

BILL ANALYSIS

C.S.H.B. 3504
By: Lambert
Business & Industry
Committee Report (Substituted)

BACKGROUND AND PURPOSE

There have been calls to update language regarding tenant repairs, including references to yellow pages, telephone directories, and newspaper advertising, and to clarify certain requirements relating to the return of security deposits by a landlord. C.S.H.B. 3504 seeks to address these calls by updating language in provisions relating to rental unit repairs and returning security deposits.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

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

C.S.H.B. 3504 amends the Property Code to revise provisions relating to repairs made to a rental unit under a residential tenancy and a manufactured home tenancy as follows:

- requiring repairs made pursuant to a tenant's notice of intent to repair to be made by an independent company, contractor, or repairman that is licensed by the municipality in which the rental unit is located, if applicable; and
- removing a requirement that the company, contractor, or repairman be listed in the yellow or business pages of the telephone directory or in the classified advertising section of a newspaper of the local city, county, or adjacent county at the time of the tenant's notice of intent to repair.

C.S.H.B. 3504 authorizes a tenant of a residential rental property to satisfy the requirement to provide to a landlord a written statement of the tenant's forwarding address for the purpose of refunding the security deposit in the following ways:

- providing the statement in accordance with the lease; or
- regardless of the lease terms, hand delivering the statement to the landlord or landlord's property manager if rent has been paid in that manner or sending the statement to the landlord or landlord's property manager or to an address where the tenant has paid rent under the lease through certain delivery services.

The bill establishes that a tenant who complies with the authorized methods of delivery has satisfied the requirement, even if the landlord fails to claim or refuses delivery of the written statement of the tenant's forwarding address. The bill includes a tenant's satisfaction of the forwarding address requirement among the conditions that must be met in order for a landlord to be presumed to have acted in bad faith.

EFFECTIVE DATE

September 1, 2021.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3504 may differ from the original in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute includes a provision not in the original specifying that a tenant's hand delivery of a written statement of the tenant's forwarding address to the landlord or landlord's property manager is authorized if the rent has been paid in that manner.