

FROM THE OFFICE OF
STATE REPRESENTATIVE RUTH JONES MCCLENDON

For Immediate Release

Friday, July 20, 2007

Contact: Janis Reinken, Chief of Staff
(512) 463-0708



**McClendon Home Construction & Remodeling Bill
Signed by Governor**

(Austin / San Antonio) Signing ceremonies were held today at the office of Governor Rick Perry for House Bill 1038, authored by Representatives Allan Ritter (Nederland) and Ruth Jones McClendon (San Antonio). "The Texas Residential Construction Commission, the Texas Association of Builders, and others worked diligently with my office and Representative Ritter's office to craft a bill that will provide the TRCC with the ability to help homeowners with complaints, and still help reputable builders and remodelers succeed in a highly competitive market," said Representative McClendon.

House Bill 1038 will aid the Texas Residential Construction Commission in exercising its oversight as the state agency regulating the building and remodeling industry and assisting homeowners who contract with them. Governor Perry praised the Bill, saying, "This is a good piece of legislation. This kind of effort is where consumers and businesses can come together and create a moderate solution, which is one of the reasons the Texas economy is doing so well."

In May, the Bill passed the Texas House of Representatives and was sent to the Texas Senate with an impressive vote of 138-1 (and 1 other not voting). The Senate amended the Bill and passed it unanimously. It takes effect September 1, 2007. The bill amends the Texas Property Code, giving additional powers to the Texas Residential Construction Commission (TRCC) to protect homeowners from unscrupulous home builders and home improvement contractors. Certain contract disclosures to protect the homeowners will also be required. The Bill also establishes an interim study committee to consider whether the TRCC should create a "recovery fund" that would provide some relief for certain types of damages.

Enforcement action against builders not complying with the TRCC Act can be reported to the TRCC. Homeowners who contract for construction work on their homes should make a point of checking with the TRCC to learn if their contractor has registered with the agency as required, whenever the cost of the job exceeds \$20,000. These parts of the law will remain unchanged after September 1.

After that date, those builders and remodelers who must register with the TRCC also will be required to report their registration number in the contract documents with the homeowner, and in building permits requested from local authorities. As a result, homeowners will be able under the revised law to compare the registration number in the contract documents with the registration number on the TRCC registration list, and on any construction permits required from the local permitting authority. The agency will have the power in appropriate circumstances to order the builder to "cease and desist" unauthorized building activities, and to impose other disciplinary measures. It will continue to arrange agency inspections for purposes of arbitrating disputes, as it does now. Contact information for the TRCC is available at <http://trcc.state.tx.us/>.

Duane Waddill, Executive Director of the TRCC, said after the ceremonies today, "We are pleased with

the progress made with this legislation. There is still more that could be done to help consumers deal with remodelers and contractors who do not abide by local ordinances and TRCC requirements. We look forward to working on additional legislative improvements during the process of Sunset review." In the 2009 Session, the Legislature is scheduled to evaluate the agency's performance, and will respond to recommendations made by the agency and by the Sunset Advisory Commission, on which Representative McClendon serves as a member.

In addition, Representative McClendon serves as Chair of the House Committee on Rules & Resolutions, and as Chief Budget Officer of the House Committee on Pensions & Investments. She also serves on the House Appropriations Committee. Representative McClendon invites constituents with comments on legislative issues, or who may have ideas for legislation, to contact her at the Capitol office at 512-463-0708, which will remain open during the legislative interim. The District office may be reached at 210-225-2107, for constituent assistance requests and for response to invitations for the Representative to appear at San Antonio area events.

~ 30 ~