

ORDINANCE AMENDMENT REVIEW SHEET

Amendment:

Consider an ordinance that requires landlords to disclose certain fees to prospective tenants during the leasing process.

Description:

On October 24, 2024, City Council approved Resolution No. 20241024-045 related to preparing an ordinance that requires landlords to disclose certain fees to prospective tenants during the leasing process.

Proposed Language:

The proposed ordinance would:

1. Apply to landlords with five or more units, consistent with Council direction and engagement findings.
2. Require landlords to provide a written disclosure form directly to a prospective tenant at the earlier of when providing a lease quote, or before a prospective tenant submits an application or makes any payment related to an application.
3. Allow landlords to either create their own disclosure form that accurately discloses mandatory and optional fees and charges, or use the *City of Austin Standard Disclosure Form (Standard Disclosure Form)* to satisfy the requirements of this ordinance. This disclosure form must identify the total cost of base rent and the mandatory and optional fees and charges for the dwelling or MH/RV space. The form does not need to include fees related to tenant-caused damage, lease violations, or similar charges arising after the lease term begins. Landlords receive safe harbor if they accurately disclose fees using the *Standard Disclosure Form*.
4. Require landlords to include the total monthly cost of base rent and any mandatory recurring fixed fees in any advertisement or listing that includes the rental price. They may do so either with a single price that includes base rent plus any mandatory recurring fixed fees, and/or by itemizing mandatory recurring fixed fees alongside base rent if preferred and if advertising constraints allow. Landlords should not be penalized for inaccurate advertisements that they were not aware of and did not pay for, which were made by third parties.
5. Establish a complaint-based enforcement system. If the City of Austin confirms a valid complaint regarding failure to disclose fees, they will file a case in Municipal Court with a fine up to \$500. Fines go to the City's General Fund.

Background:

On October 24, 2024, City Council approved [Resolution No. 20241024-045](#) directing staff to develop an ordinance requiring disclosure of rental housing fees at the time of application and to explore the feasibility of requiring disclosure in advertisements.

The 89th Texas Legislative Regular Session began on January 14, 2025, and adjourned on June 2, 2025. During the session, legislators introduced multiple bills that addressed

transparency in rental housing fees, such as [HB 4305](#), [HB 1206](#), and [SB 2302](#); however, no bills advanced. [On July 2, 2025](#) staff provided an update notifying Mayor and Council that the project schedule shifted out of an abundance of caution to avoid potential conflicts with pending legislation, ensure clarity on state regulatory frameworks, and allow sufficient time for legal review following the session.

Following the conclusion of the legislative session, Austin Housing initiated a cross departmental team consisting of staff from Austin Housing, Development Services, Equity and Inclusion, City Attorney's Office, and Communications and Engagement. The team researched the existing legal framework and best practices, conducted stakeholder engagement, and drafted regulations consistent with Council direction. [On April 7, 2026](#), staff released an update to Mayor and Council summarizing the proposed regulations and community engagement to date and launched a final round of public feedback. Staff used this feedback to refine the draft ordinance for Council consideration.

Staff reviewed research on rental housing fee transparency issues, as well as state and municipal rental housing fee regulations, including those that rely on disclosure.¹ Some of the research focuses on the Austin context, including a study from the Housing Policy Clinic of the University of Texas School of Law about combatting “junk fees in Texas rental housing.”² Many other jurisdictions have taken action in recent years, showing that the City's effort to address concerns with fees is timely. Aside from local and state regulations, nationally the Federal Trade Commission (FTC) and State of Colorado sued Greystar over deceptive fee practices. The settlement agreement resulted in a proposed order that establishes significant disclosure requirements by the property management firm.³ Additionally, the FTC sought public comment from March 13, 2026, to April 13, 2026 on whether it should establish rules on rental fee transparency.⁴ The City of Austin submitted comments in support of future federal standards to support fair and consistent fee disclosure practices nationally.

