

BILL ANALYSIS

S.B. 1717
By: West
Business & Industry
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Federal rulings regarding tax credit developments require good cause to be established by judicial rulings prior to the eviction of a tenant or the taking of a tenant's property. Current law permits the seizure of personal property and temporary eviction, or lockout, of general tenants without judicial authorization.

S.B. 1717 prohibits the owner of a development supported with a housing tax credit allocation from locking out a tenant or taking the personal property of a tenant without a court order, with certain exceptions.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Department of Housing and Community Affairs in SECTIONS 1 and 2 of this bill.

ANALYSIS

S.B. 1717 amends the Government Code to prohibit the owner of a development supported with a housing tax credit allocation from locking out or threatening to lock out any person residing in the development except by judicial process unless the exclusion results from a necessity to perform bona fide repairs or construction work or an emergency; or from seizing or threatening to seize the personal property of any person residing in the development except by judicial process unless the resident has abandoned the premises. The bill requires each development owner to include a conspicuous provision in the lease agreement prohibiting the owner from engaging in such a practice; and, in the manner specified by rule of the Texas Department of Housing and Community Affairs, to remove any provisions in the lease agreement that are contrary to the prohibitions established by the bill. The bill requires the department to adopt rules to implement and enforce these provisions not later than November 1, 2009.

EFFECTIVE DATE

September 1, 2009.