

BILL ANALYSIS

Senate Research Center

S.B. 1259
By: Creighton
Jurisprudence
5/10/2023
Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

County justice of the peace courts, often referred to as "justice courts," handle small claims cases. Justice courts provide a more informal setting than the district or county courts, so parties will often represent themselves to save money by avoiding hiring an attorney. Justice courts allow citizens to sue for amounts up to \$20,000 and also allows landlords and tenants to resolve disputes such as evictions and repairs. However, under current law, these residential rental disputes can only be settled for up to \$10,000.

Under this legislation, the maximum amount a justice court may award for residential rental disputes is increased to \$20,000 -- on par with the existing amount people can sue one another for in justice court. Specifically, the \$20,000 judgment limit would apply to any judgment that provides remedy to a tenant, including orders that require a landlord to make repairs, orders that reduce the tenant's rent while repairs are ongoing, judgments against the landlord for damages, and court costs and attorney's fees incurred by the tenant.

This legislation would apply only to a cause of action that accrues on or after the effective date of this Act. Any incident that occurs before that date shall be constrained to the \$10,000 cap for damages.

S.B. 1259 amends current law relating to the maximum judgment amount awarded by a justice court in certain civil cases regarding the repair of residential rental property.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 92.0563(e), Property Code, to prohibit a justice court from awarding a judgment under Section 92.0563 (Tenant's Judicial Remedies), including an order of repair, that exceeds \$20,000, rather than \$10,000, excluding interest and costs of court.

SECTION 2. Makes application of Section 92.0563(e), Property Code, as amended by this Act, prospective.

SECTION 3. Effective date: September 1, 2023.