

BILL ANALYSIS

Senate Research Center
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S.B. 1240
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AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, if a municipality or county revokes a certificate of occupancy due to a determination of substandard housing, a tenant has few options to recoup losses incurred through no fault of their own as a result of the revocation.

S.B. 1240 permits a tenant in this situation to recover from the landlord whose certificate of occupancy is revoked following a determination of substandard housing: the full amount of the tenant's security deposit; the pro rata portion of any rental payment that the tenant had paid in advance; the tenant's actual damages, including costs associated with relocation; and court costs and attorney's fees arising from any related litigation with the landlord.

As proposed, S.B. 1240 amends current law relating to a tenant's remedies regarding a local government's revocation of a certificate of occupancy due to a landlord's failure to maintain the premises.

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 Subchapter A, Chapter 92, Property Code, by adding Section 92.023, as follows:

Sec. 92.023. TENANT'S REMEDIES REGARDING REVOCATION OF CERTIFICATE OF OCCUPANCY. Provides that if a municipality or a county revokes a certificate of occupancy for a leased premises because of the landlord's failure to maintain the premises, the landlord is liable to a tenant who is not in default under the lease for:

- (1) the full amount of the tenant's security deposit;
- (2) the pro rata portion of any rental payment the tenant has paid in advance;
- (3) the tenant's actual damages, including any moving costs, utility connection fees, storage fees, and lost wages; and
- (4) court costs and attorney's fees arising from any related cause of action by the tenant against the landlord.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2011.