By: Schofield

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A BILL TO BE ENTITLED 1 AN ACT 2 relating to the jurisdiction of courts in cases of forcible entry and detainer and forcible detainer. 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 4 SECTION 1. Section 25.0003, Government Code, is amended by 5 adding Subsection (g) to read as follows: 6 7 (g) A statutory county court has concurrent jurisdiction with a justice court in cases of forcible entry and detainer and 8 9 forcible detainer. SECTION 2. Section 27.031, Government Code, is amended by 10 amending Subsection (a) and adding Subsection (b-1) to read as 11 12 follows: In addition to the jurisdiction and powers provided by 13 (a) the constitution and other law, the justice court has original 14 jurisdiction of: 15 (1) civil matters in which exclusive jurisdiction is 16 not in the district or county court and in which the amount in 17 controversy is not more than \$20,000, exclusive of interest; 18 [(2) cases of forcible entry and detainer;] and 19 20 (2) [(3)] foreclosure of mortgages and enforcement of liens on personal property in cases in which the amount in 21 controversy is otherwise within the justice court's jurisdiction. 22 23 (b-1) A justice court has concurrent jurisdiction with a statutory county court in cases of forcible entry and detainer and 24

1 forcible detainer.

2 SECTION 3. Section 24.004, Property Code, is amended by 3 adding Subsection (a-1) and amending Subsection (b) to read as 4 follows:

5 <u>(a-1) Except as provided by Subsection (b), a statutory</u> 6 <u>county court has concurrent jurisdiction with a justice court in</u> 7 <u>forcible entry and detainer and forcible detainer suits. A</u> 8 <u>statutory county court has jurisdiction to issue a writ of</u> 9 <u>possession under Sections 24.0054(a), (a-2), and (a-3).</u>

10 (b) A justice court <u>or statutory county court</u> does not have 11 jurisdiction in a forcible entry and detainer or forcible detainer 12 suit and shall dismiss the suit if the defendant files a sworn 13 statement alleging the suit is based on a deed executed in violation 14 of Chapter 21A, Business & Commerce Code.

SECTION 4. Section 24.0051(a), Property Code, is amended to read as follows:

(a) In a suit [filed in justice court] in which the landlord files a sworn statement seeking judgment against a tenant for possession of the premises and unpaid rent, personal service on the tenant or service on the tenant under Rule 742a, Texas Rules of Civil Procedure, is procedurally sufficient to support a default judgment for possession of the premises and unpaid rent.

23 SECTION 5. Section 24.00511(a), Property Code, is amended 24 to read as follows:

(a) In a residential eviction suit for nonpayment of rent,
the statutory county court or justice court in which the suit is
<u>filed</u> shall state in the court's judgment the amount of the appeal

1 bond, taking into consideration the money required to be paid into 2 the court registry under Section 24.0053.

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3 SECTION 6. Section 24.00512, Property Code, is amended to 4 read as follows:

5 Sec. 24.00512. CONTEST OF CERTAIN APPEAL BONDS. (a) This 6 section does not apply to an appeal bond issued by a corporate 7 surety authorized by the Texas Department of Insurance to engage in 8 business in this state.

If a party appeals the judgment of a statutory county 9 (b) 10 court or justice court in a residential eviction suit for nonpayment of rent by filing an appeal bond, the opposing party may 11 12 contest the bond amount, form of the bond, or financial ability of a surety to pay the bond by filing a written notice with the [justice] 13 14 court that rendered the judgment contesting the appeal bond on or 15 before the fifth day after the date the appeal bond is filed and serving a copy on the other party. After the notice is filed, the 16 17 [justice] court shall notify the other party and the surety of the contest. 18

19 (c) Not later than the fifth day after the date the contest 20 is filed, the <u>statutory county court or</u> justice court <u>in which the</u> 21 <u>notice under Subsection (b) is filed</u> shall hold a hearing to hear 22 evidence to determine whether to approve or disapprove the amount 23 or form of the bond or the surety.

