

SUBJECT: Prohibiting commercial landlords from assessing charges not in lease

COMMITTEE: Business and Industry — committee substitute recommended

VOTE: 8 ayes — Brimer, Dukes, J. Davis, Elkins, George, Giddings, Solomons, Woolley
0 nays
1 absent — Corte

WITNESSES: For — None
Against — Larry Niemann, Texas Building Owners and Managers Association and Texas Mini Storage Association

DIGEST: CSHB 2186 would require a commercial lease, or an attachment to it, to contain either the amount or the method of computing a charge in order for a landlord to assess that charge against a tenant's security deposit, except for charges for rent and physical damage to the premises. This requirement would not affect a landlord's right to assess a charge or to obtain a remedy under a statute or common law.

The bill would take effect September 1, 2001, and would apply only to leases executed, renewed, or extended on or after that date.

NOTES: The committee substitute made nonsubstantive revisions to the original bill's provisions and added the provision regarding the landlord's right to assess a charge or obtain a remedy under a statute or common law.

A related bill, HB 2803 by Uresti, which would prescribe general rules for handling security deposits in commercial leases, also is on today's General State Calendar.