Community Engagement:

Staff conducted the first phase of community engagement from October to December 2025. This effort reached nearly 500 participants, including tenants, housing providers, and other community members, through focus groups, interviews, surveys, and public comment. Feedback highlighted inconsistent rental fee disclosure practices and broad support for clearer, standardized requirements. This input directly informed the development of the draft regulations.

A second engagement phase began on April 7, 2026, when staff released draft regulations for public review through Speak Up Austin. A feedback form was available from April 7 to April 24, 2026. Staff received 29 responses, and the input has been incorporated into the draft

¹ The National Consumer Law Center provides a helpful overview of how different jurisdictions are beginning to address fee issues: National Consumer Law Center. (2025). [“What the heck, dude!”: How States can fight rental housing junk fees.](#)

² UT Law provides a helpful local study into fee issues and ways to address them: Housing Policy Clinic, University of Texas at Austin School of Law. (2024). [Combating junk fees in Texas rental housing: A pathway to fairer and more transparent leasing practices.](#)

³ Federal Trade Commission. (2025). [Greystar Agrees to Pay \\$24 Million and Stop Deceptive Advertising Practices as a Result of FTC and Colorado Lawsuit Alleging the Firm Deceived Consumers About Rent Prices.](#)

⁴ Rule on Unfair or Deceptive Rental Housing Fee Practices; [Advance Notice of Proposed Rulemaking, 91 FR 12325. Public comments must be received on or before April 13, 2026.](#)

ordinance for Council consideration.

A summary of engagement can be found in **Attachment A: Engagement Summary**.

Staff Recommendation:

Staff recommends that Council adopt the Rental Housing Fee Disclosure Ordinance as drafted. The proposed regulations reflect extensive community engagement, align with best practices, and address significant gaps in current fee disclosure practices. For additional information on staff's rationale, considerations, and incorporation of stakeholder feedback, see **Attachment B: Rationale and Considerations for Staff Recommended Proposal**.

To support effective implementation and fulfill the direction provided in Resolution No. 20241024-045, the City Manager will take the following actions:

1. Designate the appropriate City department to serve as the Accountable Official responsible for administering and enforcing the ordinance. The Accountable Official will need to identify the necessary staffing, and administrative needs required to implement enforcement.
2. Launch a public awareness campaign. Attached to this staff report is a scope and potential costs associated with a public awareness campaign, should City Council adopt the ordinance.
3. Consider a delayed effective date to allow for the implementation considerations.
4. Conduct a follow-up report 6 months after the effective date to ensure that the ordinance is working and to align with any state or federal changes.

Council Action:

May 28, 2026 – To be considered by City Council.

Sponsor Department:

Austin Housing

City Staff:

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Attachments:

Attachment A: Community Engagement Summary

Attachment B: Rationale and Considerations for Staff Recommended Proposal

Attachment C: Draft City of Austin Standard Disclosure Form (English and Spanish)

Attachment D: Public Awareness Campaign for Rental Housing Fee Disclosure Ordinance

Attachment B: Rationale and Considerations for Staff Recommended Proposal

OVERVIEW OF PROVISIONS

1. The ordinance applies to landlords that rent or lease 5 or more dwelling units or mobile home/RV/trailer (MH/RV) spaces.

Five (5) or more dwelling units is the threshold that City Council requested in Resolution No. 20241024-045. Austin Housing’s Fall 2025 survey results also indicate that smaller landlords tend to charge fewer fees. Of the landlord and property manager respondents who own or manage fewer than 5 homes in the City of Austin, 87% said that their tenants do not pay monthly fees in addition to their base rent and utilities (Table 1). By contrast, 56% of the respondents who own or manage 5 or more homes in the City of Austin said that their tenants do pay monthly fees in addition to base rent and utilities (Table 2).

For the purposes of this ordinance, “landlord” means a person who owns, leases, or subleases a dwelling and includes the landlord's manager or agent.

Table 1. Respondents who own or manage fewer than 5 homes in City of Austin: Do your tenants pay monthly fees (optional and/or non-optional) in addition to their monthly base rent and utilities?