(d) If a party contests the amount or form of the bond, the contesting party has the burden to prove, by a preponderance of the evidence, that the amount or form of the bond, as applicable, is insufficient. If a party contests the financial ability of a surety

to pay the bond, the party filing the bond must prove, by a 1 preponderance of the evidence, that the surety has sufficient 2 3 nonexempt assets to pay the appeal bond. If the [justice] court determines that the amount or form of the bond is insufficient or 4 5 the surety does not have sufficient nonexempt assets to pay the appeal bond, the [justice] court must disapprove the bond. If the 6 surety fails to appear at the contest hearing, the failure to appear 7 8 is prima facie evidence that the bond should be disapproved.

9 (e) Not later than the fifth day after the date the statutory county court or justice court, as applicable, disapproves 10 an appeal bond, the party appealing may make a cash deposit, file a 11 sworn statement of inability to pay with the [justice] court, or 12 appeal the decision disapproving the appeal bond to the county 13 14 court, if the decision is made by a justice court, or to the court of 15 appeals, if the decision is made by a statutory county court. Ιf the party appealing fails to make a cash deposit, file a sworn 16 17 statement of inability to pay, or appeal the decision disapproving the appeal bond, the judgment of the [justice] court that rendered 18 19 the original judgment becomes final and a writ of possession and other processes to enforce the judgment must be issued on the 20 payment of the required fee. 21

(f) If an appeal is filed <u>with the county court under</u> <u>Subsection (e)</u>, the justice court shall transmit to the county court the contest to the appeal bond and all relevant documents. The county court shall docket the appeal, schedule a hearing to be held not later than the fifth day after the date the appeal is docketed, notify the parties and the surety of the hearing time and

1 date, and hear the contest de novo.

2 (f-1) If an appeal is filed with the court of appeals under 3 Subsection (e), the statutory county court shall transmit to the 4 court of appeals the contest to the appeal bond and all relevant 5 documents. The court of appeals shall docket the appeal, and if 6 oral argument is requested, schedule a hearing as soon as 7 practicable and notify the parties and the surety of any hearing 8 set.

9 <u>(f-2)</u> The failure of <u>a</u> [the county] court to hold a timely 10 hearing is not grounds for approval or denial of the appeal. A writ 11 of possession may not be issued before the <u>court hearing the appeal</u> 12 [county court] issues a final decision on the appeal bond.

After the contest is heard by the [county] court in 13 (g) 14 which an appeal is filed, the [county] clerk of the court shall 15 transmit the transcript and records of the case to the [justice] court that rendered the original judgment in the case. 16 If the 17 [county] court hearing the appeal disapproves the appeal bond, the party may, not later than the fifth day after the date the court 18 19 disapproves the appeal bond, perfect the appeal of the judgment on the eviction suit by making a cash deposit in the [justice] court 20 that rendered the original judgment in the case in an amount 21 determined by the [county] court hearing the appeal or by filing a 22 23 sworn statement of inability to pay with the [justice] court that 24 rendered the original judgment in the case pursuant to the Texas Rules of Civil Procedure. If the tenant is the appealing party and 25 26 a cash deposit in the required amount is not timely made or a sworn statement of inability to pay is not timely filed, the judgment of 27

1 the [justice] court that rendered the original judgment becomes final and a writ of possession and other processes to enforce the 2 3 judgment must be issued on the payment of the required fee. If the landlord is the appealing party and a cash deposit is not timely 4 5 made or a sworn statement of inability to pay is not timely filed, the judgment of the [justice] court that rendered the original 6 judgment becomes final. If the appeal bond is approved by the 7 8 [county] court hearing the appeal, the court shall transmit the transcript and other records of the case to the [justice] court that 9 10 rendered the original judgment, and that [the justice] court shall proceed as if the appeal bond was originally approved. 11

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SECTION 7. Section 24.0052, Property Code, is amended to read as follows:

Sec. 24.0052. TENANT APPEAL ON PAUPER'S AFFIDAVIT. 14 (a) If 15 a tenant in a residential eviction suit is unable to pay the costs of appeal or file an appeal bond as required by the Texas Rules of 16 17 Civil Procedure, the tenant may appeal the judgment of the [justice] court that rendered the original judgment by filing with 18 19 that [the justice] court, not later than the fifth day after the date the judgment is signed, a pauper's affidavit sworn before the 20 clerk of the [justice] court or a notary public that states that the 21 tenant is unable to pay the costs of appeal or file an appeal bond. 22 23 The affidavit must contain the following information:

