

SUBJECT: Prohibiting certain housing development owners from locking out tenants

COMMITTEE: Urban Affairs — favorable, without amendment

VOTE: 9 ayes — Y. Davis, Alvarado, Fletcher, Gutierrez, Kent, Miklos, Pierson, C. Turner, Walle

0 nays

2 absent — C. Howard, Mallory Caraway

WITNESSES: For — (*Registered, but did not testify:* Robert Doggett, Texas Low Income Housing Information Service; Darrin Hall, City of Houston; Bill Stout, Green Party of Texas)

Against — None

On — Michael Lyttle, Texas Department of Housing and Community Affairs

BACKGROUND: Government Code ch. 2306, Subchapter DD charges the Texas Department of Housing and Community Affairs (TDHCA) with administering the federal Low Income Housing Tax Credit Program.

DIGEST: HB 3165 would prohibit owners of housing developments that receive low income housing tax credit allocations from locking out or threatening to lock out any development residents, or seizing or threatening to seize the personal property of development residents except by judicial process, or for the purposes of performing necessary repairs or construction work or cases of emergency. An exception also would be made for residents who abandoned the premises.

Owners of developments receiving low income housing tax credit allocations would be required to include a conspicuous provision in their lease agreements prohibiting such practices, and would be required to remove any lease provisions that contradicted the prohibition in a manner determined by TDHCA, which would be required to adopt any rules necessary to implement and enforce these provisions no later than November 1, 2009.

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The bill would take effect September 1, 2009.

**SUPPORTERS
SAY:**

HB 3165 would provide fairness for low-income housing residents by prohibiting development owners that receive federal funds from locking them out. While it is not a common practice, it is also not expressly prohibited under federal law, and there have been cases where development owners that receive these federal allocations have locked residents out unlawfully.

**OPPONENTS
SAY:**

The bill should provide development owners with some recourse in the event that residents are delinquent in rent payments. Other statutory provisions related to the barring of a tenant from a dwelling allow the practice as long as the landlord is available to accept rent payment. This bill should provide the same protection for affordable housing development owners.

NOTES:

The companion bill, SB 1717 by West, passed the Senate by 28-3 (Ogden, Patrick, Seliger) on April 27 and was reported favorably, without amendment, by the House Urban Affairs Committee on May 8.