BILL ANALYSIS

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Under current law, the Texas Department of Housing and Community Affairs' manufactured housing division may rely only on a verdict from a contested jury trial or its own independent investigation to set the amount of reimbursement to a consumer who applies for assistance from the Manufactured Homeowners Recovery Trust Fund (fund).

Like other civil matters, claims related to mobile home transactions are often decided in trials heard by judges and not by juries. When a homeowner wins a bench trial (a trial heard by a judge without a jury) against a manufactured housing dealer, there is no reason for the manufactured housing division to undertake an inefficient and expensive inquiry into the same facts simply because the fact-finder at trial was a judge and not a jury.

C.S.S.B. 499 streamlines the recovery process and eliminates these inefficiencies by recognizing that a contested trial before a judge results in a judgment that is just as valid as a jury verdict. The bill retains the requirement of a trial to protect the fund.

C.S.S.B. 499 amends current law relating to the determination of actual damages to enable compensation from the manufactured homeowners' recovery trust fund.

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 1201.405(e), Occupations Code, to require the executive director of the manufactured housing division of the Texas Department of Housing and Community Affairs, in determining the amount of actual damages under this section, to make an independent inquiry as to the damages actually incurred, unless the damages have been previously established through a contested trial, rather than established by a contested jury trial.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2013.