	Count	Percent
No, my tenants only pay rent and utilities on a monthly basis	40	87%
Yes	6	13%
Grand Total	46	

Table 2. Respondents who own or manage 5 or more homes in City of Austin: Do your tenants pay monthly fees (optional and/or non-optional) in addition to their monthly base rent and utilities?

	Count	Percent
No, my tenants only pay rent and utilities on a monthly basis	32	44%
Yes	40	56%
Grand Total	72	

2. Landlords must provide a written disclosure form directly to a prospective tenant at the earlier of when providing a lease quote, or before a prospective tenant submits an application or makes any payment related to an application.

A written disclosure form helps to improve consistency, accessibility, and clarity in disclosure practices. This helps landlords have a clear standard between themselves and their business competitors – when others are not being upfront with their pricing, it undercuts those who practice good disclosure and transparency in their business.

A written disclosure form also helps prospective tenants to accurately compare housing costs. Currently many tenants in Austin appear to learn about their fees later in the leasing process. Figure 1 below shows at least 39% of tenant respondents to Austin Housing’s rental fee survey disagreed or mostly disagreed with the statement, “The fees I must pay in addition to base rent were clear to me **before I applied** for my current rental home.” Table 1 below shows that when asked specifically when they learned about their mandatory monthly fees, only 37% of tenant respondents said it was before they submitted or paid for an application. Just 5% say that they learned about their mandatory monthly fees in the advertisement for their rental unit.

Based on April 2026 feedback, Austin Housing removed the requirement for providing the disclosure form before a prospective tenant books a tour of a property to ensure that the regulation is fair and reasonable. Staff also recommend clarifying that written disclosures may be delivered electronically or on paper.

Figure 1. The fees I must pay in addition to base rent were clear to me **before I applied** for my current rental home. (n = 236)

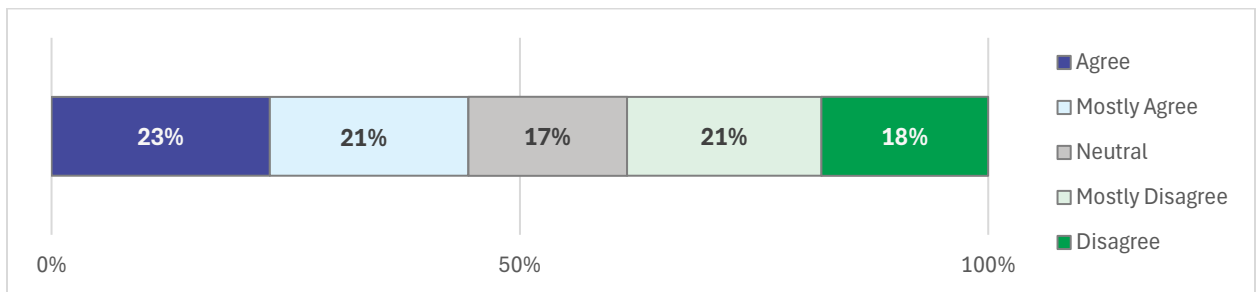


Table 3. Tenant respondent answers to: "When were you first notified about the following types of fees?"

	In the advertisement for the rental unit	Before I submitted/paid for an application	After application, but before signing the lease	After signing the lease	Unsure	Grand Total
Mandatory/ Non-optional monthly fees	10 (5%)	62 (32%)	56 (29%)	34 (18%)	31 (16%)	193
Optional monthly fees	6 (4%)	54 (32%)	38 (22%)	26 (15%)	47 (27%)	171

3. A landlord may create their own disclosure form that accurately discloses mandatory and optional fees and charges, or they may use the City’s *Standard Disclosure Form* to satisfy the requirements of this ordinance (see below and Attachment C). This

disclosure form must identify the mandatory and optional fees and charges for the dwelling or MH/RV space. The form does not need to include fees related to tenant-caused damage, lease violations, or similar charges arising after the lease term begins. Landlords receive safe harbor if they accurately disclose fees using the City's *Standard Disclosure Form*.

