

BILL ANALYSIS

Senate Research Center
81R10368 ACP-F

S.B. 1717
By: West
Intergovernmental Relations
4/14/2009
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The purpose of S.B. 1717 is to establish certain tenant protections in apartments that have been financed through federal low-income housing tax credits. Federal rulings regarding tax credit developments require that "good cause" be established by judicial rulings, prior to the eviction of a tenant or the taking of a tenant's property. Existing Texas law permits personal property to be seized and temporary eviction, or "lockout," of general tenants without judicial authorization.

As proposed, S.B. 1717 prohibits the owner of developments supported with low-income housing tax credit allocations from locking out a tenant or taking the personal property of a tenant without a court order except under certain circumstances.

RULEMAKING AUTHORITY

Rulemaking authority is expressly granted to the Texas Department of Housing and Community Affairs in SECTION 1 (Section 2306.6736, Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subchapter DD, Chapter 2306, Government Code, by adding Section 2306.6736, as follows:

Sec. 2306.6736. PROHIBITED PRACTICES. (a) Prohibits a development owner of a development supported with a housing tax credit allocation, notwithstanding any other law, from locking out or threatening to lock out any person residing in the development except by judicial process unless the exclusion results from a necessity to perform bona fide repairs or construction work or an emergency, or seize or threaten to seize the personal property of any person residing in the development except by judicial process unless the resident has abandoned the premises.

(b) Requires each development owner to include a conspicuous provision in the lease agreement prohibiting the owner from engaging in a practice described by Subsection (a) and remove in the manner specified by the Texas Department of Housing and Community Affairs (TDHCA) rule any provisions in the lease agreement that are contrary to Subsection (a).

SECTION 2. Requires TDHCA to adopt rules as necessary to implement and enforce Section 2306.6736, Government Code, as added by this Act, not later than November 1, 2009.

SECTION 3. Effective date: September 1, 2009.