

AN ACT

relating to notice of water level fluctuations to purchasers of real property adjoining an impoundment of water.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter A, Chapter 5, Property Code, is amended by adding Section 5.019 to read as follows:

Sec. 5.019. NOTICE OF WATER LEVEL FLUCTUATIONS. (a) This section applies only to the sale of residential or commercial real property adjoining an impoundment of water, including a reservoir or lake, constructed and maintained under Chapter 11, Water Code, that has a storage capacity of at least 5,000 acre-feet at the impoundment's normal operating level.

(b) A seller of real property shall give to the purchaser of the property a written notice in substantially the following form:

NOTICE OF WATER LEVEL FLUCTUATIONS

The water level of the impoundment of water adjoining the property at \_\_\_\_\_ (street address and city) or described as \_\_\_\_\_ (legal description) fluctuates for various reasons, including as a result of:

(1) an entity lawfully exercising its right to use the water stored in the impoundment; or

(2) drought or flood conditions.

(c) The notice described by Subsection (b) shall be delivered by the seller to the purchaser on or before the effective

1 date of an executory contract binding the purchaser to purchase the  
2 property.

3 (d) If a contract is entered into without the seller  
4 providing the notice within the period required by Subsection (c),  
5 the purchaser may terminate the contract for any reason within  
6 seven days after the date the purchaser receives:

7 (1) the notice described by Subsection (b) from the  
8 seller; or

9 (2) information described by the notice under  
10 Subsection (b) from any other person.

11 (e) After the date of the conveyance, the purchaser may  
12 bring an action for misrepresentation against the seller if the  
13 seller:

14 (1) failed to provide the notice before the date of the  
15 conveyance; and

16 (2) had actual knowledge that the water level  
17 described by Subsection (b) fluctuates for various reasons,  
18 including the reasons stated in Subsection (b).

19 SECTION 2. Section 5.019, Property Code, as added by this  
20 Act, applies only to an executory contract entered into on or after  
21 the effective date of this Act. An executory contract entered into  
22 before the effective date of this Act is governed by the law as it  
23 existed immediately before the effective date of this Act, and that  
24 law is continued in effect for that purpose.

25 SECTION 3. This Act takes effect September 1, 2015.

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President of the Senate

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Speaker of the House

I certify that H.B. No. 1665 was passed by the House on April 23, 2015, by the following vote: Yeas 136, Nays 3, 2 present, not voting.

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Chief Clerk of the House

I certify that H.B. No. 1665 was passed by the Senate on May 23, 2015, by the following vote: Yeas 31, Nays 0.

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Secretary of the Senate

APPROVED: \_\_\_\_\_

Date

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Governor