The City of Austin will provide a template that landlords can use to satisfy the written disclosure form requirement. Landlords may use the *Standard Disclosure Form* and will have safe harbor under the ordinance as long as they accurately disclose their fees and charges using this form. The goal for this is to make compliance straightforward and consistent. Landlords may create their own disclosure form instead, as long as it satisfies the requirements of the ordinance.

This proposed *Standard Disclosure Form* is based on a template that the City of Fayetteville introduced with their rental housing fee disclosure ordinance in 2025. They created their template at the request of their focus group participants who wanted a guide to capture all of the information required by their disclosure ordinance. The resulting form makes compliance clearer for landlords while giving prospective tenants a format that is easy to compare between properties ([City of Fayetteville](#)).

Based on April 2026 feedback, Austin Housing updated the *Standard Disclosure Form* template to remove the pre-filled fee items and include a section for usage-based and variable fees. These updates make the form less rigid and provide landlords greater flexibility to reflect their particular fee structure. It also clarifies how landlords should disclose fees that vary based on usage (e.g., certain utilities), tenant circumstances (e.g., security deposit alternative), or the need to secure a third-party service (e.g., in some cases when renters insurance for personal property is required). Staff recommends that the City provide examples of completed forms alongside the template for landlords to refer to if needed, as well as a Spanish version of the *Standard Disclosure Form*.

4. Landlords must include the total monthly cost of base rent and any mandatory recurring fixed fees in any advertisement or listing that includes the rental price for a dwelling unit or MH/RV space. They may do so either with a single price that includes base rent plus any mandatory recurring fixed fees, and/or by itemizing mandatory recurring fixed fees alongside base rent if preferred and advertising constraints allow. Landlords should not be penalized for inaccurate advertisements that they were not aware of and did not pay for, which were made by third parties.

Council Resolution No. 20241024-045 asked to explore the feasibility of requiring fee disclosure in advertisements. A majority (64%) of property owners and managers who commented on advertising feasibility in Austin Housing's survey indicated that disclosure in advertisements is somewhat to very feasible, particularly mandatory monthly and annual fee totals. Some participants indicated that including optional and variable fees in advertisements could be more challenging and possibly confusing for tenants. Other concerns pointed to synching with various technology platforms, formatting and space constraints, added administrative burden, and competition considerations. Austin Housing suggests that a

feasible advertising solution that incorporates many of these concerns is for landlords and managers to just advertise a single rent price that includes the total of base rent and all mandatory recurring fixed fees. These fees are called “additional rent” in the standard [Texas Apartment Association](#) (TAA) lease templates. Providing a total amount avoids displaying too many itemized costs in a manner confusing to tenants and unwieldy for landlords. Itemizing mandatory recurring fixed fees alongside base rent is acceptable instead if the advertising constraints allow for this and it is the landlord’s preference.

Advertising is the earliest upfront disclosure possible for many prospective tenants, making it ideal for transparency and comparison shopping. This strategy also rewards landlords that already include all mandatory recurring fixed fees in the rent. Though only advertising fixed, mandatory recurring fees is somewhat limited, prospective tenants will receive a more detailed understanding of their other mandatory and optional fees with the written disclosure outlined above in points 2 and 3.

Based on April 2026 feedback, Austin Housing further recommends providing a way for the landlord to establish that they were not responsible for the advertisement. Landlords should not be penalized if a third party inaccurately advertises a price for their rental dwelling without the landlord’s knowledge or consent.

5. Enforcement of the ordinance will be complaint-based. If the City of Austin confirms a valid complaint regarding failure to disclose fees, they will file a case in Municipal Court with a fine up to \$500.

The City of Austin primarily enforces municipal regulations through a complaint-based system. The fine amount is consistent with a Class C Misdemeanor in the State of Texas.

These fines will go to the City of Austin’s General Fund, consistent with all other Municipal Court fines. Stakeholders expressed interest in proceeds from fines spent on anti-displacement programs or otherwise support the complainant in fee disclosure cases. However, directing fine revenue to a dedicated program would be inconsistent with current City policy.

