

- SUBJECT:** Applicability of Texas Fair Housing Act to certain sales and rentals
- COMMITTEE:** Business and Industry — favorable, without amendment
- VOTE:** 8 ayes — C. Turner, Hefner, Crockett, Lambert, Ordaz Perez, Patterson, Shine, S. Thompson
- 1 nay — Cain
- WITNESSES:** For — David Mintz, Texas Apartment Association; (*Registered, but did not testify*: TJ Patterson, City of Fort Worth; Jamaal Smith, City of Houston Office of the Mayor; Thamara Narvaez, Harris County Commissioners Court; Amanda List, Texas Appleseed; Tray Bates and Julia Parenteau, Texas Realtors)
- Against — None
- On — (*Registered, but did not testify*: Bryan Snoddy, Texas Workforce Commission)
- BACKGROUND:** Property Code ch. 301, subch. B prohibits certain discriminatory actions in property sales and rentals on the basis of race, color, religion, sex, disability, familial status, or national origin. Sec. 301.041(a) specifies that these provisions do not apply to a sale or rental of a single-family house sold or rented by the owner under certain conditions or to the sale or rental of rooms or units in certain dwellings.
- Interested parties have noted that certain exemptions from prohibitions in property sales and rentals present in the Texas Fair Housing Act are not present in the U.S. Fair Housing Act, and that this discrepancy could affect the authority of the U.S. Department of Housing and Urban Development to defer complaints to the Civil Rights Division of the Texas Workforce Commission.
- DIGEST:** HB 1153 would revise certain exemptions from prohibitions on discrimination in certain property sales and rentals.

Under the bill, exemptions from certain prohibitions on discrimination would no longer exist for:

- making, printing, or publishing a notice, statement, or advertisement about the sale or rental of a dwelling indicating a preference, limitation, or discrimination;
- discriminating against another in making available or in the terms and conditions of a real estate related transaction, including making or purchasing certain real estate loans and selling, brokering, and appraising real property; or
- denying a person access to, or membership or participation in, a multiple-listing service, real estate brokers' organization, or other service, organization, or facility related to the business of selling or renting dwellings.

Other prohibitions on discrimination in certain sales and rentals under Property Code ch. 301, subch. B would not apply to the sale or rental of a single-family house sold or rented by the owner if, in addition to other requirements, the house was sold or rented without the facilities or services of any person in the business of selling or renting a dwelling. The bill also would exclude rentals from the single-family house exemption from prohibited discrimination for one property transaction in a 24-month period if the owner was not the most recent resident of the house at the time of the transaction.

For purposes of Property Code sec. 301.041(a) pertaining to the exemption of certain sales and rentals, a person would be considered to be in the business of selling or renting a dwelling if the person:

- had, within the preceding year, participated as the seller or landlord in three or more transactions involving the sale or rental of a dwelling or any interest in a dwelling;
- had, within the preceding year, participated in two or more transactions, other than transactions involving the person's own dwelling, as an agent providing sales or rental facilities or services

involving the sale or rental of a dwelling or any interest in a dwelling; or

- was the owner of a dwelling designed or intended for occupancy by, or that is occupied by, five or more families.

The bill would specify that Property Code sec. 301.041(a) would not prohibit the use of attorneys, escrow agents, abstractors, title companies, and other professional assistants necessary to transfer title.

The bill would take effect September 1, 2021.