:

(a) Requires a claimant other than an original contractor whose contract provides for retainage, to the extent that a claim for unpaid retainage is not included wholly or partly in a notice provided under Section 53.056, to give notice under Section 53.057 for a lien for unpaid retainage to be valid. Deletes existing text authorizing a claimant to give notice under Section 53.057 instead of or in addition to a certain notice if the claimant is to labor, furnish labor or materials, or specially fabricate materials, or has labored, furnished labor or materials, or specially fabricated materials, under an agreement with an original contractor or a subcontractor providing for retainage.

(a-1) Requires the claimant to send the notice of claim for unpaid retainage to the owner or reputed owner and the original contractor not later than the earlier of:

(1) the 30th day after the date the claimant's contract is completed, terminated, or abandoned; or

(2) the 30th day after the date the original contract is terminated or abandoned.

(a-2) Requires that the notice be in substantially in a certain form. Sets forth the required language of the notice.

(a-3) Authorizes that the notice include an invoice or billing statement.

(f) Provides that a claimant has a lien on, and the owner is personally liable to the claimant for, the reserved funds, rather than the retained funds, under Subchapter E (Required Retainage for Benefit of Lien Claimants) if the claimant:

(1) gives notice in accordance with Section 53.057 and:

(A) makes no changes to this paragraph; or

(B) files an affidavit claiming a lien not later than the date required for filing an affidavit under the applicable provision of Section 53.052 (Filing of Affidavit); and

(2) makes no changes to this subdivision.

Deletes existing text relating to the provision that a claimant has a lien on, and the owner is personally liable to the claimant for certain funds, if the claimant files an affidavit claiming a lien not later than the earliest of a certain day after the date stated in a certain affidavit, after the date of termination or abandonment of the original contract, or after the date the owner sent to the claimant to the claimant's address provided in the notice for contractual retainage.

SECTION 14. Amends Section 53.081(a) and (b), Property Code, as follows:

(a) Authorizes the owner, if an owner receives notice under Section 53.056 or 53.057, rather than under Section 53.056, 53.057, 53.058 (Derivative Claimant: Notice for Specially Fabricated Items), 53.252 (Derivative Claimant: Notice to Owner or Original Contractor), or 53.253 (Derivative Claimant: Notice for Specially Fabricated Items), to withhold from payments to the original contractor an amount necessary to pay the claim for which the owner receives notice. Authorizes that the withholding be in addition to any reserve funds. Makes nonsubstantive changes.

(b) Authorizes the owner, if notice is sent under Section 53.056, rather than if notice is sent in a form that substantially complies with Section 53.056 or 53.252, to withhold the funds immediately on receipt of the notice.

SECTION 15. Amends Section 53.082, Property Code, as follows:

Sec. 53.082. **TIME FOR WHICH FUNDS ARE WITHHELD.** Requires the owner, unless the claim is otherwise settled, rather than unless payment is made under Section 53.083 (Payment to Claimant on Demand) or the claim is otherwise settled, discharged, indemnified against under Subchapter H (Bond to Indemnify Against Lien) or I (Bond to Pay Liens or Claims), or determined to be invalid by a final judgment of a court, to retain the funds withheld until:

(1) makes no changes to this subdivision; or

(2) if a lien affidavit has been filed, the lien claim has been satisfied or released, rather than if a lien affidavit has been filed, until the lien claim has been satisfied or released.

SECTION 16. Amends Section 53.084, Property Code, as follows:

Sec. 53.084. OWNER'S LIABILITY. (a) Provides that, except for the amount the owner fails to reserve under Subchapter E, rather than except for the amount required to be retained under Subchapter E, the owner is not liable for any amount paid to the original contractor before the owner is authorized to withhold funds under Subchapter D (Funds Withheld by Owner Following Notice).

(b) Provides that if the owner has received a notice required by Section 53.056 or 53.057, rather than if the owner has received the notices required by Subchapter C (Procedure for Perfecting Lien) or K (Residential Construction Projects), if the lien has been secured, and if the claim has been reduced to final judgment, the owner is liable and the owner's property is subject to a claim for any money paid to the original contractor after the owner was authorized to withhold funds under Subchapter D. Provides that the owner is liable for that amount in addition to any amount for which the owner is liable under Subchapter E. Makes a nonsubstantive change.

