

FOR MORE INFORMATION

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FOR IMMEDIATE RELEASE

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**Homeowners Group to “bury” Abolished Agency,
Unveil Next steps for helping Frustrated Texans**

AUSTIN, TX -- Homeowners of Texas (HOT), a statewide consumer group, on Sept. 1 will officially “bury” the state agency it helped abolish this past legislative session. At the same time, it will announce new state and federal legislative initiatives, including property tax and homeowners’ insurance relief and restoring the rights of homeowners to sue for damages caused by construction defects.

HOT helped convince legislators during the 81st Legislative Session to abolish the Texas Residential Construction Commission, and it will celebrate the official death of the TRCC on September 1, 2009, by staging a mock funeral for the agency at 11 a.m., Tuesday, Sept. 1, 807 Brazos, 10th Floor Conference Room. September 1, 2009, will mark the end of the agency’s legal authority and the beginning of its one-year winding down process under state law. The TRCC, which was established by the Legislature in 2003 as an obstacle to shield builders from lawsuits, was abolished under state Sunset laws during the past legislative session.

“This day marks the beginning of the resurrection of homeowners’ rights in Texas,” said Tom Archer, HOT president. *“With the achievement of our first legislative goal -- the abolition of TRCC-- we are now ready to press forward with a new and expanded agenda: licensing Texas homebuilders, restoring legal rights for homeowners, reducing property taxes, and rolling back exorbitant homeowners’ insurance rates for all Texans.”*

Archer said HOT, which began as a grass-roots effort by frustrated homeowners dealing with new construction defects, will focus on both state and federal issues. He said key homeowner issues before Congress and the 82nd Texas Legislative Session include:

- Licensing of Texas homebuilders and construction trades. More homes are built in Texas than in any other state, yet homebuilders are not licensed in Texas. No knowledge of construction is required to be a Texas homebuilder, even though Texas licenses many other professions, including barbers and tow truck operators. Texans deserve the same protections when buying a new home that they enjoy today when they pay for a haircut or for an operator to tow their disabled vehicle.
- Reduction of exorbitant property taxes in Texas. *“Texans pay the 2nd highest property taxes in the nation, which are almost 90% higher than taxes in neighboring states or as a national percentage of income. Although historically viewed as a low-tax state, Texas has experienced spiraling increases in local taxes during recent years as a result of the Legislature’s failure to provide adequate funding for public education and other essential governmental services,”* Archer said. *“Lawmakers have shifted*

the tax burden from large corporations to individual homeowners.”

- Reduction of soaring homeowners’ insurance rates. *“Texans pay the highest homeowners insurance rates in the nation as a result of a state regulatory scheme that favors insurance companies at the expense of homeowners,”* Archer said.
- Passage of the Arbitration Fairness Act by Congress to restore Americans’ constitutional right to a trial by jury.
- Reform of the Texas Residential Construction Liability Act (RCLA), which was in place before the TRCC and remains intact, to restore homeowners’ rights to recover attorneys’ fees and pursue class action lawsuits for new home construction defects.

On September 1, 2009, the Texas Residential Construction Commission will begin its one-year winding down process and will officially be out of business. As of this date the TRCC will no longer accept new home or builder registrations, and homeowners with active state inspection cases may opt out of the inspection process. In addition, homeowners will no longer be required to file State Inspection requests through the TRCC and may pursue any other legal remedies to which they may be entitled to recover damages for construction defects.

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