DISCLOSURE FORM

Landlords may use the *Standard Disclosure Form* and will have safe harbor under this ordinance as long as they accurately disclose their fees and charges using this form. Landlords may create their own disclosure form, as long as the form is clear, concise, and accurately discloses the following in itemized format:

- Base Rent
 - The cost of base rent.
- Mandatory Fees
 - One-Time
 - Any charges assessed by the landlord as part of the application process or before the execution of a lease.
 - Any one-time charges that are required during the lease term.
 - Recurring
 - Any mandatory recurring charges (aside from base rent and variable utilities) to be charged by a landlord to a tenant during the lease term as a condition of leasing a dwelling.
- Optional Fees
 - One-Time
 - Any optional one-time charges for goods, services, or amenities that the landlord offers.
 - Recurring
 - Any optional recurring charges for goods, services, or amenities that tenants may opt into.
- Usage-Based and Variable Fees
 - Any usage-based fees or fees with variable pricing that tenants will expected to pay.
 - The disclosed cost for usage-based and variable fees should include an average amount, typical range, or other form of estimation. For simplicity, the landlord may estimate based on all units in the building regardless of size.

Landlords need not include fees and charges in the disclosure form that are related to repairs for damages caused by tenants or their guests, lease violations or tenant malfeasance, and similar types of charges after the lease term begins.

Attachment C: Draft City of Austin Standard Disclosure Form

RENTAL PROPERTY
Name of Community (if applicable):
Street Address:
Unit Number:

BASE RENT	
Amount (\$)	Cadence (e.g., monthly)

MANDATORY ONE-TIME FEES			
Fee	Amount (\$)	Refundable?	Additional Details
		Yes <input type="checkbox"/> No <input type="checkbox"/>	
		Yes <input type="checkbox"/> No <input type="checkbox"/>	
		Yes <input type="checkbox"/> No <input type="checkbox"/>	
		Yes <input type="checkbox"/> No <input type="checkbox"/>	
		Yes <input type="checkbox"/> No <input type="checkbox"/>	
		Yes <input type="checkbox"/> No <input type="checkbox"/>	

MANDATORY RECURRING FEES COLLECTIBLE THROUGHOUT LEASE TERM			
Fee	Amount (\$)	Cadence (e.g., monthly)	Additional Details

OPTIONAL/ADD-ON ONE-TIME FEES			
Fee	Amount (\$)	Refundable?	Additional Details
		Yes <input type="checkbox"/> No <input type="checkbox"/>	
		Yes <input type="checkbox"/> No <input type="checkbox"/>	
		Yes <input type="checkbox"/> No <input type="checkbox"/>	
		Yes <input type="checkbox"/> No <input type="checkbox"/>	

OPTIONAL/ADD-ON RECURRING FEES COLLECTIBLE THROUGHOUT LEASE TERM			
Fee	Amount (\$)	Cadence (e.g., monthly)	Additional Details

USAGE-BASED AND VARIABLE FEES			
Include utilities and any other fees that tenants must pay that vary in amount or depend on usage. The estimated cost for usage-based and variable fees should include an average amount, typical range, or other form of estimation. <u>Actual costs may differ from those presented.</u>			
Fee/Utility	Estimated Cost	Cadence (e.g., monthly or per occurrence)	Additional Details

Anexo C: Borrador del Formulario Estándar de Divulgación de la Ciudad de Austin

PROPIEDAD EN ALQUILER
Nombre del complejo (si corresponde):
Dirección:
Número de unidad:

ALQUILER BASE	
Monto (\$)	Frecuencia (por ejemplo, mensual)

CARGOS OBLIGATORIOS ÚNICOS			
Cargo	Monto (\$)	Reembolsable?	Detalles adicionales
		Sí <input type="checkbox"/> No <input type="checkbox"/>	
		Sí <input type="checkbox"/> No <input type="checkbox"/>	
		Sí <input type="checkbox"/> No <input type="checkbox"/>	
		Sí <input type="checkbox"/> No <input type="checkbox"/>	
		Sí <input type="checkbox"/> No <input type="checkbox"/>	
		Sí <input type="checkbox"/> No <input type="checkbox"/>	