24

(1) the tenant's identity;

(2) the nature and amount of the tenant's employmentincome;

27 (3) the income of the tenant's spouse, if applicable

1 and available to the tenant;

2 (4) the nature and amount of any governmental3 entitlement income of the tenant;

4

(5) all other income of the tenant;

5 (6) the amount of available cash and funds available6 in savings or checking accounts of the tenant;

7 (7) real and personal property owned by the tenant,
8 other than household furnishings, clothes, tools of a trade, or
9 personal effects;

10

(8) the tenant's debts and monthly expenses; and

11 (9) the number and age of the tenant's dependents and 12 where those dependents reside.

13 (b) <u>A statutory county court or [The]</u> justice court shall 14 make available an affidavit form that a person may use to comply 15 with the requirements of Subsection (a).

16 (c) The [justice] court in which a pauper's affidavit is
17 filed under this section shall promptly notify the landlord that
18 [if] a pauper's affidavit has been [is] filed by the tenant.

A landlord may contest a pauper's affidavit on or before 19 (d) the fifth day after the date the affidavit is filed. 20 If the 21 landlord contests the affidavit, the [justice] court in which the affidavit was filed shall notify the parties and hold a hearing to 22 23 determine whether the tenant is unable to pay the costs of appeal or 24 file an appeal bond. The hearing shall be held not later than the fifth day after the date the landlord notifies the court clerk of 25 26 the landlord's contest. At the hearing, the tenant has the burden to prove by competent evidence, including documents or credible 27

1 testimony of the tenant or others, that the tenant is unable to pay 2 the costs of appeal or file an appeal bond.

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3 (e) If the [justice] court approves the pauper's affidavit 4 of a tenant <u>filed under this section</u>, the tenant is not required to 5 pay the [county court] filing fee <u>in the court in which the appeal</u> 6 <u>is filed</u> or file an additional affidavit in the <u>appellate</u> [county] 7 court under Subsection (a).

8 SECTION 8. Section 24.00521, Property Code, is amended to 9 read as follows:

10 Sec. 24.00521. CONTEST OF CERTAIN APPEAL BONDS [IN COUNTY 11 <u>COURT</u>]. <u>(a)</u> A contest under Section 24.00512 <u>filed in a justice</u> 12 <u>court</u> does not preclude a party from contesting the appeal bond in 13 the county court after the county court has jurisdiction over the 14 eviction suit.

15 (b) A contest under Section 24.00512 filed in a statutory 16 county court does not preclude a party from contesting the appeal 17 bond in the court of appeals after the court of appeals has 18 jurisdiction over the appeal of an eviction suit.

19 (c) After the county court has jurisdiction over the <u>appeal</u> 20 <u>of an</u> eviction suit <u>or a court of appeals has jurisdiction over the</u> 21 <u>appeal of an eviction suit</u>, the county court <u>or court of appeals, as</u> 22 <u>applicable</u>, may modify the amount or form of the bond and determine 23 the sufficiency of the surety.

SECTION 9. Sections 24.0053(a), (a-1), (a-2), (a-3), (b),
(c), (d), and (e), Property Code, are amended to read as follows:
(a) If <u>a statutory county court or</u> [the] justice court, as
applicable, enters judgment for the landlord in a residential

1 eviction case based on nonpayment of rent, the court shall determine the amount of rent to be paid each rental pay period 2 3 during the pendency of any appeal and shall note that amount in the judgment. If a portion of the rent is payable by a government 4 5 agency, the court shall determine and note in the judgment the portion of the rent to be paid by the government agency and the 6 portion to be paid by the tenant. The court's determination shall 7 8 be in accordance with the terms of the rental agreement and applicable laws and regulations. This subsection does not require 9 or prohibit payment of rent into the court registry or directly to 10 the landlord during the pendency of an appeal of an eviction case 11 12 based on grounds other than nonpayment of rent.

