

BILL ANALYSIS

C.S.H.B. 993
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Business & Industry
Committee Report (Substituted)

BACKGROUND AND PURPOSE

There are concerns that renters of dwellings located in areas susceptible to flooding may be unaware of the risk of flooding. C.S.H.B. 993 seeks to address these concerns by requiring a landlord to provide to a prospective tenant a written notice stating that the dwelling may be in an area designated by FEMA as susceptible to flooding and advising a prospective tenant to seek appropriate insurance coverage that covers losses caused by flooding.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.B. 993 amends the Property Code to require a landlord to provide to a residential tenant a written notice containing a statement substantially equivalent to a statement set out in the bill regarding the possibility that the applicable dwelling may be located in an area designated by FEMA as susceptible to flooding, regarding FEMA's flood map service center, and regarding insurance policies and appropriate insurance coverage. The bill requires the notice to be included in a written lease and printed in underlined or boldface type or to be included in a separate written document given to the tenant before the execution of the lease. The bill authorizes a tenant, if the landlord violates the notice requirement and the tenant suffers loss or damage to the tenant's personal property as a result of flood, to terminate the lease by providing written notice of termination to the landlord.

EFFECTIVE DATE

September 1, 2019.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 993 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute does not include any provisions limiting applicability of the notice provisions to a dwelling that is located in a floodplain or that has been damaged by flooding due to rainfall or storm surge during the 20 years preceding the date of the lease. The substitute includes notice

provisions, applicable to all dwellings instead, that require a landlord to provide to a prospective tenant, in a written lease or as a separate written document before execution of the lease, certain notice regarding the possibility of the dwelling's location in an area of land designated by FEMA as susceptible to flooding and regarding flood insurance.

The substitute includes an authorization for a tenant to provide written notice of termination of a lease if the landlord violates the notice requirements and the tenant suffers loss or damage as a result of flood. The substitute does not include an authorization for the tenant, as an alternative to terminating a lease under those conditions, to maintain possession of the premises under the terms of the lease and to recover certain cash amounts. The substitute does not include a certain defense to liability for a landlord or landlord's agent.