

SENATE AMENDMENTS

2nd Printing

By: Walle, Morales Shaw, Hernandez, et al.

H.B. No. 531

A BILL TO BE ENTITLED

1 AN ACT
2 relating to notice requirements for a leased dwelling located in a
3 floodplain.

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

5 SECTION 1. Subchapter A, Chapter 92, Property Code, is
6 amended by adding Section 92.0135 to read as follows:

7 Sec. 92.0135. NOTICE FOR DWELLING LOCATED IN FLOODPLAIN.

8 (a) In this section:

9 (1) "100-year floodplain" means any area of land
10 designated as a flood hazard area with a one percent or greater
11 chance of flooding each year by the Federal Emergency Management
12 Agency under the National Flood Insurance Act of 1968 (42 U.S.C.
13 Section 4001 et seq.).

14 (2) "Flooding" means a general or temporary condition
15 of partial or complete inundation of a dwelling caused by:

16 (A) the overflow of inland or tidal waters;

17 (B) the unusual and rapid accumulation of runoff
18 or surface waters from any established water source such as a river,
19 stream, or drainage ditch; or

20 (C) a ponding of water at or near the place where
21 heavy or excessive rain fell.

22 (b) A landlord shall provide to a tenant a written notice
23 substantially equivalent to the following:

24 "(Landlord) () is or () is not aware that the dwelling you

1 are renting is located in a 100-year floodplain. If neither box is
2 checked, you should assume the dwelling is in a 100-year
3 floodplain. Even if the dwelling is not in a 100-year floodplain,
4 the dwelling may still be susceptible to flooding. The Federal
5 Emergency Management Agency (FEMA) maintains a flood map on its
6 Internet website that is searchable by address, at no cost, to
7 determine if a dwelling is located in a flood hazard area. Most
8 tenant insurance policies do not cover damages or loss incurred in a
9 flood. You should seek insurance coverage that would cover losses
10 caused by a flood."

11 (c) Notwithstanding Subsection (b), a landlord is not
12 required to disclose on the notice that the landlord is aware that a
13 dwelling is located in a 100-year floodplain if the elevation of the
14 dwelling is raised above the 100-year floodplain flood levels in
15 accordance with federal regulations.

16 (d) If a landlord knows that flooding has damaged any
17 portion of a dwelling at least once during the five-year period
18 immediately preceding the effective date of the lease, the landlord
19 shall provide a written notice to a tenant that is substantially
20 equivalent to the following:

21 "(Landlord) () is or () is not aware that the dwelling you
22 are renting has flooded at least once within the last five years."

23 (e) The notices required by Subsections (b) and (d) must be
24 included in a separate written document given to the tenant at or
25 before execution of the lease.

26 (f) If a landlord violates this section and a tenant suffers
27 a substantial loss or damage to the tenant's personal property as a

1 result of flooding, the tenant may terminate the lease by giving a
2 written notice of termination to the landlord not later than the
3 30th day after the date the loss or damage occurred. Termination of
4 a lease under this subsection is effective when the tenant
5 surrenders possession of the dwelling.

6 (g) Not later than the 30th day after the effective date of
7 the termination of a lease under Subsection (f), the landlord shall
8 refund to the tenant all rent or other amounts paid in advance under
9 the lease for any period after the effective date of the termination
10 of the lease.

11 (h) This section does not affect a tenant's liability for
12 delinquent, unpaid rent or other sums owed to the landlord before
13 the date the lease was terminated by the tenant under this section.

14 SECTION 2. Section 92.0135, Property Code, as added by this
15 Act, applies only to a lease agreement entered into or renewed on or
16 after the effective date of this Act.

17 SECTION 3. This Act takes effect January 1, 2022.

ADOPTED

MAY 19 2021

Latey Law
Secretary of the Senate

By: Huffman

H.B. No. 531

Substitute the following for ___B. No. _____:

By: Kathy Harman

C.S.H.B. No. 531

A BILL TO BE ENTITLED

AN ACT

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relating to notice requirements for a leased dwelling located in a floodplain.

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

SECTION 1. Subchapter A, Chapter 92, Property Code, is amended by adding Section 92.0135 to read as follows:

Sec. 92.0135. NOTICE FOR DWELLING LOCATED IN FLOODPLAIN.

(a) In this section:

(1) "100-year floodplain" means any area of land designated as a flood hazard area with a one percent or greater chance of flooding each year by the Federal Emergency Management Agency under the National Flood Insurance Act of 1968 (42 U.S.C. Section 4001 et seq.).

