

By: Campos

H.B. No. 4129

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the establishment of a program administered by the
3 Texas Department of Housing and Community Affairs and certain
4 county housing authorities to incentivize landlords to accept
5 tenants participating in the housing choice voucher program.

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

7 SECTION 1. Subchapter K, Chapter 2306, Government Code, is
8 amended by adding Section 2306.2586 to read as follows:

9 Sec. 2306.2586. HOUSING MOBILITY PROGRAM; LOANS AND GRANTS.

10 (a) The department shall establish a housing mobility program to
11 provide to county housing authorities of counties with a population
12 of more than 500,000 loans and grants to incentivize landlords to
13 accept tenants participating in the housing choice voucher program
14 under Section 8, United States Housing Act of 1937 (42 U.S.C.
15 Section 1437f).

16 (b) The department may use any available revenue, including
17 legislative appropriations, appropriation transfers from the
18 trusteed programs within the office of the governor, including
19 authorized appropriations from the Texas Enterprise Fund,
20 available federal funds, and any other statutorily authorized and
21 appropriate funding sources transferred from the trusteed programs
22 within the office of the governor, to provide loans and grants under
23 the housing mobility program created under this section. The
24 department shall solicit and accept gifts and grants for the

1 purposes of this section. The department shall use gifts and grants
2 received for the purposes of this section before using any other
3 revenue.

4 (c) The department shall adopt rules to govern the
5 administration of the program, including rules that:

6 (1) provide for the allocation of any available
7 funding; and

8 (2) provide detailed guidelines regarding the scope of
9 the local programs in the counties described by Subsection (a).

10 SECTION 2. Subchapter D, Chapter 392, Local Government
11 Code, is amended by adding Section 392.068 to read as follows:

12 Sec. 392.068. HOUSING MOBILITY PROGRAM IN CERTAIN COUNTIES.

13 (a) A county housing authority in a county with a population of
14 more than 500,000 may apply for and receive loans or grants provided
15 by the Texas Department of Housing and Community Affairs through
16 the housing mobility program established under Section 2306.2586,
17 Government Code, for purposes of incentivizing landlords to accept
18 tenants participating in the housing choice voucher program under
19 Section 8, United States Housing Act of 1937 (42 U.S.C. Section
20 1437f).

21 (b) An authority shall recruit families and landlords to
22 participate in the housing mobility program and shall coordinate
23 the implementation of housing mobility services to assist the
24 movement of tenants described by Subsection (a) from multifamily
25 housing into single-family housing under that program.

26 (c) A landlord may participate in the program only if the
27 landlord agrees to provide, for a period of not less than three

1 years, housing in single-family homes to families that:

2 (1) hold housing choice vouchers or are on the housing
3 choice voucher waitlist; or

4 (2) are homeless or at risk of becoming homeless and
5 qualify for housing choice vouchers.

6 (d) An authority shall:

7 (1) conduct an initial inspection and annual
8 subsequent inspections of each single-family home a landlord
9 proposes to include in the program; and

10 (2) coordinate with that landlord with respect to the
11 time and date of each inspection.

12 (e) An authority shall prepare and make publicly available
13 an inspection checklist that:

14 (1) includes a complete list specifying each item that
15 is required to be inspected for inclusion of the home in the
16 program, to determine whether the item is in satisfactory
17 condition; and

18 (2) clearly and conspicuously categorizes each listed
19 item as an item that:

20 (A) is required to be in satisfactory condition
21 for the property to pass inspection;

22 (B) may be in noncompliance only if the landlord
23 agrees to bring the item into compliance not later than the 30th day
24 after the date of the inspection; or

25 (C) may be in noncompliance only if the landlord
26 agrees to bring the item into compliance before the next annual
27 inspection.

1 (f) An authority may award to a landlord a grant in an amount
2 not to exceed \$5,000 to be used to rehabilitate, for purposes of an
3 initial inspection, any single-family home the landlord proposes to
4 include in the program. A landlord may not receive more than one
5 grant under this section for each single-family home proposed for
6 inclusion in the program by the landlord. If a home for which a
7 landlord received a grant under this section does not pass the
8 initial inspection, the landlord must repay the grant not later
9 than the 30th day after the date of the failed inspection.

