



S.B. No. 1215

1 in a construction project;

2 (2) relationships among parties to construction  
3 contracts, including property owners, general contractors,  
4 subcontractors, and design professionals;

5 (3) liens on real property arising from construction  
6 contracts;

7 (4) indemnification and insurance issues;

8 (5) warranties;

9 (6) standards of care for persons involved in  
10 construction projects; and

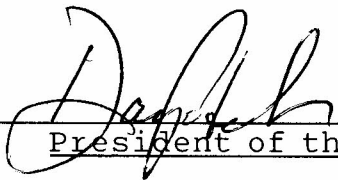
11 (7) civil actions and other forms of dispute  
12 resolution arising from construction defects and remedies for  
13 construction defects.

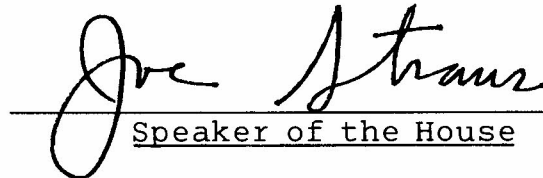
14 (b) Not later than December 1, 2018, the joint interim  
15 committee shall issue a report on the study required under this  
16 section to the lieutenant governor, the speaker of the house of  
17 representatives, and the appropriate standing committees of the  
18 house of representatives and the senate.

19 SECTION 3. EXPIRATION. The joint interim committee created  
20 under Section 1 of this Act is abolished and this Act expires  
21 September 1, 2019.

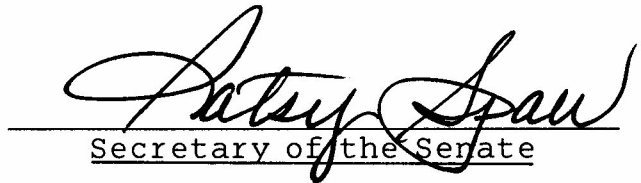
22 SECTION 4. EFFECTIVE DATE. This Act takes effect  
23 immediately if it receives a vote of two-thirds of all the members  
24 elected to each house, as provided by Section 39, Article III, Texas  
25 Constitution. If this Act does not receive the vote necessary for  
26 immediate effect, this Act takes effect September 1, 2017.

S.B. No. 1215

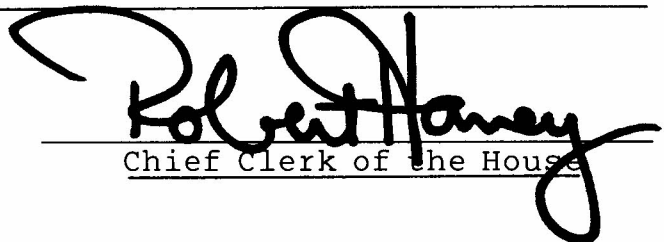
  
\_\_\_\_\_  
President of the Senate

  
\_\_\_\_\_  
Speaker of the House

I hereby certify that S.B. No. 1215 passed the Senate on April 19, 2017, by the following vote: Yeas 29, Nays 2; and that the Senate concurred in House amendments on May 27, 2017, by the following vote: Yeas 28, Nays 3. \_\_\_\_\_

  
\_\_\_\_\_  
Secretary of the Senate

I hereby certify that S.B. No. 1215 passed the House, with amendments, on May 24, 2017, by the following vote: Yeas 77, Nays 69, one present not voting. \_\_\_\_\_


  
\_\_\_\_\_  
Chief Clerk of the House

Approved:

\_\_\_\_\_  
Date

\_\_\_\_\_  
Governor

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
3 PM O'CLOCK

JUN 15 2017  
  
\_\_\_\_\_  
Secretary of State

**PROCLAMATION**  
BY THE  
**Governor of the State of Texas**  
**41-3539**

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TO ALL TO WHOM THESE PRESENTS SHALL COME:

Pursuant to Article IV, Section 14, of the Texas Constitution, I, Greg Abbott, Governor of Texas, do hereby disapprove of and veto Senate Bill No. 1215 as passed by the Eighty-Fifth Texas Legislature, Regular Session, because of the following objections:

Senate Bill 1215 creates a joint interim committee of the Legislature to study construction contracts. The House and Senate can, and do, study topics in the interim without passage of a law. Legislation mandating legislative studies and legislative interim committees is unnecessary. The Legislature is free to study construction contracts with or without this bill.

