

BILL ANALYSIS

H.B. 534
By: Anchia
Business & Industry
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, under Property Code provisions, a person other than a tenant who cosigns or guarantees a lease is potentially liable for the duration of a tenant's lease term and subsequent renewals of the lease.

H.B. 534 amends the Property Code to hold a person other than a tenant who cosigns or guarantees a lease liable only for the original lease term.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 534 amends the Property Code to restrict the duration of liability of a person other than a tenant who cosigns or guarantees a residential lease to only the original lease term. The bill establishes that a provision purporting to renew for an additional lease term the liability of a person other than a tenant who cosigns or guarantees a residential lease is void.

EFFECTIVE DATE

September 1, 2009.