

BILL ANALYSIS

S.B. 1240
By: West
Business & Industry
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Currently, if a municipality or a county revokes a certificate of occupancy due to a determination of substandard housing, the tenant may be left with limited recourse to recoup any losses the tenant incurred due to the revocation. S.B. 1240 makes certain remedies available to a tenant if a local government has revoked a landlord's certificate of occupancy due to the landlord's failure to maintain the premises.

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

S.B. 1240 amends the Property Code, in provisions relating to residential tenancies, to make a landlord liable, if a municipality or county revokes a certificate of occupancy for the landlord's leased premises because of the landlord's failure to maintain the premises and if the tenant is not in default under the lease, for the full amount of the tenant's security deposit, the pro rata portion of any rental payment the tenant has paid in advance, the tenant's actual damages, and court costs and attorney's fees arising from any related cause of action by the tenant against the landlord. The bill makes its provisions inapplicable if the revocation of the certificate is based on conditions at the premises that are the result of a casualty loss, such as fire, smoke, hail, explosion, or natural disaster, that did not result from the landlord's failure to maintain the premises.

S.B. 1240 makes its provisions applicable only to a lease entered into on or after September 1, 2011.

EFFECTIVE DATE

September 1, 2011.