10 (g) An authority shall screen and rank prospective tenants
11 based on:

- 12 (1) credit history;
- 13 (2) residential references;
- 14 (3) criminal history;
- 15 (4) civil judgment history;
- 16 (5) employment verification;
- 17 (6) household income;
- 18 (7) a personal interview with the applicant and any
19 co-applicant;
- 20 (8) a personal statement by the applicant regarding
21 other household members;
- 22 (9) responses to questions tailored to the specific
23 applicant; and
- 24 (10) any additional criteria recommended by landlords
25 participating in the program.

26 (h) A prospective tenant who ranks in the top 10 percent of
27 applicants in the rankings described by Subsection (g) is

1 automatically eligible to participate in the program.

2 (i) An authority shall:

3 (1) require tenants in the program to attend a class
4 that presents information regarding:

5 (A) lease requirements and landlord
6 expectations;

7 (B) clarification of tenant liabilities
8 regarding repairs and maintenance;

9 (C) the importance of property management and
10 lawn maintenance;

11 (D) the role of neighborhood associations and
12 home ownership associations;

13 (E) utility assistance programs;

14 (F) early departure consequences;

15 (G) the tenant eviction process; and

16 (H) the lease renewal process; and

17 (2) produce and mail to tenants a quarterly newsletter
18 containing the same information presented in the class under
19 Subdivision (1).

20 (j) For a single-family home that is subject to the program,
21 a landlord may not charge rent that exceeds:

22 (1) 120 percent of the median rent for similar units in
23 the same zip code, if the property is located in a school district
24 assigned an overall performance rating of A or B for the most
25 recently completed school year by the commissioner of education
26 under Section 39.054, Education Code; or

27 (2) 100 percent of the median rent for similar units in

1 the same zip code, if the property is located in a school district
2 assigned an overall performance rating of C, D, or F for the most
3 recently completed school year by the commissioner of education
4 under Section 39.054, Education Code.

5 (k) An authority shall:

6 (1) collect the tenant's rental deposit and share of
7 the first month's rent and deliver the deposit amount and full
8 amount of the first month's rent to the landlord on or before the
9 move-in date;

10 (2) deliver the full amount of the monthly rent to the
11 landlord on or before the first day of each month; and

12 (3) collect the tenant's share of the monthly rent
13 within the first five days of the month.

14 (l) An authority shall receive all complaints by tenants and
15 landlords and seek amicable and timely resolutions to complaints.

16 (m) If an action of or failure to take action by a tenant
17 results in an unpaid fine, fee, or charge assessed by a neighborhood
18 association, homeowners association, municipal department, county
19 agency, utility company, or other legal entity against a landlord
20 with respect to a single-family home that is included in the
21 program, the authority shall:

22 (1) pay the fine, fee, or charge; or

23 (2) reimburse the landlord for the payment of the
24 fine, fee, or charge not later than the 30th day after the date the
25 landlord makes the payment.

26 (n) An authority may initiate an eviction proceeding due to
27 late payment, nonpayment, noncompliance with the lease, written

1 request of the landlord, or any other reason considered appropriate
2 and legal by the authority.

3 (o) A tenant shall provide notice of any departure or
4 nonrenewal of a lease on or before the 30th day before the tenant
5 vacates a single-family home under the program.

6 (p) In addition to any other amount paid under this section,
7 an authority may pay to a landlord an amount not to exceed:

8 (1) two months' rent for lost rent due to tenant
9 eviction, early lease termination, or last minute nonrenewal of a
10 lease; and

11 (2) \$2,500 to repair tenant-caused property damage if
12 the repair costs exceed the tenant's security deposit.

13 SECTION 3. The Texas Department of Housing and Community
14 Affairs shall establish the housing mobility program required under
15 Section 2306.2586, Government Code, as added by this Act, not later
16 than January 1, 2022.

17 SECTION 4. This Act takes effect September 1, 2021.