West 1-1 By: S.B. No. 1367 (In the Senate - Filed March 11, 2015; March 18, 2015, read first time and referred to Committee on Business and Commerce; April 29, 2015, reported adversely, with favorable Committee 1-2 1-3 1-4 1-5 Substitute by the following vote: Yeas 8, Nays 0; April 29, 2015, 1-6 sent to printer.)

1-7 COMMITTEE VOTE

1-8		Yea	Nay	Absent	PNV
1-9	Eltife	Χ			•
1-10	Creighton	Χ			
1-11	Ellis	Χ			
1-12	Huffines	Χ			•
1-13	Schwertner	X			•
1-14	Seliger			X	
1-15	Taylor of Galveston	Χ			
1-16	Watson	Х			•
1-17	Whitmire	X			

COMMITTEE SUBSTITUTE FOR S.B. No. 1367 1-18

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By: Ellis

1-19 A BILL TO BE ENTITLED 1-20 AN ACT

1-21 relating to certain obligations of and limitations on landlords.

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

SECTION 1. Section 54.046, Property Code, is amended to read as follows:

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

- actual damages, return of any property seized that has not been sold, return of the proceeds of any sale of seized property, and the sum of one month's rent and \$1,000 [or \$500, whichever is greater], less any amount for which the tenant is liable; and
 - reasonable attorney's fees. (2)
- SECTION 2. Section 92.006, Property Code, is amended by adding Subsection (h) to read as follows:
- (h) A tenant's right to a jury trial in an action brought under this chapter may not be waived.
- SECTION 3. Section 92.056(b), Property Code, is amended to read as follows:
- (b) A landlord is liable to a tenant as provided by this subchapter if:
- the tenant has given the landlord notice to repair (1)or remedy a condition by giving that notice to the person to whom or to the place where the tenant's rent is normally paid;
- (2) the condition materially affects the physical health or safety of an ordinary tenant;
 (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) or the tenant has given the notice under Subdivision (1) by sending that notice by certified mail, return receipt requested, [ex] by registered mail, or by another form of mail that allows tracking of delivery from the United States Postal
- Service or a private delivery service;

 (4) the landlord has had a reasonable time to repair or 1-54 1-55 remedy the condition after the landlord received the tenant's notice under Subdivision (1) and, if applicable, the tenant's subsequent notice under Subdivision (3); 1-56 1-57 1-58
- 1-59 (5) the landlord has not made a diligent effort to repair or remedy the condition after the landlord received the 1-60

C.S.S.B. No. 1367

tenant's notice under Subdivision (1) and, if applicable, the tenant's notice under Subdivision (3); and

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(6) the tenant was not delinquent in the payment of rent at the time any notice required by this subsection was given.

SECTION 4. Section 92.105, Property Code, is amended by amending Subsections (a) and (b) and adding Subsection (b-1) to read as follows:

- (a) If the owner's interest in the premises is terminated by sale, assignment, death, appointment of a receiver, bankruptcy, or otherwise, the new owner is liable for the return of security deposits according to this subchapter 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) 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 shall deliver [delivers] to the tenant a signed statement acknowledging that the new owner has <u>acquired</u> the <u>property</u> [received] and is responsible for the tenant's security deposit and specifying the exact dollar amount of the deposit.

(b-1)The person who no longer owns an interest rental premises is liable for a security deposit received while the person was the owner until the new owner has received the deposit or has assumed the liability for the deposit, unless otherwise

specified by the parties in a written contract.

SECTION 5. Subchapter C, Chapter 92, Property Code, is amended by adding Section 92.110 to read as follows:

Sec. 92.110. LEASE WITHOUT SECURITY DEPOSIT; NOTICE. (a) If a security deposit was not required by a residential lease and the tenant is liable for damages and charges on surrender of the premises, the landlord shall notify the tenant in writing of the landlord's claim for damages and charges on or before the date the landlord reports the claim to a consumer

reporting agency or third-party debt collector.

(b) A landlord is not required to provide the notice under Subsection (a) if the tenant has not given the landlord the tenant's forwarding address as provided by Section 92.107.

(c) If a landlord does not provide the tenant the notice as required by this section, the landlord forfeits the right to collect damages and charges from the tenant. Forfeiture of the right to collect damages and charges from the tenant is the exclusive remedy for the failure to provide the proper notice to the tenant.

SECTION 6. The changes in law made by this Act apply only to a residential lease agreement entered into on or after the effective date of this Act. A residential lease agreement entered into before the effective date of this Act is governed by the law applicable to the agreement immediately before that date, and the former law is continued in effect for that purpose.

SECTION 7. This Act takes effect January 1, 2016.

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