(a-1) In an eviction suit for nonpayment of rent, if a tenant files a pauper's affidavit in the period prescribed by Section 24.0052 or an appeal bond pursuant to the Texas Rules of Civil Procedure, the [justice] court <u>in which the affidavit or bond</u> <u>is filed</u> shall provide to the tenant a written notice at the time the pauper's affidavit or [appeal] bond is filed that contains the following information in bold or conspicuous type:

20 (1) the amount of the initial deposit of rent stated in 21 the judgment that the tenant must pay into the [justice] court 22 registry;

(2) whether the initial deposit must be paid in cash,
cashier's check, or money order, and to whom the cashier's check or
money order, if applicable, must be made payable;

(3) the calendar date by which the initial deposit
must be paid into the [justice] court registry;

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(4) for a court that closes before 5 p.m. on the date
2 specified by Subdivision (3), the time the court closes; and

3 (5) a statement that failure to pay the required 4 amount into the [justice] court registry by the date prescribed by 5 Subdivision (3) may result in the court issuing a writ of possession 6 without a hearing.

7 (a-2) The date by which an initial deposit must be paid into 8 the [justice] court registry under Subsection (a-1)(3) must be 9 within five days of the date the tenant files the pauper's affidavit 10 as required by the Texas Rules of Civil Procedure.

(a-3) If a tenant files an appeal bond to appeal an eviction 11 12 for nonpayment of rent, the tenant must, not later than the fifth day after the date the tenant filed the appeal bond, pay into the 13 14 [justice] court registry the amount of rent to be paid in one rental 15 pay period as determined by the court under Subsection (a). If the tenant fails to timely pay that amount into the [justice] court 16 17 registry and the transcript has not yet been transmitted to the [county] court in which the appeal is filed, the plaintiff may 18 19 request a writ of possession. On request and payment of the applicable fee, the [justice] court that rendered the original 20 judgment shall issue the writ of possession immediately and without 21 a hearing. Regardless of whether a writ of possession is issued: 22

23 <u>(1) a</u> [, the] justice court shall transmit the 24 transcript and appeal documents to the county court for trial de 25 novo on issues relating to possession, rent, or attorney's fees; or 26 <u>(2) a statutory county court shall transmit the</u> 27 transcript and appeal documents to the court of appeals for an

appeal conducted in the same manner as the appeal of any other order or other action of the court.

3 (b) If an eviction case is based on nonpayment of rent and the tenant appeals by filing a pauper's affidavit, the tenant shall 4 pay the rent, as it becomes due, into the [justice] court [or the 5 county court] registry[, as applicable,] during the pendency of the 6 appeal, in accordance with the Texas Rules of Civil Procedure and 7 Subsection (a). If a government agency is responsible for all or a 8 portion of the rent under an agreement with the landlord, the tenant 9 10 shall pay only that portion of the rent determined by the [justice] court under Subsection (a) to be paid by the tenant during appeal, 11 12 subject to either party's right to contest that determination under Subsection (c). 13

14 (c) If an eviction case is based on nonpayment of rent and 15 the tenant's rent during the rental agreement term has been paid wholly or partly by a government agency, either party may contest 16 17 the portion of the rent that the [justice] court determines must be paid into the [county] court registry by the tenant under this 18 section. The contest must be filed on or before the fifth day after 19 the date the judge or justice, as applicable, signs the judgment. 20 If a contest is filed, not later than the fifth day after the date 21 the contest is filed the [justice] court shall notify the parties 22 23 and hold a hearing to determine the amount owed by the tenant in 24 accordance with the terms of the rental agreement and applicable laws and regulations. After hearing the evidence, the [justice] 25 26 court shall determine the portion of the rent that must be paid by the tenant under this section. 27

If the tenant objects to <u>a</u> [the] justice court's ruling 1 (d) under Subsection (c) on the portion of the rent to be paid by the 2 3 tenant during appeal, the tenant shall be required to pay only the portion claimed by the tenant to be owed by the tenant until the 4 issue is tried de novo along with the case on the merits in county 5 court. If the tenant objects to a statutory county court's ruling 6 under Subsection (c) on the portion of the rent to be paid by the 7 8 tenant during appeal, the tenant shall be required to pay only the portion claimed by the tenant to be owed by the tenant until the 9 10 appeal is final. During the pendency of an [the] appeal taken from a justice court, either party may file a motion with the county 11 court to reconsider the amount of the rent that must be paid by the 12 tenant into the registry of the court. 13

(e) If either party files a contest under Subsection (c) and the tenant files a pauper's affidavit that is contested by the landlord under Section 24.0052(d), the [justice] court shall hold the hearing on both contests at the same time.

