

BILL ANALYSIS

Senate Research Center
81R3494 PMO-D

S.B. 716
By: Carona
Business & Commerce
3/12/2009
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 2007, the legislature passed H.B. 3101, which was a comprehensive landlord-tenant reform bill intended to ensure fair business dealings between landlords and tenants. Key provisions of the bill included clarification of the instances in which a landlord may charge certain fees, including fees assessed for late payment of rent. With respect to late rental fees, H.B. 3101 was intended to ensure that a renter of a residential property had until at least the second day after the day rent was due to pay rent before incurring a late fee. Since passage of H.B. 3101, there has been some confusion as to the day on which a landlord may begin charging a residential tenant late fees.

As proposed, S.B. 716 amends Section 92.019(a) (Late Payment of Rent; Fees), Property Code, to prohibit a landlord from charging a tenant a late fee for failing to pay rent unless the rent has remained unpaid for one full day after the date the rent was originally due.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 92.019(a), Property Code, to add text prohibiting a landlord from charging a tenant a late fee for failing to pay rent unless the rent has remained unpaid one full day, rather than remains unpaid after the second day, after the date the rent was originally due.

SECTION 2. Effective date: upon passage or September 1, 2009.