SECTION 17. Amends the heading to Subchapter E, Chapter 53, Property Code, to read as follows:

SUBCHAPTER E. FUNDS RESERVED FOR BENEFIT
OF LIEN CLAIMANTS

SECTION 18. Amends Sections 53.101, 53.102, 53.103, 53.104, and 53.105, Property Code, as follows:

Sec. 53.101. New heading: FUNDS REQUIRED TO BE RESERVED. (a) Requires the owner, during the progress of work under an original contract for which a mechanic's lien is authorized to be claimed and for 30 days after the work under the contract is completed, to reserve, rather than retain, certain amounts.

(b) Makes no changes to this subsection.

Sec. 53.102. New heading: PAYMENT SECURED BY RESERVED FUNDS. Makes a conforming change to this section.

Sec. 53.103. New heading: LIEN ON RESERVED FUNDS. Makes a conforming change to this section.

Sec. 53.104. PREFERENCES. (a) and (b) Makes conforming changes to these subsections.

Sec. 53.105. New heading: OWNER'S LIABILITY FOR FAILURE TO RESERVE FUNDS. (a) Makes a conforming change to this subsection.

(b) Makes no changes to this subsection.

SECTION 19. Amends Sections 53.106(a), (b), and (d), Property Code, as follows:

(a) Authorizes an owner to file with the county clerk of the county in which the property is located an affidavit of completion. Requires that the affidavit contain, among certain information, a conspicuous statement that a claimant is prohibited from having a lien on retained funds unless the claimant files an affidavit claiming a lien in the time and manner required by Chapter 53, rather than unless the claimant files an affidavit claiming

a lien not later than the 40th day after the date the work under the original contract is completed.

(b) Requires that a copy of the affidavit be sent to the original contractor and to each claimant who sends a notice to the owner under Section 53.056 or 53.057 not later than the third day after the date the affidavit is filed or the 10th day after the date the owner receives the notice of lien liability, whichever is later. Deletes existing text requiring that a copy of the affidavit be sent by certified or registered mail to the original contractor not later than the date the affidavit is filed and to each claimant who sends a notice of lien liability to the owner under Section 53.056, 53.057, 53.058, 53.252, or 53.253 not later than the date the affidavit is filed.

(d) Provides that an affidavit filed under Section 53.106 (Affidavit of Completion) is prima facie evidence of the date the work under the original contract is completed for purposes of Chapter 53. Deletes existing text providing that except as provided by this subsection, an affidavit filed under Section 53.106 on or before the 10th day after the date of completion is prima facie evidence of the date the work under the original contract is completed for purposes of this Subchapter E and Section 53.057. Provides that if the affidavit is filed after the 10th day after the date of completion, the date of completion for purposes of Subchapter E, rather than for purposes of Subchapter E and Section 53.057, is the date the affidavit is filed.

SECTION 20. Amends Sections 53.107(a) and (b), Property Code, as follows:

(a) Requires the owner, not later than the 10th day after the date an original contract is terminated or the original contractor abandons performance under the original contract, to give notice to each subcontractor who, before the date of termination or abandonment, has:

(1) given notice to the owner as provided by Section 53.056 or 53.057, rather than by Section 53.056, 53.057, or 53.058; or

(2) sent to the owner, rather than sent to the owner by certified or registered mail, a written request for notice of termination or abandonment.

(b) Requires that the notice contain certain information, including a conspicuous statement that a claimant is prohibited from having a lien on the retained funds unless the claimant files an affidavit claiming a lien in the time and manner required by Chapter 53, rather than unless the claimant files an affidavit claiming a lien not later than the 40th day after the date of the termination or abandonment.

SECTION 21. Amends Section 53.155, Property Code, as follows:

Sec. 53.155. TRANSFER OF PROPERTY SOLD. Requires the officer making the sale, if the improvement is sold separately from the land, to provide the purchaser a reasonable time after the date of purchase within which to remove and take possession of the purchased improvement. Deletes existing text requiring the officer making the sale, if the house, building, improvement, or any piece of railroad property is sold separately, to place the purchaser in possession. Deletes existing text providing that the purchaser is entitled to a reasonable time after the date of purchase within which to remove the purchased property.

