

By: Bell of Montgomery

H.B. No. 1518

A BILL TO BE ENTITLED

AN ACT

relating to the issuance by the Texas Department of Housing and Community Affairs of verified residential rental applications.

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

SECTION 1. This Act shall be known as the Ready to Rent Texas Act.

SECTION 2. Chapter 92, Property Code, is amended by adding Subchapter J to read as follows:

SUBCHAPTER J. VERIFIED RESIDENTIAL RENTAL APPLICATION

Sec. 92.361. DEFINITIONS. In this subchapter:

(1) "Applicant" means a person who makes an application to a landlord for rental of a dwelling.

(2) "Department" means the Texas Department of Housing and Community Affairs.

(3) "Landlord" means a prospective landlord to whom a person makes an application for rental of a dwelling.

(4) "Portal" means the verified residential rental application Internet portal established and maintained by the department.

(5) "Verified application" means the verified residential rental application issued by the department through the portal.

Sec. 92.362. APPLICATION OF SUBCHAPTER. This subchapter applies to all applicants for and landlords of residential rental

1 property in this state.

2 Sec. 92.363. CONSTRUCTION OF SUBCHAPTER. Nothing in this
3 subchapter may be construed to prohibit a landlord from rejecting
4 an applicant if the applicant does not meet the landlord's tenant
5 selection criteria, including the applicant's:

6 (1) criminal history;

7 (2) previous rental history;

8 (3) current income;

9 (4) credit history; or

10 (5) guarantor information, as applicable.

11 Sec. 92.364. APPLICANT USE OF VERIFIED APPLICATION. An
12 applicant for rental of a dwelling completely satisfies any
13 application requirements of a landlord by submitting to the
14 landlord a verified application issued not earlier than the 90th
15 day before the date the application is submitted to the landlord.

16 Sec. 92.365. LANDLORD ACCEPTANCE OF VERIFIED APPLICATION.
17 A landlord must accept a verified application as completely
18 satisfying the landlord's application requirements if the
19 application is issued not earlier than the 90th day before the date
20 the application is submitted to the landlord by the applicant.

21 Sec. 92.366. PROHIBITED APPLICATION DOCUMENTS AND FEES. A
22 landlord may not require an applicant to:

23 (1) submit a rental application other than a verified
24 application; or

25 (2) pay an:

26 (A) application fee; or

27 (B) application deposit.

1 Sec. 92.367. VERIFIED RESIDENTIAL RENTAL APPLICATION
2 INTERNET PORTAL. (a) In this section:

3 (1) "Consumer reporting agency" means any person that,
4 for monetary fees or dues or on a cooperative nonprofit basis,
5 regularly engages in the practice of assembling or evaluating
6 credit information or other information on individuals for the
7 purpose of furnishing consumer reports to third parties.

8 (2) "Credit report" means a written report of
9 information by a consumer reporting agency that bears on an
10 individual's creditworthiness, credit standing, or credit
11 capacity.

12 (3) "Criminal history background check" means a
13 written report of an individual's criminal history record
14 information, as defined by Section 411.082, Government Code.

15 (b) The department shall develop and implement a portal
16 through which an applicant may obtain a verified residential rental
17 application that the applicant may use to apply for rental of a
18 dwelling.

19 (c) The portal implemented under Subsection (b) shall
20 provide for an applicant to:

21 (1) submit the applicant's:

22 (A) previous rental history;

23 (B) proof of current income; and

24 (C) guarantor information, if applicable;

25 (2) request and grant permission for the department to
26 obtain the applicant's:

27 (A) criminal history background check; and

1 (B) credit report;
2 (3) pay any required fees; and
3 (4) access and share the applicant's verified
4 application.

5 (d) The department may contract with a private vendor for
6 the development and implementation of the portal required by
7 Subsection (b).

8 (e) On submission of a request for a verified application
9 and payment of required fees under Subsection (f), the department
10 shall:

11 (1) obtain the applicant's:
12 (A) criminal history background check; and
13 (B) credit report;
14 (2) verify the applicant's:
15 (A) criminal history;
16 (B) previous rental history;
17 (C) current income;
18 (D) credit history; and
19 (E) guarantor information, as applicable;
20 (3) issue a verified application to the applicant
21 through the portal; and

22 (4) enable the applicant to share the verified
23 application through the portal.

24 (f) The department may charge a fee for a verified
25 application in an amount reasonable and necessary to administer
26 this subchapter. The department may not charge a fee for a criminal
27 history background check or a credit report that exceeds the actual

1 cost to the department of obtaining the document.

2 (g) A verified application issued under this section is
3 valid for 90 days.

4 SECTION 3. Section 92.102, Property Code, is amended to
5 read as follows:

6 Sec. 92.102. SECURITY DEPOSIT. A security deposit is any
7 advance of money, other than [~~a rental application deposit or~~] an
8 advance payment of rent, that is intended primarily to secure
9 performance under a lease of a dwelling that has been entered into
10 by a landlord and a tenant.

11 SECTION 4. Subchapter I, Chapter 92, Property Code, is
12 repealed.

13 SECTION 5. Not later than December 31, 2025, the Department
14 of Housing and Community Affairs shall make available to the public
15 the verified residential rental application Internet portal
16 required by Section 92.367, Property Code, as added by this Act.

17 SECTION 6. This Act takes effect January 1, 2026.