

By: Vo

H.B. No. 3497

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to certain deposits or fees required to be provided by a  
3 tenant or prospective tenant in connection with a residential  
4 lease.

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

6 SECTION 1. Section 92.001, Property Code, is amended by  
7 adding Subdivision (5-a) to read as follows:

8 (5-a) "Security deposit" means a security deposit  
9 described by Section 92.102.

10 SECTION 2. Section 92.102, Property Code, is amended to  
11 read as follows:

12 Sec. 92.102. SECURITY DEPOSIT. A security deposit is:

13 (1) any advance of money, other than a rental  
14 application deposit or an advance payment of rent, that is intended  
15 primarily to secure performance under a lease of a dwelling that has  
16 been entered into by a landlord and a tenant or to secure payment  
17 for future damage to the leased premises;

18 (2) any up front or recurring fee that a landlord  
19 requires a tenant to pay to the landlord or third party to cover  
20 future damages to the leased premises or to cover future lease  
21 violations; and

22 (3) any fee that a landlord requires a tenant to pay to  
23 the landlord as a result of a tenant's eviction history or credit  
24 history prior to leasing the unit, not including application fees.

1           SECTION 3. The change in law made by this Act applies only  
2 to a lease entered into or renewed on or after the effective date of  
3 this Act. A lease entered into or renewed before the effective date  
4 of this Act is governed by the law as it existed immediately before  
5 the effective date of this Act, and that law is continued in effect  
6 for that purpose.

7           SECTION 4. This Act takes effect immediately if it receives  
8 a vote of two-thirds of all the members elected to each house, as  
9 provided by Section 39, Article III, Texas Constitution. If this  
10 Act does not receive the vote necessary for immediate effect, this  
11 Act takes effect September 1, 2025.