SECTION 10. Sections 24.0054(a), (a-2), (a-3), (a-4), (b),
(c), (e), and (f), Property Code, are amended to read as follows:
(a) During an appeal of an eviction case for nonpayment of

21 rent, the [justice] court that rendered the original judgment, on 22 request, shall immediately issue a writ of possession, without 23 hearing, if:

(1) a tenant fails to pay the initial rent deposit into
the [justice] court registry within five days of the date the tenant
filed a pauper's affidavit as required by Rule 749b(1), Texas Rules
of Civil Procedure, and Section 24.0053;

H.B. No. 3952 (2) the [justice] court has provided the written 2 notice required by Section 24.0053(a-1); and

3 (3) the [justice] court has not yet forwarded the
4 transcript and original papers to the [county] court in which the
5 appeal is filed as provided by Subsection (a-2).

6 (a-2) The [justice] court that rendered the original 7 judgment shall forward the transcript and original papers in an 8 appeal [of an eviction case] to the [county] court hearing the appeal but may not forward the transcript and original papers 9 before the sixth day after the date the tenant files a pauper's 10 affidavit, except that, if the court confirms that the tenant has 11 timely paid the initial deposit of rent into the [justice] court 12 registry in accordance with Section 24.0053, the court may forward 13 14 the transcript and original papers immediately. If the tenant has 15 not timely paid the initial deposit into the [justice] court registry, the [justice] court, on request, shall issue a writ of 16 17 possession notwithstanding the fact that the tenant has perfected an appeal by filing a pauper's affidavit that has been approved by 18 19 the court. If the court that rendered the original judgment is a justice court, the [The] justice court shall forward the transcript 20 and original papers in the case to the county court for trial de 21 novo, notwithstanding the fact that a writ of possession under this 22 23 section has already been issued. If the court that rendered the 24 original judgment is a statutory county court, the county court shall forward the transcript and original papers in the case to the 25 26 court of appeals, notwithstanding the fact that a writ of possession under this section has already been issued. 27

1 (a-3) Notwithstanding Subsections (a) and (a-2), the 2 [justice] court that rendered the original judgment may not issue a 3 writ of possession if the tenant has timely deposited the tenant's 4 portion of the rent claimed by the tenant under Section 24.0053(d).

5 (a-4) During an appeal of an eviction case for nonpayment of rent, if a tenant fails to pay rent into the [justice] court [or 6 county court] registry as the rent becomes due under the rental 7 8 agreement in accordance with the Texas Rules of Civil Procedure and Section 24.0053, the landlord may file with the [county] court 9 10 hearing the appeal a sworn motion that the tenant failed to pay rent as required. The landlord shall notify the tenant of the motion and 11 12 the hearing date.

(b) If the [county] court <u>hearing the appeal</u> finds that the tenant has not complied with the payment requirements of the Texas Rules of Civil Procedure and Section 24.0053, the [county] court shall immediately issue a writ of possession unless on or before the day of the hearing the tenant pays into the court registry:

18 (1) all rent not paid in accordance with the Texas19 Rules of Civil Procedure and Section 24.0053; and

20 (2) the landlord's reasonable attorney's fees, if any,21 in filing the motion.

(c) If the court finds that a tenant has failed to timely paythe rent into the court registry on more than one occasion:

(1) the tenant is not entitled to stay the issuance of the writ by paying the rent and the landlord's reasonable attorney's fees, if any; and

27 (2) the [county] court <u>hearing the appeal</u> shall

1 immediately issue a writ of possession.

(e) In a motion or hearing under Subsection (a-4), or in a
motion to dismiss an appeal of an eviction case [in county court],
<u>other than a motion to dismiss an appeal filed in a court of</u>
<u>appeals</u>, the parties may represent themselves or be represented by
their authorized agents, who need not be attorneys.

