

By: Anchia

H.B. No. 2526

A BILL TO BE ENTITLED

AN ACT

relating to the notice required regarding the application of certain residential rental payments.

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

SECTION 1. Subchapter A, Chapter 92, Property Code, is amended by adding Section 92.0191 to read as follows:

Sec. 92.0191. APPLICATION OF RENTAL PAYMENT TO OTHER FEES.

(a) Except as stated in subsection (b), a landlord shall apply all funds received to the rent owed and then to any other charges lawfully owed to the landlord under the lease unless the tenant specifies otherwise in a written notice.

(b) If the lease allows a landlord to apply funds received to nonrent charges first, a landlord is authorized to do so as long as the landlord has given the tenant a separate written notice with three days of the receipt of the funds that specifies:

(1) the amount of the funds received;

(2) the amount applied to nonrent charges with a description of each charge;

(3) the amount applied to rent if applicable; and

(4) the amount of rent or other charges still owed, if applicable.

(c) A landlord who applies funds received to nonrent charges first as provided in subsection (b) may not charge the tenant a late fee for not timely tendering the current month's rent if

1           (1) the funds were received before the conclusion of  
2 any grace period provided by law or the lease whichever is greater;  
3 and

4           (2) the amount of the funds received would equal or  
5 exceed the rent currently owed the landlord, excluding all other  
6 charges.

7           (d) A provision of a lease agreement that attempts to waive  
8 any provision of this section not authorized by this section is  
9 void.

10           SECTION 2. This Act takes effect September 1, 2009.