

BILL ANALYSIS

Senate Research Center
80R14307 JPL-D

C.S.S.B. 709
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Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Currently, Texas does not have a law requiring a landlord to disclose grounds for the denial of a lease application before accepting any fees from an applicant. As a result, many applicants who are unaware of the grounds by which a landlord can deny an application may lose money to application fees.

C.S.S.B. 709 requires landlords to provide notice of the grounds that can lead to a denial of an application before accepting any fees from an applicant. The bill also provides that if a landlord does not provide the notice, any fee collected in connection with the applicant's application, including a deposit, must be returned to the applicant no later than 10 days after the applicant requests its return.

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 Subchapter I, Chapter 92, Property Code, by adding Section 92.3515, as follows:

Sec. 92.3515. NOTICE OF ELIGIBILITY REQUIREMENTS. (a) Requires the landlord, at the time of provision to an applicant of a rental application, to provide the applicant printed notice of the landlord's tenant selection criteria and the grounds for which the rental application may be denied, including certain information about the applicant set forth in this subsection.

(b) Requires the applicant, if a landlord provides the notice under Subsection (a), to sign an acknowledgement indicating that notice was provided. Provides that there is a rebuttable presumption that the notice was not received if it is not signed.

(c) Sets forth a statement that the acknowledgment is required to include.

(d) Authorizes the acknowledgment to be part of the rental application if the notice is underlined or in bold print.

(e) Requires the landlord to return the application fee and any application deposit if the landlord rejects an applicant and has not provided the notice required by Subsection (a).

(f) Requires the landlord, if an applicant requests a landlord to mail a refund of the applicant's application fee to the applicant, to mail the refund check to the address furnished by the applicant.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2007.