

SUBJECT: Fining and imposing a lien on substandard residential building owners

COMMITTEE: Urban Affairs — favorable, without amendment

VOTE: 6 ayes — Alvarado, Leach, Bernal, Elkins, J. Johnson, Zedler

0 nays

1 present not voting — Isaac

WITNESSES: For — TaKasha Francis, City of Houston Mayor's Office; (*Registered, but did not testify*: Jesse Ozuna, City of Houston Mayor's Office; Yannis Banks, Texas NAACP; David King)

Against — None

On — David Mintz, Texas Apartment Association

BACKGROUND: Local Government Code, ch. 214 provides for municipal regulations on housing and other structures.

Concerns have been raised about unsafe and poorly maintained buildings owned by out-of-state corporations, and some have called for giving municipalities greater flexibility to enforce actions against substandard residential buildings.

DIGEST: HB 3871 would make an owner of a substandard residential building personally liable for the payment of a fine imposed for substandard conditions. A substandard residential building would be defined as a residential building that is dilapidated or unfit for human habitation and a hazard to the public health, safety, or welfare. The bill would apply only to a municipality in a county meeting certain population requirements (Harris).

The municipality would be able to file a lien on the property on which a substandard residential building was located for the amount of the fine.

The lien would be attached to the property at the time the notice of the lien was recorded and indexed in the Harris County Clerk's Office.

The notice of the lien would be required to contain the name and address of the owner, if that information could be determined with reasonable effort; a legal description of the property; and the amount of the unpaid balance of the fine imposed by the municipality. The lien would be removed if the property owner or another person with an interest in the legal title of the property paid the fine.

The lien would be inferior to any previously recorded valid mortgage lien attached to the property if the mortgage lien was filed in the Harris County Clerk's Office before the date the fine was imposed by the municipality. The municipality's lien would be superior to all other previously recorded judgment liens.

The bill would take effect September 1, 2017, and would apply only to a substandard residential building fine issued on or after the effective date.