SECTION 22. Amends Section 53.157, Property Code, as follows:

Sec. 53.157. DISCHARGE OF LIEN. Authorizes an affidavit claiming a mechanic's lien, rather than a mechanic's lien or affidavit claiming a mechanic's lien, filed under Section 53.052 to be discharged of record by:

(1) makes no changes to this subdivision;

(2) makes a conforming change to this subdivision;

(3) - (5) makes no changes to these subdivisions; or

(6) recording a certified copy of the order removing the lien under Section 53.160 (Summary Motion to Remove Invalid or Unenforceable Lien), provided that, rather than a certified copy of that order and a certificate from the clerk of the court that states that, no bond or deposit as described by Section 53.161 was filed by the claimant within 30 days after the date the order was entered.

SECTION 23. Amends Section 53.158, Property Code, by amending Subsection (a) and adding Subsections (a-1) and (a-2), as follows:

(a) Requires that suit, except as provided by Subsection (a-2), be brought to foreclose the lien not later than the first anniversary of the last day a claimant is authorized file the lien affidavit under Section 53.052. Deletes existing text requiring that suit, except as provided by Subsection (b) (relating to the manner in which suit are required to be brought for a claim arising from a residential construction project), be brought to foreclose the lien within two years after the last day a claimant may file the lien affidavit under Section 53.052 or within one year after completion, termination, or abandonment of the work under the original contract under which the lien is claimed, whichever is later.

(a-1) Provides that notwithstanding Section 16.069 (Counterclaim or Cross Claim), Civil Practice and Remedies Code, or any other law, if suit is pursued solely to discharge a lien because limitations have expired on bringing a lien foreclosure suit, the lien claimant's rights to pursue a suit to foreclose a lien are not revived.

(a-2) Authorizes that the limitations period established under Subsection (a) be extended to not later than the second anniversary of the date the claimant filed the lien affidavit under Section 53.052 if, before the expiration of the limitations period established under Subsection (a), the claimant enters into a written agreement with the then-current record owner of the property to extend the limitations period. Requires that the agreement be recorded with the clerk of the same county where the lien was recorded and is considered to be notice of the extension to any subsequent purchaser.

SECTION 24. Amends Sections 53.160(b) and (c), Property Code, as follows:

(b) Makes conforming changes to this subsection.

(c) Requires the claimant and any other party that has appeared in the proceeding to be notified by at least 30 days, rather than at least 21 days, before the date of the hearing on the motion. Prohibits a motion from being heard before the 30th day, rather than the 21st day, after the date the claimant answers or appears in the proceeding. Requires the claimant to be allowed expedited discovery regarding information relevant to the issues listed under Subsection (b) (relating to the limited certain grounds for objecting to the validity or enforceability of a certain claim or lien).

SECTION 25. Amends Section 53.173(c), Property Code, to require that the notice be served on each obligee by mailing a copy of the notice and the bond to the obligee by certified mail, rather than by certified United States mail, return receipt requested, addressed to the claimant at the address stated in the lien affidavit for the obligee.

SECTION 26. Amends Section 53.205(a), Property Code, as follows:

(a) Provides that the bond protects all persons with a claim that is, among other manners, perfected in the manner prescribed for fixing a lien under Subchapter C, rather than perfected in the manner prescribed for fixing a lien under Subchapter C or, if the claim relates to a residential construction project, under Subchapter K.

SECTION 27. Amends Section 53.206, Property Code, as follows:

Sec. 53.206. PERFECTION OF CLAIM. (a) Requires a person, except as provided by Subsection (b), to perfect a claim against a bond in a manner other than that prescribed by Subchapter C for fixing a lien, to give notice under Sections 53.056 and 53.057, as applicable, to the original contractor and surety on the bond. Deletes existing text requiring a person to perfect a claim against a bond in a manner other than that prescribed by Subchapter C or K for fixing a lien, to give to the original contractor all applicable notices under the appropriate subchapter and give to the surety on the bond, instead of the owner, all notices under the appropriate subchapter required to be given to the owner. Makes nonsubstantive changes.

(b) Provides that to perfect a claim for retainage under this section, a claimant is not required to give notice to the surety under Section 53.057 if the claimant has a direct contractual relationship with the original contractor. Deletes existing text providing that to perfect a claim under this section, a person is not required to give notice to the surety or file an affidavit with the county clerk. Makes nonsubstantive changes.