Since the Eighty-Fifth Texas Legislature, Regular Session, by its adjournment has prevented the return of this bill, I am filing these objections in the office of the Secretary of State and giving notice thereof by this public proclamation according to the aforementioned constitutional provision.



IN TESTIMONY WHEREOF, I have signed my name officially and caused the Seal of the State to be affixed hereto at Austin, this 15th day of June, 2017.

  
GREG ABBOTT  
Governor of Texas

ATTESTED BY:



ROLANDO B. PABLOS  
Secretary of State

FILED IN THE OFFICE OF THE  
SECRETARY OF STATE  
3 PM O'CLOCK

JUN 15 2017

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**May 24, 2017**

**TO:** Honorable Dan Patrick, Lieutenant Governor, Senate

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** **SB1215** by Hughes (Relating to responsibility for the consequences of defects in the plans, specifications, or related documents for the construction or repair of an improvement to real property. ), **As Passed 2nd House**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would amend the Business and Commerce Code exempting a contractor from liability for certain defects in plans, specifications, or other design or bid documents provided to the contractor by the person or person's proxy with whom the contractor has entered into the contract. The bill would only apply to a contract for construction or repair to real property. A contractor must disclose a condition discovered during construction that was not known or could not have reasonably been known at the time of design.

The bill would take effect September 1, 2017.

**Local Government Impact**

According to the Texas Municipal League, the fiscal impact cannot be determined because it will depend on the particular circumstances with each building project but could be significant in some cases.

**Source Agencies:**

**LBB Staff:** UP, CL, GG, BM, AG, JGA, DRE

**LEGISLATIVE BUDGET BOARD**

**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**May 17, 2017**

**TO:** Honorable René Oliveira, Chair, House Committee on Business & Industry

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** SB1215 by Hughes (Relating to responsibility for the consequences of defects in the plans, specifications, or related documents for the construction or repair of an improvement to real property.), **Committee Report 2nd House, As Amended**

**No fiscal implication to the State is anticipated.**

The bill would amend the Business and Commerce Code exempting a contractor from liability for certain defects in plans, specifications, or other design or bid documents provided to the contractor by the person or person's proxy with whom the contractor has entered into the contract. The bill would only apply to a contract for construction or repair to real property. A contractor must disclose a condition discovered during construction that was not known or could not have reasonably been known at the time of design.

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**LBB Staff:** UP, CL, GG, BM, AG, JGA, DRE

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**May 3, 2017**

**TO:** Honorable René Oliveira, Chair, House Committee on Business & Industry

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** SB1215 by Hughes (Relating to responsibility for the consequences of defects in the plans, specifications, or related documents for the construction or repair of an improvement to real property.), **As Engrossed**

<b>No fiscal implication to the State is anticipated.</b>
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**Source Agencies:**

**LBB Staff:** UP, CL, GG, BM, AG, JGA, DRE

**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**April 11, 2017**

**TO:** Honorable Joan Huffman, Chair, Senate Committee on State Affairs

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE: SB1215** by Hughes (Relating to responsibility for the consequences of defects in the plans, specifications, or related documents for the construction or repair of an improvement to real property.), **Committee Report 1st House, Substituted**

**No fiscal implication to the State is anticipated.**

The bill would amend the Business and Commerce Code exempting a contractor from liability for certain defects in plans, specifications, or other design or bid documents provided to the contractor by the person or person's proxy with whom the contractor has entered into the contract. The bill would only apply to a contract for construction or repair to real property.

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**Source Agencies:**

**LBB Staff:** UP, AG, GG, BM, JGA, DRE



**LEGISLATIVE BUDGET BOARD  
Austin, Texas**

**FISCAL NOTE, 85TH LEGISLATIVE REGULAR SESSION**

**April 5, 2017**

**TO:** Honorable Joan Huffman, Chair, Senate Committee on State Affairs

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** SB1215 by Hughes (Relating to responsibility for the consequences of defects in the plans, specifications, or other documents for the construction or repair of an improvement to real property.), **As Introduced**

<b>No fiscal implication to the State is anticipated.</b>
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The bill would amend the Business and Commerce Code exempting a contractor from liability for certain defects in plans, specifications, or other design or bid documents provided to the contractor by the person or person's proxy with whom the contractor has entered into the contract.

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