

By: Campos

H.B. No. 1523

A BILL TO BE ENTITLED

AN ACT

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

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

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

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

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

(b) The department may use any available revenue, including legislative appropriations, appropriation transfers from the trusteed programs within the office of the governor, including authorized appropriations from the Texas Enterprise Fund, available federal funds, and any other statutorily authorized and appropriate funding sources transferred from the trusteed programs within the office of the governor, to provide loans and grants under the housing mobility program created under this section. The 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

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

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

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

(d) An authority shall:

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

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

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

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

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

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

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

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

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

(k) An authority shall:

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

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

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

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

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

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

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

(n) An authority may initiate an eviction proceeding due to 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, 2024.

17 SECTION 4. This Act takes effect September 1, 2023.