(c) Provides that a claimant that provides the notices described by this section is not required to file an affidavit claiming a mechanic's lien to perfect a claim under the bond. Deletes existing text requiring a person, for the claim to be valid, to give notice in the time and manner required by this section, but the content of the notices need only provide fair notice of the amount and the nature of the claim asserted.

(d) Provides that a person satisfies the requirements of this section relating to providing notice to the surety if the person mails the notice by certified mail, rather than certified or registered mail, to the surety at certain addresses.

SECTION 28. Amends Section 53.207(a), Property Code, to require the owner, if the owner receives any of the notices or a lien is fixed under Chapter 53, rather than under Subchapter C or K, to mail to the surety on the bond a copy of all notices received.

SECTION 29. Amends Section 53.208(a), Property Code, to make a nonsubstantive change.

SECTION 30. Amends Section 53.232, Property Code, to make a conforming change.

SECTION 31. Amends Section 53.238, Property Code, to make a conforming change.

SECTION 32. Amends the heading to Section 53.254, Property Code, to read as follows:

Sec. 53.254. CONTRACTUAL REQUIREMENTS FOR LIEN ON HOMESTEAD.

SECTION 33. Amends Section 53.254(g), Property Code, as follows:

(g) Requires that the notice required to be given to the owner under Subchapter C, rather than under Section 53.252, for the lien on a homestead to be valid, include or have attached a certain statement. Sets forth the required language of the statement.

SECTION 34. Amends Section 53.255(b), Property Code, to require that the disclosure statement read substantially similar to a certain form. Sets forth the required language of the disclosure statement.

SECTION 35. Amends Section 53.281(b), Property Code, as follows:

(b) Provides that a waiver and release is effective to release the owner, the owner's property, the contractor, and the surety on a payment bond from claims and liens only if, among other circumstances, the waiver and release is signed by the claimant or the claimant's authorized agent, rather than or the claimant's authorized agent and notarized.

SECTION 36. Repealers: Section 53.003(a) (relating to the applicability of this section to notices required by certain subchapters) and Section 53.026(b) (relating to the provision that the term "owner" excludes a person who has or claims a security interest only), Property Code.

Repealer: Section 53.053 (Accrual of Indebtedness), Property Code.

Repealers: Sections 53.056(b) (relating to the requirements of the claimant if the lien claim arises from a debt incurred by a subcontractor) and (c) (relating to the requirement that the claimant give notice to the owner or reputed owner if the lien claim arises from a debt incurred by the original contractor), Property Code.

Repealers: Sections 53.056(d) (relating to the procedure to authorize the owner to withhold funds under a certain chapter) and (e) (relating to the requirement that the notice be sent by registered or certified mail and addressed to a certain actor), Property Code.

Repealer: Section 53.056(f) (relating to the provision that a copy of the statement or billing in the usual and customary form is sufficient as notice), Property Code.

Repealers: Sections 53.057(b) (relating to the requirement that the claimant give the owner notice of contractual retainage by a certain date) and (b-1) (relating to the requirement that the claimant give notice of contractual retainage by a certain period of time if the agreement is with a subcontractor), Property Code.

Repealers: Sections 53.057(c) (relating to the requirement that the notice generally state the existence of a certain requirement for retainage) and (d) (relating to the addresses to which the notice is required to be sent), Property Code.

Repealers: Sections 53.057(e) (relating to the conditions in which a claimant is not required to give any other notice as to the retainage) and (g) (relating to the requirements of a certain written demand), Property Code.

Repealer: Section 53.058 (Derivative Claimant: Notice for Specially Fabricated Items), Property Code.

Repealer: Section 53.081(d) (relating to the authority of the owner to withhold funds immediately on receipt of certain notices), Property Code.

Repealer: Section 53.083, Property Code.

Repealer: Section 53.158(b) (relating to the procedure by which suits are required to be brought for a claim arising from a residential construction project), Property Code.

Repealers: Sections 53.252 (Derivative Claimant: Notice to Owner or Original Contractor) and 53.253 (Derivative Claimant: Notice for Specially Fabricated Items), Property Code

SECTION 37. Makes application of this Act prospective.

SECTION 38. Effective date: January 1, 2022.