

BILL ANALYSIS

H.B. 1098
By: Canales
Business & Industry
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties contend that tenants participating in the federal Section 8 housing choice voucher program are uniquely vulnerable to being charged excessive fees for the late payment of rent because landlords typically charge flat late fees expressed as a dollar amount rather than as a percentage of the rent being paid. H.B. 1098 seeks to assist such tenants by establishing a cap on the amount of late fees that a landlord may charge a tenant who participates in that program and fails to pay rent for a rental pay period.

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. 1098 amends the Property Code to prohibit a landlord from charging a tenant who fails to pay rent for a rental pay period and who participates in the federal Section 8 housing choice voucher program an initial late fee or daily late fees the total amount of which would exceed five percent of the amount of rent owed by the tenant during a rental pay period under the lease.

EFFECTIVE DATE

September 1, 2017.