

BILL ANALYSIS

Senate Research Center

S.B. 1367
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

If a tenant damages a rental property and there is a security deposit, the landlord has 30 days after the tenant surrenders the premises to send the tenant a list of itemized deductions from the security deposit. If the tenant does not have a security deposit, there is no obligation to notify the tenant of any charges for damages. Tenants are sometimes unaware the landlord is claiming they owe damages until they see their credit report, which can be months or years later. S.B. 1367 requires the landlord to notify the tenant of damages and charges within 30 days of move-out even if there is no security deposit.

As proposed, S.B. 1367 amends current law relating to certain obligations of and limitations on landlords.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 92.056, Property Code, as follows:

Sec. 92.056. LANDLORD LIABILITY AND TENANT REMEDIES; NOTICE AND TIME FOR REPAIR. (a) Makes no change to this subsection.

(b) Provides that landlord is liable to a tenant as provided by this subchapter if:

(1) and (2) Makes no change to these subdivisions;

(3) the tenant has given the landlord a subsequent written notice to repair or remedy the condition after a reasonable time to repair or remedy the condition following the notice given under Subdivision (1) (providing that a landlord is liable to a tenant if the tenant has given the landlord notice to repair or remedy a condition) or the tenant has given the notice under Subdivision (1) by sending that notice by certified mail, return receipt requested, by registered mail or any trackable form of delivery from the U.S. Postal Service or a private delivery service.

SECTION 2. Amends Section 92.103, Property Code, as follows:

Sec. 92.103. New heading: OBLIGATION TO REFUND AND NOTIFY TENANT OF DAMAGES AND CHARGES. (a) and (b) Makes no change to these subsections.

(c) Requires the landlord, if there is no deposit placed under the lease and the landlord claims the tenant owes for damages, to notify the tenant in writing of any damages and charges on or before the 30th day after the date the tenant surrenders the premises.

SECTION 3. Amends Section 92.006, Property Code, by adding Subsection (h) to provide that a tenant's right to a jury trial may not be waived.

SECTION 4. Amends Section 54.046, Property Code, as follows:

Sec. 54.046. VIOLATION BY LANDLORD. Provides that the tenant, if a landlord or the landlord's agent wilfully violates this subchapter, is entitled to:

(1) actual damages, return of any property seized that has not been sold, return of the proceeds of any sale of seized property, and one month's rent plus \$1,000, less any amount for which the tenant is liable, rather than one month's rent or \$500 plus \$1,000, whichever is greater, less any amount for which the tenant is liable; and

(2) Makes no change to this subdivision.

SECTION 5. Amends Section 92.105, Property Code, as follows:

Sec. 92.105. CESSATION OF OWNER'S INTEREST. (a) Provides that the new owner, if the owner's interest in the premises is terminated by sale, assignment, death, appointment of a receiver, bankruptcy, or otherwise, is liable for the return of security deposits according to this subchapter from the date title to the premises is acquired, rather than from the date title to the premises is acquired, regardless of whether notice is given to the tenant under Subsection (b) of this section.

(b) Requires the person who no longer owns an interest in the rental premises to deliver to the tenant a signed statement acknowledging that the new owner has received and is responsible for the tenant's security deposit and specifying the exact dollar amount of the deposit, rather than provides that the person who no longer owns an interest in the rental premises remains liable for a security deposit received while the person was the owner until the new owner delivers to the tenant a signed statement acknowledging that the new owner has received and is responsible for the tenant's security deposit and specifying the exact dollar amount of the deposit.

SECTION 6. Effective date: January 1, 2016.