

BILL ANALYSIS

Senate Research Center

S.B. 1621
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Jurisprudence
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DIGEST AND PURPOSE

Tenants living in federally-subsidized apartment complexes become eligible for a federal housing voucher under the Section 8 Housing Choice Voucher Program when an owner converts the property to market rate housing. An owner who converts a property is required by federal law to accept these vouchers from residents who wish to remain in the building. Under current Texas law, there are no provisions regarding a property owner's violation of the owner's duty to accept certain housing vouchers. As proposed, S.B. 1621 establishes civil penalties that may be applied if an owner is found to have violated this requirement.

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 Title 15, Property Code, by adding Chapter 302, as follows:

Sec. 302.001. TITLE. Authorizes this chapter to be cited as the Texas Housing Conversion Act.

Sec. 302.002. APPLICATION. Provides that this chapter applies to housing conversion actions in multifamily housing subsidized or assisted by the United States Department of Housing and Urban Development (HUD) and to owners of multifamily dwellings who are prohibited by federal law, federal regulations, a contract or a land use restrictive covenant from refusing to lease a dwelling unit to a prospective tenant who holds a voucher or certificate of eligibility for assistance under Section 8 of the United States Housing Act of 1937, as amended.

Sec. 302.003. HOUSING CONVERSION ACTION. Defines "housing conversion."

Sec. 302.004. VIOLATION OF NONDISCRIMINATION DUTY. Requires an owner of a multifamily dwelling, or an owner's agent, who is prohibited by federal law, federal regulation, a contract or a land use restrictive covenant from refusing to lease a dwelling unit to a prospective tenant who holds a voucher or certificate of eligibility for assistance under Section 8 of the United States Housing Act of 1937, as amended, because of the status of such prospective tenant as the holder of a voucher or certificate and who violates such prohibition to be liable as set forth in Sections 302.004 and 302.005.

Sec. 302.005. CIVIL ACTION. Authorizes any person aggrieved by an owner or owner's agent's violation of the prohibition described in Section 302.003 or a tenant of a property in which a housing conversion has occurred who is aggrieved by the owner's failure or refusal to enter into a lease agreement with the tenant under the Section 8 Housing Choice Voucher Program (program) because of the tenant's participation in the Section 8 program to file a civil action in a court of appropriate jurisdiction.

Sec. 302.006. RELIEF GRANTED. Requires the court, if the court finds that an owner or an owner's agent has refused or failed to enter into a lease agreement with a tenant under the Section 8 program at a property in which a housing conversion has occurred because of the tenant's participation in the Section 8 program, or that an owner or owner's agent has violated the prohibition described in Section 302.003, to award to the aggrieved person actual and punitive damages; reasonable attorney's fees, court costs and costs of litigation; a permanent or temporary injunction, temporary restraining order, or other order, including an order enjoining the defendant from engaging in the practice or ordering appropriate affirmative action; and a statutory penalty of five times the fair market monthly rent for the dwelling unit.

SECTION 2. Effective date: September 1, 2001.