7 During the appeal of an eviction case, if a government (f) 8 agency is responsible for payment of a portion of the rent and does not pay that portion to the landlord or into the [justice] court [or 9 county court] registry, the landlord may file a motion with the 10 [county] court hearing the appeal requesting that the tenant be 11 required to pay into the [county] court registry, as a condition of 12 remaining in possession, the full amount of each rental period's 13 14 rent, as it becomes due under the rental agreement. After notice 15 and hearing, the court shall grant the motion if the landlord proves by credible evidence that: 16

17 (1) a portion of the rent is owed by a government 18 agency;

19 (2) the portion of the rent owed by the government20 agency is unpaid;

21 (3) the landlord did not cause wholly or partly the 22 agency to cease making the payments;

(4) the landlord did not cause wholly or partly theagency to pay the wrong amount; and

(5) the landlord is not able to take reasonable action that will cause the agency to resume making the payments of its portion of the total rent due under the rental agreement.

H.B. No. 3952 1 SECTION 11. Section 24.0062(i), Property Code, is amended 2 to read as follows:

3 (i) Before the sale of the property by the warehouseman, the tenant may file suit in the [justice] court in which the eviction 4 5 judgment was rendered, or in another court of competent jurisdiction in the county in which the rental premises are 6 located, to recover the property described by Subsection (e) on the 7 8 ground that the landlord failed to return the property after timely demand and payment by the tenant, as provided by this section. 9 10 Before sale, the tenant may also file suit to recover all property moved or stored by the warehouseman on the ground that the amount of 11 12 the warehouseman's moving or storage charges is not reasonable. All proceedings under this subsection have precedence over other 13 14 matters on the court's docket. The [justice] court that issued the 15 writ of possession has jurisdiction under this section regardless of the amount in controversy. 16

17 SECTION 12. Section 24.007, Property Code, is amended to 18 read as follows:

Sec. 24.007. 19 APPEAL. (a) A final judgment of a county court in an eviction suit originally filed in a justice court may 20 not be appealed on the issue of possession unless the premises in 21 question are being used for residential purposes only. A judgment 22 23 of a county court in an eviction case originally filed in a justice 24 court may not under any circumstances be stayed pending appeal unless, within 10 days of the signing of the judgment, the appellant 25 26 files a supersedeas bond in an amount set by the county court. In setting the supersedeas bond the county court shall provide 27

1 protection for the appellee to the same extent as in any other 2 appeal, taking into consideration the value of rents likely to 3 accrue during appeal, damages which may occur as a result of the 4 stay during appeal, and other damages or amounts as the court may 5 deem appropriate.

(b) A final judgment of a court of appeals in an eviction 6 7 suit originally filed in a statutory county court may not be further 8 appealed on the issue of possession unless the premises in question are being used for residential purposes only. A judgment of a court 9 10 of appeals in an appeal taken from an eviction case originally filed in a statutory county court may not under any circumstances be 11 12 stayed pending appeal unless, within 10 days of the signing of the judgment, the appellant files a supersedeas bond in an amount set by 13 14 the court of appeals. In setting the supersedeas bond the court of 15 appeals shall provide protection for the appellee to the same extent as in any other appeal, taking into consideration the value 16 17 of rents likely to accrue during appeal, damages which may occur as a result of the stay during appeal, and other damages or amounts as 18 19 the court may deem appropriate.

20 SECTION 13. Section 24.011(a), Property Code, is amended to 21 read as follows:

(a) In eviction suits in <u>a statutory county court or</u> justice court for nonpayment of rent or holding over beyond a rental term, the parties may represent themselves or be represented by their authorized agents, who need not be attorneys. In any eviction suit in <u>a statutory county court or</u> justice court, an authorized agent requesting or obtaining a default judgment need not be an attorney.

H.B. No. 3952 1 SECTION 14. Section 501.0521(a), Transportation Code, is 2 amended to read as follows:

3 (a) A justice of the peace or municipal court judge may not
4 issue an order related to a title except as provided by Chapter 47,
5 Code of Criminal Procedure, or Section <u>27.031(a)(2)</u>
6 [<u>27.031(a)(3)</u>], Government Code.

7 SECTION 15. The changes in law made by this Act apply only 8 to a forcible entry and detainer or a forcible detainer suit filed 9 on or after the effective date of this Act. A suit filed before the 10 effective date of this Act is governed by the law in effect on the 11 date the suit was filed, and the former law is continued in effect 12 for that purpose.

13 SECTION 16. This Act takes effect September 1, 2023.