

By: Huffman

S.B. No. 314

A BILL TO BE ENTITLED

AN ACT

relating to notice requirements for leased residential property,  
manufactured home lots, or commercial property located in a flood  
zone.

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

SECTION 1. Chapter 91, Property Code, is amended by adding  
Section 91.007 to read as follows:

Sec. 91.007. NOTICE FOR LEASED PROPERTY LOCATED IN FLOOD  
ZONE. (a) In this section:

(1) "Commercial property" means real property not  
zoned or otherwise authorized for use as residential property.

(2) "Dwelling" has the meaning assigned by Section  
92.001.

(3) "Flood zone" means any area of land designated by  
the Federal Emergency Management Agency under the National Flood  
Insurance Act of 1968 (42 U.S.C. Section 4001 et seq.) as an area of  
land that is susceptible to being inundated by water from any  
source, including:

(A) a 100-year floodplain;

(B) a 500-year floodplain; or

(C) a floodway.

(4) "Manufactured home lot" has the meaning assigned  
by Section 94.001.

(b) Before signing a written lease agreement or entering

1 into an oral lease agreement for a dwelling, manufactured home lot,  
2 or commercial property with a prospective tenant, a landlord or  
3 landlord's agent must provide the written notice described by  
4 Subsection (d) to the prospective tenant if any part of the  
5 following is located in a flood zone:

6 (1) the dwelling, manufactured home lot, or commercial  
7 property, as applicable;

8 (2) a building in which the dwelling or commercial  
9 property is located, as applicable;

10 (3) the parking area that will be available to the  
11 prospective tenant or the tenant's guests or customers; or

12 (4) if the leased property is a dwelling, the storage  
13 area for personal property that will be available to the  
14 prospective tenant.

15 (c) If a leased dwelling, lot, property, building, or other  
16 area described by Subsection (b) is located in an area designated by  
17 the Federal Emergency Management Agency as a flood zone during the  
18 term of the lease, the landlord or the landlord's agent shall  
19 provide the written notice described by Subsection (d) to each  
20 affected tenant in that area not later than the 30th day after the  
21 date the flood zone is designated.

22 (d) The written notice must:

23 (1) clearly state which dwelling, lot, property,  
24 building, or areas listed under Subsection (b) relevant to the  
25 tenant's lease are located in a flood zone and whether the area is  
26 located in a 100-year floodplain, 500-year floodplain, floodway, or  
27 other area susceptible to flooding;

1           (2) if applicable, clearly state that flooding in a  
2 100-year or 500-year floodplain can and does occur on a more  
3 frequent basis than once every 100 or 500 years, respectively;

4           (3) if the leased property is a dwelling, clearly  
5 state that most tenant insurance policies do not cover damages or  
6 loss incurred in a flood event;

7           (4) recommend that the tenant seek appropriate  
8 insurance coverage that would cover losses caused by a flood;

9           (5) affirm that the landlord or landlord's agent  
10 provided the notice:

11           (A) before the lease agreement was entered into;  
12 or

13           (B) if Subsection (c) applies, not later than the  
14 30th day after the date the flood zone is designated; and

15           (6) be signed and dated by the landlord or landlord's  
16 agent and tenant.

17           (e) If a landlord or a landlord's agent violates this  
18 section:

19           (1) the tenant may terminate the lease agreement and  
20 avoid liability for future rent and any other sums due under the  
21 agreement for terminating the agreement and vacating the property  
22 before the end of the lease term; and

23           (2) if the tenant suffers loss of or damage to the  
24 tenant's personal property as a result of a flood, the tenant is  
25 entitled to recover from the landlord the following amounts, less  
26 any delinquent rent or other sum for which the tenant is liable to  
27 the landlord:

- 1                   (A) the tenant's actual damages;
- 2                   (B) the greater of one month's rent or \$1,000;
- 3 and
- 4                   (C) reasonable attorney's fees and court costs
- 5 incurred in recovering the amounts in Paragraphs (A) and (B).

6           SECTION 2. Section 91.007, Property Code, as added by this  
7 Act, applies only to a lease agreement entered into or renewed on or  
8 after the effective date of this Act.

9           SECTION 3. This Act takes effect September 1, 2021.