CARGOS RECURRENTE OBLIGATORIOS COBRABLES DURANTE EL PLAZO DEL CONTRATO DE ALQUILER			
Cargo	Monto (\$)	Frecuencia (por ejemplo, mensual)	Detalles adicionales

CARGOS OPCIONALES/ADICIONALES ÚNICOS			
Cargo	Monto (\$)	Reembolsable?	Detalles adicionales
		Sí <input type="checkbox"/> No <input type="checkbox"/>	
		Sí <input type="checkbox"/> No <input type="checkbox"/>	
		Sí <input type="checkbox"/> No <input type="checkbox"/>	
		Sí <input type="checkbox"/> No <input type="checkbox"/>	

CARGOS RECURRENTE OPCIONALES/ADICIONALES COBRABLES DURANTE EL PLAZO DEL CONTRATO DE ALQUILER			
Cargo	Monto (\$)	Frecuencia (por ejemplo, mensual)	Detalles adicionales

CARGOS VARIABLES Y BASADOS EN EL USO			
Incluya los servicios públicos y cualquier otro cargo que los inquilinos deban pagar y que varíe en monto o dependa del uso. El costo estimado de los cargos variables y basados en el uso debe incluir un monto promedio, un rango típico u otra forma de estimación. <u>Los costos reales pueden diferir de los aquí presentados.</u>			
Cargo/Servicio	Costo estimado	Frecuencia (por ejemplo, mensual o por ocurrencia)	Detalles adicionales

Attachment D: Public Awareness Campaign for Rental Housing Fee Disclosure Ordinance

A public awareness campaign for the Rental Fee Transparency ordinance will require a proactive, two-pronged approach for audience and messaging to reach both tenants and landlords.

First, an active year-long campaign for the City of Austin should utilize paid and organic promotional channels to disseminate information with some outlets targeting the widest reach possible and other methodologies with a more focused approach. On-going promotions will need to continue after the first year to maintain both awareness to tenants as well as compliance for landlords. In addition to the below promotion methods, staff recommend exploring possible collaboration with prominent online listing platforms for rental housing.

ORGANIC PROMO (NO FUNDING ALLOCATED)

TENANTS

Non-paid promotions will include:

- Press release storytelling with media partners
- Austin Housing Community Newsletter monthly (14,000 recipients)
- One-pager education sheets distributed to libraries, places of worship, public spaces
- City department cross promo via electronic media kit (graphics, newsletter blurbs, social posts)
- Website resource page www.SpeakUpAustin.org/RentalFees
- Educational briefings to tenant associations and tenant advocacy partners
- Table monthly community events to share resources with local tenant advocacy partners like BASTA, TRLA, Texas Housers, and more.

LANDLORDS

Non-paid promotions will include:

- Press release storytelling with media partners
- Austin Housing Developer Newsletter (400 recipients)
- One-pager education sheets distributed to real estate associations, property manager groups, developer industry lists
- Newsletter features in industry related department newsletters (Economic Development, Planning, Development Services)
- Website resource page – www.SpeakUpAustin.org/RentalFees
- Monthly compliance info sessions offered in partnership with Austin Apartment Association

ADVERTISING CAMPAIGN (IF FUNDING IS ALLOCATED TO SUPPORT PAID PROMOTIONS.)

Campaign efforts will target impacted areas determined per the [Displacement Risk Area Maps and Dashboard](#). The dominant languages identified in these displacement risk areas are English and Spanish (as identified in the [Language Access Council Districts Spoken Languages study](#)).

