

By: West

S.B. No. 1418

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to a landlord's duty to maintain property and casualty  
3 insurance coverage for loss of or damage to a leased premises.

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

5 SECTION 1. Section 92.054, Property Code, is amended by  
6 adding Subsection (a-1) to read as follows:

7 (a-1) A landlord shall obtain and maintain coverage under a  
8 property and casualty insurance policy that provides coverage for  
9 loss of or damage to a leased premises. The policy must provide  
10 replacement cost coverage.

11 SECTION 2. Subchapter B, Chapter 92, Property Code, is  
12 amended by adding Section 92.063 to read as follows:

13 Sec. 92.063. TENANT'S REMEDY FOR LANDLORD'S FAILURE TO  
14 MAINTAIN INSURANCE. (a) A landlord is liable to a tenant for  
15 failure to maintain insurance if:

16 (1) the property leased by the tenant suffers a  
17 casualty loss or damage caused by a peril for which the landlord  
18 could have obtained coverage under a property and casualty  
19 insurance policy and for which the landlord did not maintain  
20 coverage in accordance with Section 92.054(a-1); and

21 (2) the tenant is displaced because of the casualty  
22 loss or damage.

23 (b) A landlord who is liable to a tenant under Subsection  
24 (a) shall pay to the tenant all reasonable expenses related to the

1 tenant's relocation as a result of the displacement described by  
2 Subsection (a)(2) to a dwelling comparable to the damaged premises  
3 under comparable lease terms.

4 SECTION 3. Sections 92.054(a-1) and 92.063, Property Code,  
5 as added by this Act, apply only to loss or damage that occurs on or  
6 after the effective date of this Act.

7 SECTION 4. This Act takes effect September 1, 2017.