## A BILL TO BE ENTITLED

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                                    AN ACT
relating to certain obligations of and limitations on landlords
regarding residential tenants' rental payments, late fees, and
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security deposits.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
SECTION 1. The heading to Section 92.011, Property Code, is amended to read as follows:

Sec. 92.011. [GASH] RENTAL PAYMENTS.
SECTION 2. Section 92.011, Property Code, is amended by adding Subsection (b-1) to read as follows:
(b-1) A landlord shall apply any payment received from a tenant to unpaid rent before applying the payment to a fee, charge, or other sum of money owed by the tenant that is not rent. This subsection applies without regard to the method of payment.

SECTION 3. Section 92.019, Property Code, is amended by amending Subsection (a) and adding Subsections (a-1) and (b-1) to read as follows:
(a) A landlord may not charge a tenant a late fee for failing to pay rent unless:
(1) notice of the fee is included in a written lease;
(2) the fee is a reasonable estimate of uncertain damages to the landlord that are incapable of precise calculation and result from late payment of rent; [ad]
(3) the rent has remained unpaid one full day after the

## date the rent was originally due; and

(4) the landlord has recorded the date and amount of the assessed fee in a record book or other recordkeeping system maintained by the landlord.
(a-1) The record maintained by the landlord under Subsection (a) (4) must be made available for inspection on request by a tenant. A landlord may satisfy the requirement of this subsection by making the record available in electronic form.
(b-1) A landlord may not charge a tenant a late fee on an unpaid amount that does not include unpaid rent and consists entirely of a fee, charge, or other sum of money owed by the tenant that is not rent, including a late fee charged under Subsection (a).

SECTION 4. Section 92.104(c), Property Code, is amended to read as follows:
(c) If the landlord retains all or part of a security deposit under this section, the landord shall give to the tenant the balance of the security deposit, if any, together with a written description and itemized list of all deductions. [The landloxd is not required to give the tenant a description and itemized list of deductions if:
[(1) the tenant owes rent when he surxendexs possescion of the premises; and
$[(2)$ there is no controversy concerning the amount of fent owed.]

SECTION 5. The changes in law made by this Act apply only to a lease entered into or renewed on or after the effective date of this Act. A lease entered into or renewed before the effective date

1 of this Act is governed by the law as it existed immediately before 2 the effective date of this Act, and that law is continued in effect for that purpose.

SECTION 6. This Act takes effect September 1, 2019.

