

By: West

S.B. No. 1202

A BILL TO BE ENTITLED

AN ACT

relating to the rehabilitation, demolition, or change in use of residential property occupied by a tenant.

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

SECTION 1. Subchapter A, Chapter 92, Property Code, is amended by adding Section 92.026 to read as follows:

Sec. 92.026. REHABILITATION, DEMOLITION, OR CHANGE IN USE.

(a) Unless there is a casualty loss making a rental premises unusable for residential purposes, a landlord may not refuse to renew a tenant's lease to allow the landlord to rehabilitate, sell or close for demolition and redevelopment, or change the use of the rental unit or premises unless the landlord delivers a notice to the tenant that:

(1) states the date on which the rehabilitation of the rental unit or premises will begin, the rental unit or premises will be offered for sale or closed, or the use of the rental unit or premises will change, as applicable;

(2) informs the tenant that the tenant must relocate on a specific date, which may not be earlier than the later of:

(A) the 120th day after the date the landlord delivers the notice;

(B) the day after the last day of the current school year, if any occupant of the rental unit is a school-age child and school is in session; or

1 (C) the 180th day after the date the landlord
2 delivers the notice to the tenant, if the rental unit is a
3 single-family house or duplex; and

4 (3) if the rental unit is a single-family house or
5 duplex that the landlord intends to sell for demolition and
6 redevelopment, informs the tenant that the tenant has the right of
7 first refusal to purchase the property.

8 (b) A landlord may not:

9 (1) change the use of the rental unit or premises,
10 terminate or modify a lease, or require a tenant to relocate under
11 this section before the expiration of a lease term;

12 (2) require a tenant to relocate before the applicable
13 date described by Subsection (a)(2);

14 (3) refuse to offer the tenant the right of first
15 refusal to purchase the property, if the rental unit is a
16 single-family house or duplex that the landlord intends to sell for
17 demolition and redevelopment; or

18 (4) intentionally attempt to deter or deter a tenant
19 from renewing a lease to avoid application of this section by
20 raising the tenant's rent, depriving the tenant of the use of the
21 premises, or decreasing services to the tenant.

22 (c) If a tenant is required to relocate under this section,
23 the landlord shall promptly return the tenant's security deposit
24 if:

25 (1) all fixtures and appliances of the rental unit
26 remain in the rental unit; and

27 (2) all property of the tenant is removed from the

1 premises by the tenant on or before the date the tenant moves out of
2 the rental unit.

3 (d) A tenant may recover from a landlord who violates this
4 section:

5 (1) actual damages;

6 (2) injunctive relief;

7 (3) exemplary damages of \$1,000 plus an amount equal
8 to one month's rent; and

9 (4) court costs and reasonable attorney's fees.

10 (e) Notwithstanding Section 41.004(a), Civil Practice and
11 Remedies Code, a court shall award exemplary damages under
12 Subsection (d)(3) to a prevailing tenant irrespective of whether
13 the tenant is awarded actual damages.

14 (f) To the extent that a local ordinance provides greater
15 protection to a tenant than is provided by this section, the local
16 ordinance prevails.

17 (g) A provision of a lease that purports to waive a right or
18 exempt a party from liability or a duty under this section is void.

19 SECTION 2. The changes in law made by this Act apply only to
20 a lease agreement entered into or renewed on or after the effective
21 date of this Act. A lease agreement entered into or renewed before
22 the effective date of this Act is governed by the law as it existed
23 immediately before the effective date of this Act, and the former
24 law is continued in effect for that purpose.

25 SECTION 3. This Act takes effect January 1, 2018.