(2) "Flooding" means a general or temporary condition of partial or complete inundation of a dwelling caused by:

(A) the overflow of inland or tidal waters;

(B) the unusual and rapid accumulation of runoff or surface waters from any established water source such as a river, stream, or drainage ditch; or

(C) excessive rainfall.

(b) A landlord shall provide to a tenant a written notice substantially equivalent to the following:

"(Landlord) () is or () is not aware that the dwelling you are renting is located in a 100-year floodplain. If neither box is

1 checked, you should assume the dwelling is in a 100-year
2 floodplain. Even if the dwelling is not in a 100-year floodplain,
3 the dwelling may still be susceptible to flooding. The Federal
4 Emergency Management Agency (FEMA) maintains a flood map on its
5 Internet website that is searchable by address, at no cost, to
6 determine if a dwelling is located in a flood hazard area. Most
7 tenant insurance policies do not cover damages or loss incurred in a
8 flood. You should seek insurance coverage that would cover losses
9 caused by a flood."

10 (c) Notwithstanding Subsection (b), a landlord is not
11 required to disclose on the notice that the landlord is aware that a
12 dwelling is located in a 100-year floodplain if the elevation of the
13 dwelling is raised above the 100-year floodplain flood levels in
14 accordance with federal regulations.

15 (d) If a landlord knows that flooding has damaged any
16 portion of a dwelling at least once during the five-year period
17 immediately preceding the effective date of the lease, the landlord
18 shall provide a written notice to a tenant that is substantially
19 equivalent to the following:

20 "(Landlord) () is or () is not aware that the dwelling you
21 are renting has flooded at least once within the last five years."

22 (e) The notices required by Subsections (b) and (d) must be
23 included in a separate written document given to the tenant at or
24 before execution of the lease.

25 (f) If a landlord violates this section and a tenant suffers
26 a substantial loss or damage to the tenant's personal property as a
27 result of flooding, the tenant may terminate the lease by giving a

1 written notice of termination to the landlord not later than the
2 30th day after the date the loss or damage occurred. For purposes
3 of this subsection, a tenant suffers a substantial loss or damage to
4 personal property if the total cost of repairs to or replacement of
5 the personal property is 50 percent or more of the personal
6 property's market value on the date the flooding occurred.
7 Termination of a lease under this subsection is effective when the
8 tenant surrenders possession of the dwelling.

9 (g) Not later than the 30th day after the effective date of
10 the termination of a lease under Subsection (f), the landlord shall
11 refund to the tenant all rent or other amounts paid in advance under
12 the lease for any period after the effective date of the termination
13 of the lease.

14 (h) This section does not affect a tenant's liability for
15 delinquent, unpaid rent or other sums owed to the landlord before
16 the date the lease was terminated by the tenant under this section.

17 SECTION 2. Section 92.0135, Property Code, as added by this
18 Act, applies only to a lease agreement entered into or renewed on or
19 after the effective date of this Act.

20 SECTION 3. This Act takes effect January 1, 2022.

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 19, 2021

TO: Honorable Dade Phelan, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB531 by Walle (Relating to notice requirements for a leased dwelling located in a floodplain.), **As Passed 2nd House**

No significant fiscal implication to the State is anticipated.

The bill would amend the Property Code to require a landlord to provide certain notice for a leased dwelling located in a floodplain.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JMc, LBO, SZ, CMA, DPE

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 7, 2021

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB531 by Walle (relating to notice requirements for a leased dwelling located in a floodplain.),
Committee Report 2nd House, Substituted

No significant fiscal implication to the State is anticipated.

The bill would amend the Property Code to require a landlord to provide certain notice for a leased dwelling located in a floodplain.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JMc, SZ, CMA, DPE

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

May 3, 2021

TO: Honorable Kelly Hancock, Chair, Senate Committee on Business & Commerce

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB531 by Walle (Relating to notice requirements for a leased dwelling located in a floodplain.), **As Engrossed**

No significant fiscal implication to the State is anticipated.

The bill would amend the Property Code to require a landlord to provide certain notice for a leased dwelling located in a floodplain.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JMc, SZ, DPE, CMA

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 87TH LEGISLATIVE REGULAR SESSION

March 15, 2021

TO: Honorable Chris Turner, Chair, House Committee on Business & Industry

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB531 by Walle (Relating to notice requirements for a leased dwelling located in a floodplain.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would amend the Property Code to required a landlord to provide certain notice for a leased dwelling located in a floodplain.

It is assumed that any costs associated with the bill could be absorbed using existing resources.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies:

LBB Staff: JMc, SZ, CMa, DPe