

## **BILL ANALYSIS**

Senate Research Center  
80R5407 JPL-D

S.B. 709  
By: West, Royce  
Business & Commerce  
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As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

Currently, Texas does not have a law requiring a landlord to disclose grounds for the denial of a lease application before accepting any fees from an applicant. As a result, many applicants who are unaware of the grounds by which a landlord can deny an application may lose money to application fees.

As proposed, S.B. 709 requires landlords to provide notice of the grounds that can lead to a denial of an application before accepting any fees from an applicant. The bill also provides that if a landlord does not provide the notice, any fee collected in connection with the applicant's application, including a deposit, must be returned to the applicant no later than 10 days after the applicant requests its return.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter I, Chapter 92, Property Code, by adding Section 92.3515, as follows:

Sec. 92.3515. NOTICE OF ELIGIBILITY REQUIREMENTS. (a) Requires the landlord, at the time of provision to an applicant of a rental application, to provide the applicant printed notice of the grounds for which the rental application may be denied. Sets forth specific requirements of the notice.

(b) Requires the applicant to sign the notice, indicating that it was provided as required by this section. Provides that there is a rebuttable presumption that the notice was not received if it is not signed.

(c) Requires the landlord to return any fee collected in connection with the applicant's application, including a deposit, no later than 10 days after the date the applicant requests return of the fee or the landlord rejects the application, whichever is sooner.

(d) Requires the landlord to mail the refund check to the address furnished by the applicant if the applicant requests the landlord to mail the applicant a refund of the application fee.

(e) Extends the required date of the required refund of an application fee to the next eligible day if the original day is a Saturday, Sunday, or a state or federal holiday.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2007.