

By: Phelan

H.B. No. 1519

A BILL TO BE ENTITLED

1 AN ACT  
2 relating to fees regarding a residential tenant's failure to timely  
3 pay rent.

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

5 SECTION 1. Section 92.019, Property Code, is amended by  
6 amending Subsections (a), (b), and (c) and adding Subsections (a-1)  
7 and (a-2) to read as follows:

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

10 (1) notice of the fee is included in a written lease;  
11 (2) the fee is ~~[a]~~ reasonable considering that  
12 ~~[estimate of uncertain]~~ damages resulting from the late payment of  
13 rent to the landlord ~~[that]~~ are incapable of precise calculation  
14 and result from late payment of rent; and

15 (3) any portion of the rent has remained unpaid one  
16 full day after the date the rent was originally due.

17 (a-1) To determine the damages described by Subsection  
18 (a)(2), a landlord may consider any direct or indirect expenses  
19 related to the tenant's late payment incurred by the landlord,  
20 including direct or indirect costs, expenses, or overhead  
21 associated with the landlord's process established to collect late  
22 payments.

23 (a-2) A late fee collected from a tenant of an apartment  
24 house complies with Subsection (a)(2) if the late fee does not

1 exceed the greater of \$150 or ten percent of the amount of rent for  
2 the rental pay period under the lease. For purposes of this  
3 subsection, "apartment house" means a building that contains five  
4 or more dwelling units.

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

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

13 SECTION 2. This Act takes effect September 1, 2019.