

## **BILL ANALYSIS**

Senate Research Center  
77R605 CAS-F

S.B. 457  
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State Affairs  
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As Filed

### **DIGEST AND PURPOSE**

In 1997, the Texas Legislature enacted S.B. 1678 which made several changes to landlord/tenant law. It primarily applied to residential landlords and tenants. In part, the law imposed a duty for landlords to mitigate their damages if a tenant abandons leased property. That provision was codified in Section 91.006 of the Property Code, which applies to both residential and commercial landlords. As proposed, S.B. 457 codifies the revised opinion of the Texas Supreme Court in the case of *Austin Hill Country Realty, Inc. v. Palisades Plaza, Inc.* The opinion specifically excluded commercial landlords and tenants who contract from the duty to mitigate damages.

### **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 Chapter 92A, Property Code, by adding Section 92.015, as follows:

Sec. 92.015. LANDLORD'S DUTY TO MITIGATE DAMAGES. Provides that a landlord has a duty to mitigate damages if a tenant abandons the leased premises in violation of the lease. Provides that a provision of a lease that purports to waive a right or to exempt a landlord from a liability or duty under this section is void.

SECTION 2. Repealer: Section 91.006 (Landlord's Duty to Mitigate Damages), Property Code.

SECTION 3. Effective date: upon passage.