

(The House considered SB 1717 by West, the Senate companion bill, in lieu of HB 3165, the House version of the bill, which had been set on the daily calendar and was analyzed by the House Research Organization. The bill subsequently was enacted as SB 1717.)

HOUSE
RESEARCH

ORGANIZATION bill analysis

5/8/2009

HB 3165

Y. Davis

SUBJECT: Prohibiting certain housing development owners from locking out tenants

COMMITTEE: Urban Affairs — favorable, without amendment

VOTE: 9 ayes — Y. Davis, Alvarado, Fletcher, Gutierrez, Kent, Miklos, Pierson,
C. Turner, Walle

0 nays

2 absent — C. Howard, Mallory Caraway

WITNESSES: For — (*Registered, but did not testify*: Robert Doggett, Texas Low Income
Housing Information Service; Darrin Hall, City of Houston; Bill Stout,
Green Party of Texas)

Against — None

On — Michael Lyttle, Texas Department of Housing and Community
Affairs

BACKGROUND: Government Code ch. 2306, Subchapter DD charges the Texas
Department of Housing and Community Affairs (TDHCA) with
administering the federal Low Income Housing Tax Credit Program.

DIGEST: HB 3165 would prohibit owners of housing developments that receive low
income housing tax credit allocations from locking out or threatening to
lock out any development residents, or seizing or threatening to seize the
personal property of development residents except by judicial process, or
for the purposes of performing necessary repairs or construction work or
cases of emergency. An exception also would be made for residents who
abandoned the premises.

Owners of developments receiving low income housing tax credit
allocations would be required to include a conspicuous provision in their
lease agreements prohibiting such practices, and would be required to
remove any lease provisions that contradicted the prohibition in a manner

determined by TDHCA, which would be required to adopt any rules necessary to implement and enforce these provisions no later than November 1, 2009.

The bill would take effect September 1, 2009.

**SUPPORTERS
SAY:**

HB 3165 would provide fairness for low-income housing residents by prohibiting development owners that receive federal funds from locking them out. While it is not a common practice, it is also not expressly prohibited under federal law, and there have been cases where development owners that receive these federal allocations have locked residents out unlawfully.

**OPPONENTS
SAY:**

The bill should provide development owners with some recourse in the event that residents are delinquent in rent payments. Other statutory provisions related to the barring of a tenant from a dwelling allow the practice as long as the landlord is available to accept rent payment. This bill should provide the same protection for affordable housing development owners.

NOTES:

The companion bill, SB 1717 by West, passed the Senate by 28-3 (Ogden, Patrick, Seliger) on April 27 and was reported favorably, without amendment, by the House Urban Affairs Committee on May 8.