By:  Vo                                                    H.B. No. 1299

A BILL TO BE ENTITLED

1                               AN ACT

2  relating to certain deposits, fees, or charges required to be

3  provided by a tenant or prospective tenant in connection with a

4  residential lease.

5         BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6         SECTION 1.  Section 92.001, Property Code, is amended by

7  adding Subdivision (5-a) to read as follows:

8               (5-a)  "Security deposit" means a security deposit

9  described by Section 92.102.

10        SECTION 2.  Section 92.102, Property Code, is amended to

11  read as follows:

12        Sec. 92.102.  SECURITY DEPOSIT.  (a)  A security deposit is

13  any advance of money, other than a rental application deposit or an

14  advance payment of rent, that is intended primarily to secure

15  performance under a lease of a dwelling that has been entered into

16  by a landlord and a tenant or to secure payment for damage to the

17  leased premises.

18        (b)  Any deposit that a landlord requires a prospective

19  tenant to provide to the landlord to lease a dwelling or that the

20  lease requires a tenant to provide to the landlord or maintain in

21  effect for all or part of the lease term is presumed to be a security

22  deposit.  Any refundable or nonrefundable fee or charge required by

23  a landlord for damages, no matter how designated, is presumed to be

24  a security deposit.

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1     SECTION 3.  The change in law made by this Act applies only
2  to a lease entered into or renewed on or after the effective date of
3  this Act. A lease entered into or renewed before the effective date
4  of this Act is governed by the law as it existed immediately before
5  the effective date of this Act, and that law is continued in effect
6  for that purpose.

7     SECTION 4.  This Act takes effect immediately if it receives
8  a vote of two-thirds of all the members elected to each house, as
9  provided by Section 39, Article III, Texas Constitution.  If this
10 Act does not receive the vote necessary for immediate effect, this
11 Act takes effect September 1, 2025.