TENANTS

Paid advertising avenues would include:

- Monthly ad campaigns via Radio (Univision Austin, KAZI), TV (CBS/Telemundo), newspapers (The Villager, El Mundo)
- Use of the City of Austin’s primary Social Media Platforms (Meta, Instagram, and Nextdoor) in both English and Spanish
- Hiring a marketing flyer and postering distributor within impacted zip codes
- Deployment of ads via CapMetro bus wraps

Total advertising expenses to support ordinance awareness and marketing efforts to tenants is \$30,000.

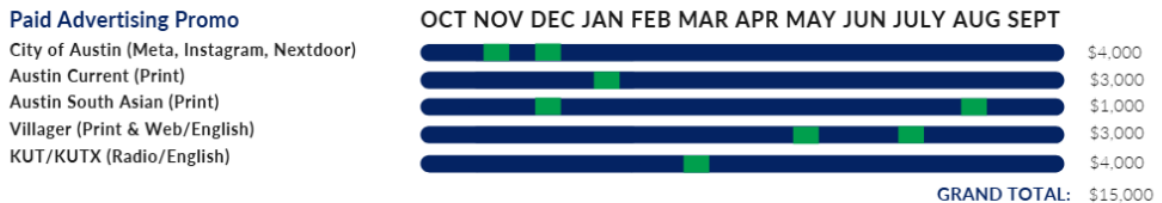
LANDLORDS

Paid advertising avenues would include:

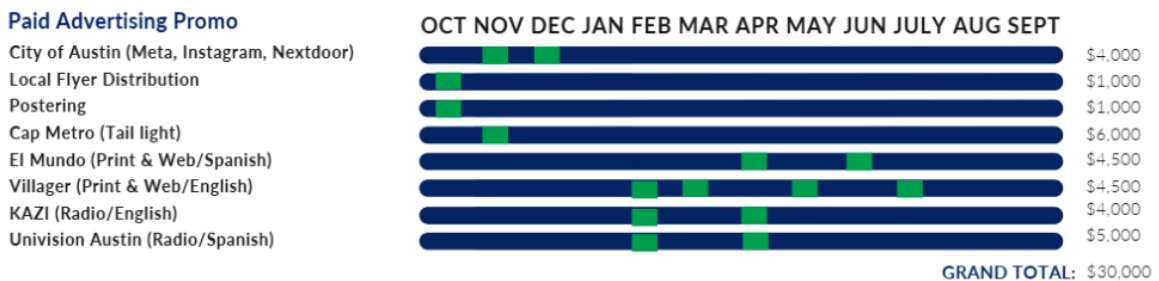
- Monthly ad campaigns via Radio (KUT/KUTX Radio), newspapers (Austin South Asian, The Villager) and digital (Austin Current)
- Use of the City of Austin’s primary Social Media Platforms (Meta, Instagram, and Nextdoor) in both English and Spanish
- Explore partnership and promotional opportunities with online apartment search tools and relocation companies.

Total advertising expenses to support ordinance awareness and marketing efforts to landlords is \$15,000.

Rental Fee Transparency (LANDLORDS)



Rental Fee Transparency (TENANTS)



ONGOING PROMO (AFTER YEAR 1)

Total advertising expenses to support ongoing ordinance awareness and marketing efforts for landlords is \$10,000 annually.

ADDITIONAL STAFF CAPACITY REQUIRED

To execute a successful awareness strategy for tenants in at-risk households as well as collaboration with landlords and property managers for implementation, hiring a new FTE - Advertising and Outreach Coordinator - is recommended to support ongoing community outreach and education.

The first year of implementation is the biggest lift and will require ongoing staffing needs to maintain awareness as new units are built, property managers change locally and nationally, and new renters move into Austin. The public awareness campaign has no end date as long as the ordinance is in effect, it will require coordination to successfully share information. We know from other programs that require monitoring and compliance, keeping property managers informed about the requirements is an ongoing need.

This position would also be supported by existing City communications staff. Because current staff are already exceeding capacity with existing program, the new FTE brings added capacity to support the necessary and ongoing public awareness campaigns. **Total labor expenses required to support ordinance awareness and advertising coordination is \$97,645 annually for the FTE.**