

By: West, Royce

S.B. No. 639

A BILL TO BE ENTITLED

AN ACT

relating to the rental of personal property under a rental agreement.

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

SECTION 1. Subchapter D, Chapter 35, Business & Commerce Code, is amended by adding Section 35.63 to read as follows:

Sec. 35.63. DISCLOSURE REQUIRED FOR RENTAL OF PERSONAL PROPERTY. (a) A written rental agreement the terms of which allow a party to take possession or control of personal property of the other party must, in a prominent place on the face of the agreement:

(1) state that criminal charges may be pursued under Section 31.04, Penal Code, for failing to:

(A) return the personal property held under the agreement; or

(B) pay the applicable rental charge on returning the personal property after the agreement has expired; and

(2) describe the punishment applicable under Section 31.04, Penal Code.

(b) A blank line must be reserved near the statement required under Subsection (a) for the renter to initial to confirm the renter's review of the statement.

SECTION 2. Section 31.04, Penal Code, is amended by amending Subsection (c) and adding Subsection (c-1) to read as follows:

1 (c) For purposes of Subsections (a)(4) and [~~7~~] (b)(2) [~~7~~, and
2 ~~(b)(4)~~], notice shall be notice in writing, sent by registered or
3 certified mail with return receipt requested or by telegram with
4 report of delivery requested, and addressed to the actor at his
5 address shown on the [~~rental agreement or~~] service agreement.

6 (c-1) For purposes of Subsections (b)(3) and (4) and any
7 other notice required under this section with respect to a rental
8 agreement, notice shall be in writing and shall be:

9 (A) delivered to the actor in person; or
10 (B) sent by registered or certified mail,
11 restricted delivery, with return receipt requested, and addressed
12 to the actor at the actor's address shown on the rental agreement.

13 SECTION 3. The changes in law made by this Act apply only to
14 a rental agreement entered into on or after the effective date of
15 this Act. A rental agreement entered into before the effective date
16 of this Act is governed by the law in effect on the date the
17 agreement was entered into, and the former law is continued in
18 effect for that purpose.

19 SECTION 4. This Act takes effect September 1, 2007.