

BILL ANALYSIS

H.B. 3536
By: Manuel
Business & Industry
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Under current law, commercial landlords are excepted from normal eviction requirements when a tenant is using the premises for prostitution or human trafficking. However, there is no parallel protection for landlords when evicting a tenant that operates an illicit massage business, even though having such a business on the leased premises exposes the landlord to liability through common nuisance laws.

In an effort to combat commercial sexual activity and human trafficking, the legislature has taken steps to increase the regulatory oversight of massage establishments. Removing eviction protections from establishments operating in violation of the law could serve as motivation for establishment owners to ensure that violations do not occur. H.B. 3536 seeks to provide protections to landlords that evict a tenant operating a massage establishment that is not in compliance with state law relating to massage therapy or an applicable local ordinance relating to the licensing or regulation of a massage establishment.

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

H.B. 3536 amends the Property Code to establish that a tenant's right to possession of a commercial rental property terminates and the landlord has a right to recover possession of the leased premises if the tenant is using or allowing the premises to be used for purposes of operating, maintaining, or advertising a massage establishment that is not in compliance with state law relating to massage therapy or an applicable local ordinance relating to the licensing or regulation of a massage establishment. The bill applies only to a commercial lease that is entered into or renewed on or after the bill's effective date.

EFFECTIVE DATE

September 1, 2023.