

## **BILL ANALYSIS**

C.S.H.B. 2037

By: Darby

Trade, Workforce & Economic Development  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

The bill author has informed the committee that under current law, when a tenant makes certain repairs for health and safety that their landlord will not make after requested, the tenant must hire a contractor that is listed in the yellow pages or the classified advertising section of a newspaper. Additionally, when a tenant leaves a property on termination of a lease, the tenant typically provides a physical forwarding address for the delivery of certain notices and for the return of the security deposit. The bill author has also informed the committee that these antiquated requirements either do not comport with modern online leasing practices, are confusing, or are impractical. C.S.H.B. 2037 seeks to address this issue by revising provisions relating to rental unit repairs and by providing for the use of email for certain notices and communications between a landlord and tenant.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 2037 amends the Property Code to replace the requirement that the company, contractor, or repairman making repairs to a rental unit under a residential tenancy or a manufactured home tenancy pursuant to a tenant's notice of intent to repair be listed in the yellow or business pages of the telephone directory or in the classified advertising section of a newspaper of the local city, county, or adjacent county at the time of the notice with the requirement that such a company, contractor, or repairman be independent and, if the rental unit is located in a municipality requiring the company, contractor, or repairman to be licensed, for the person or entity performing the repair to be licensed in accordance with the municipality's requirements.

C.S.H.B. 2037 establishes that a managing agent, leasing agent, or resident manager is the agent of the landlord for purposes of notice and other communications required or permitted by statutory provisions relating to security deposits for residential tenancies and relating to security deposits for manufactured home tenancies. The bill authorizes such notices and communications to be sent by email if the tenant and the landlord or landlord's agent have previously communicated by email and authorizes the landlord or landlord's agent to designate a specific email address for a tenant to use for those purposes.

C.S.H.B. 2037 applies only to a lease entered into or renewed on or after the bill's effective date. A lease entered into or renewed before the bill's effective date is governed by the law in effect immediately before that date, and that law is continued in effect for that purpose.

### **EFFECTIVE DATE**

September 1, 2025.

### **COMPARISON OF INTRODUCED AND SUBSTITUTE**

While C.S.H.B. 2037 may differ from the introduced in minor or nonsubstantive ways, the following summarizes the substantial differences between the introduced and committee substitute versions of the bill.

The substitute omits the following provisions present in the introduced:

- an authorization for a tenant of a residential rental property or of a lot in a manufactured home community to satisfy the requirement to provide to a landlord a written statement of the tenant's forwarding address for the purpose of refunding the security deposit by providing the statement in accordance with the lease or by certain methods of delivery;
- a provision establishing that a tenant who complies with such authorized methods of delivery has satisfied the requirement; and
- a provision including a tenant's satisfaction of the forwarding address requirement among the conditions that must be met in order for a landlord to be presumed to have acted in bad faith.

The substitute includes the following provisions absent from the introduced:

- a provision establishing that an applicable agent or manager is the agent of the landlord for purposes of notice and other communications required or permitted by state law regarding residential tenancies and manufactured home tenancies;
- conditions under which such notices and communications are authorized to be sent by email; and
- an authorization for the applicable landlord or landlord's agent to designate a specific email address for a tenant to use.