

By: Davis of Dallas

H.B. No. 1009

Substitute the following for H.B. No. 1009:

By: Oliveira

C.S.H.B. No. 1009

A BILL TO BE ENTITLED

1 AN ACT

2 relating to application fees and deposits paid to a landlord of  
3 residential rental property.

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

5 SECTION 1. Section 92.351, Property Code, is amended by  
6 amending Subdivisions (1) and (1-a) and adding Subdivision (3-a) to  
7 read as follows:

8 (1) [~~"Application deposit" means a sum of money that~~  
9 ~~is given to the landlord in connection with a rental application and~~  
10 ~~that is refundable to the applicant if the applicant is rejected as~~  
11 ~~a tenant.~~

12 [~~(1-a)~~] "Application fee" means a [~~nonrefundable~~] sum  
13 of money that is given to the landlord to offset the costs of  
14 screening an applicant for acceptance as a tenant.

15 (3-a) "Deposit" means a sum of money that is given to  
16 the landlord in connection with a rental application as a holding or  
17 application deposit to take a unit off the market while the rental  
18 application is processed. The term does not include an application  
19 fee.

20 SECTION 2. Subchapter I, Chapter 92, Property Code, is  
21 amended by adding Section 92.3513 to read as follows:

22 Sec. 92.3513. DEPOSIT. (a) An applicant is entitled to the  
23 refund of a deposit if the applicant:

24 (1) is rejected as a tenant; or

1           (2) withdraws the application before the application  
2 has been processed.

3           (b) A landlord may retain the deposit if the applicant gives  
4 false information on the rental application.

5           SECTION 3. Sections 92.3515(e) and (f), Property Code, are  
6 amended to read as follows:

7           (e) Except as provided by Subsection (f), if [~~if~~] the  
8 landlord rejects an applicant and the landlord has not made the  
9 notice required by Subsection (a) available, the landlord shall  
10 return the application fee and any [~~application~~] deposit not later  
11 than the fifth day after the date the landlord rejects the  
12 applicant.

13           (f) If an applicant requests a landlord to mail a refund of  
14 the applicant's deposit or application fee to the applicant, the  
15 landlord shall mail the refund check to the applicant at the address  
16 furnished by the applicant not later than the fifth day after the  
17 date the landlord rejected the applicant.

18           SECTION 4. Section 92.352(a), Property Code, is amended to  
19 read as follows:

20           (a) The applicant is deemed rejected by the landlord if the  
21 landlord does not give notice of acceptance of the applicant on or  
22 before the seventh day after the:

23                 (1) date the applicant submits a completed rental  
24 application to the landlord on an application form furnished by the  
25 landlord; or

26                 (2) date the landlord accepts a [~~an application~~]  
27 deposit if the landlord does not furnish the applicant an

1 application form.

2 SECTION 5. Section 92.353, Property Code, is amended by  
3 adding Subsection (a-1) and amending Subsections (b) and (c) to  
4 read as follows:

5 (a-1) Except as provided by Subsection (b), if the landlord  
6 rejects an applicant, the landlord shall return any deposit not  
7 later than the fifth day after the date the application is rejected.

8 (b) If a rental applicant requests that any acceptance of  
9 the applicant or any refund of the applicant's [~~application~~]  
10 deposit be mailed to the applicant, the landlord must mail the  
11 refund check to the applicant at the address furnished by the  
12 applicant not later than the fifth day after the date the landlord  
13 rejected the applicant.

14 (c) If the date of required notice of acceptance or required  
15 refund of a [~~an application~~] deposit or application fee is a  
16 Saturday, Sunday, or state or federal holiday, the required date  
17 shall be extended to the end of the next day following the Saturday,  
18 Sunday, or holiday.

19 SECTION 6. The changes in law made by this Act apply only to  
20 a rental application submitted on or after the effective date of  
21 this Act. A rental application submitted before the effective date  
22 of this Act is governed by the law in effect on the date the rental  
23 application was submitted, and the former law is continued in  
24 effect for that purpose.

25 SECTION 7. This Act takes effect September 1, 2015.