

Amend CSSB 1414 (senate committee report) by striking all below the enacting clause and substituting the following:

SECTION 1. Section 92.019, Property Code, is amended by amending Subsections (a), (b), and (c) and adding Subsection (a-1) to read as follows:

(a) A landlord may not collect from ~~[charge]~~ a tenant a late fee for failing to pay any portion of the tenant's rent unless:

(1) notice of the fee is included in a written lease;

(2) the fee is ~~[a] reasonable [estimate of uncertain damages to the landlord that are incapable of precise calculation and result from late payment of rent]~~; and

(3) any portion of the tenant's rent has remained unpaid two ~~[one]~~ full days ~~[day]~~ after the date the rent was originally due.

(a-1) For purposes of this section, a late fee is considered reasonable if:

(1) the late fee is not more than:

(A) 12 percent of the amount of rent for the rental period under the lease for a dwelling located in a structure that contains not more than four dwelling units; or

(B) 10 percent of the amount of rent for the rental period under the lease for a dwelling located in a structure that contains more than four dwelling units; or

(2) the late fee is more than the applicable amount under Subdivision (1), but not more than uncertain damages to the landlord related to the late payment of rent, including direct or indirect expenses, direct or indirect costs, or overhead associated with the collection of late payment.

(b) A late fee under this section may include an initial fee and a daily fee for each day any portion of the tenant's rent continues to remain unpaid, and the combined fees are considered a single late fee for purposes of this section.

(c) A landlord who violates this section is liable to the tenant for an amount equal to the sum of \$100, three times the amount of the late fee collected ~~[charged]~~ in violation of this section, and the tenant's reasonable attorney's fees.

SECTION 2. Subchapter A, Chapter 92, Property Code, is

amended by adding Section 92.0191 to read as follows:

Sec. 92.0191. STATEMENT OF LATE FEES. A tenant may request that the landlord provide to the tenant a written statement of whether the tenant owes a late fee to the landlord and, if so, the amount of the late fee. The landlord may provide the statement to the tenant by any established means regularly used for written communication between the landlord and the tenant. A landlord's failure to respond does not affect the tenant's liability for any late fee owed to the landlord.

SECTION 3. Section 92.019, Property Code, as amended by this Act, applies only to a late fee under a lease entered into or renewed on or after the effective date of this Act. A late fee under a lease entered into or renewed before the effective date of this Act is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 4. This Act takes effect September 1, 2019.