



Low-Income Housing at the 89th Texas Legislature in Review

The 89th Legislative session was notably consequential for low-income housing and renters in the state of Texas, as housing affordability and access became increasingly central issues at the Capitol in 2025. This document serves as an overview of what happened in the 89th Legislature pertaining to low-income housing and renters, which bills passed, and which notable bills made progress but failed.

Introduction & summary

Over half of renter households and a third of all households in Texas cannot afford their homes. Cost burdened households in the state who pay more than they can afford for housing are heavily concentrated among the poorest households, and also among renter households. In the 89th Legislative session, Texas legislators focused more directly on housing affordability and renter issues than at any previous time in recent memory. Although there was broad agreement that housing generally is a major issue that needed to be addressed, there was less consensus among state leaders about what the nature of the problem is or what policy approaches they should take to address it.

Now that the session has concluded, we can assess what Texas' state leaders proposed and passed to address housing in Texas through a low-income housing lens. During the session, Texas Housers [tracked](#) over 230 bills this session related to low-income housing. This document is a review of just a small share of that longer list of housing-related bills. First, we discuss housing-related bills that passed into law. Next, we discuss notable housing-related bills that made progress during the session but failed to pass. Finally, we discuss two special topics related to housing: the disaster recovery response to the Hill Country floods in the 2nd special session, and the wave of pro-tenant bills that were filed but ultimately stymied.

Taking a high level view, here are several themes that emerged relating to low-income housing and tenant protections in the 89th Legislative session:

- 1) **Tenant protections** faced targeted, dangerous attacks, but these efforts were halted by a motivated and organized coalition of advocates and tenant leaders. On the other hand, many proposals to help tenants went nowhere.
- 2) The Legislature prioritized **land use deregulation** and other regulatory reforms intended to make the cost of housing production cheaper in the hopes of delivering cheaper market rate housing. According to existing research, these efforts can contribute to price stabilization for local housing markets. However, Texas' reforms were not targeted to

low-income housing and may have limited or delayed impacts for the most cost burdened Texans.

- 3) **Housing finance corporation (HFC) multifamily rental tax exemptions** were reformed. This effort to reform tax exempt private partnerships (TEPPs) built on prior reforms to Public Facility Corporations. HFC reforms intend to increase affordability, transparency, accountability, and renter protections at these properties.
- 4) The Legislature continued to show no appetite for direct **low-income housing funding or programmatic support** to tackle affordability, despite fears that disinvestment in such activities at the federal level may soon make this support a state-level responsibility.

Low-income households in Texas face a continuing, growing struggle to achieve affordable, dignified housing. Texas must have a plan. We must envision a future where housing for low-income Texans is affordable, and also stable, dignified, high-quality, and free from discrimination and segregation.

While the Legislature took some steps to achieving those goals and avoided many of the worst pitfalls, our state government clearly has a long way to go.

Note: This document summarizes important elements of legislation that passed or was proposed. The document contains accurate and relevant information, but it does not go into full detail about every provision of every bill discussed and should not be construed as a full legal analysis. When in doubt, please read the bill in question.

Bills that passed

How to read the bill headings:

Green = bills that would benefit low-income households or renters

Yellow = bills that would have a neutral or unclear effect on low-income households or renters

Red = bills that would harm low-income households or renters

Overhaul of Texas' eviction laws (SB 38)

For a detailed review of SB 38, read our full fact sheet [here](#).

SB 38 (Bettencourt) makes many small changes to Texas' residential eviction process that erode tenant protections in Texas. These changes include

- watering down *notice to vacate* delivery requirements;
- allowing *off-duty law enforcement officers* to deliver eviction notices and execute writs of possession under certain conditions;
- attempts to *work around federal eviction timelines* for certain properties by allowing landlords to go through the motions of the eviction court process as long as the tenant is not physically removed from the property during the federal hold period, which may be an unconstitutional attempt to preempt federal law with state law;
- *removes emergency powers* from the Governor to pause or delay evictions during a natural disaster; and
- makes significant, negative changes to the eviction *appeals process* including limiting appeals judges' ability to reset cases, requiring tenant attestation of "good faith," and allowing landlords to collect rent payments that they are not owed.

The version of SB 38 that passed will be harmful to renters who are facing eviction. It gives too much leeway to landlords who are trying to skirt the law, and will make it more difficult for renters to understand what to expect in the eviction process. And yet, the final bill also represents a great victory for renters in Texas, as many catastrophically harmful provisions were removed from the bill prior to passage. SB 38 was originally touted as a bill to "stop squatters," or individuals who illegally enter and occupy a home. But once you looked past the talking points, the bill itself was engineered to target all renters. If SB 38 had passed in its filed form, it would have led to a radical transformation of the eviction process that would have caused direct and far-reaching harm to renters for the benefit of landlords, all under this false pretense.

Thanks to the dedicated efforts of a broad coalition of advocates and stakeholders, the most significant harms of SB 38 were removed or amended. Harmful provisions that were considered but ultimately removed include:

- *lightning fast eviction judgments* in as few as five days from filing to judgment with no trial or hearing;
- a "poison pill" *restricting local legal assistance* for renters unless they provided equal or greater funding to relocation assistance;
- "*court shopping*," or allowing landlords to choose their own district and judge;

- the *elimination of notices to vacate* for some cases; and
- a sped-up *writ of possession* timeline

Amendments to the bill removed or significantly reduced the harm of these provisions prior to passage. Notably, the pushback against the harms of this legislation was a bipartisan effort: Virtually all Democratic Representatives voted against the bill, and the effort to positively amend the bill was led by Republican Representatives Richard Hayes, Gary Gates, and Mitch Little.

The success of tenant advocates and leaders in stripping SB 38 of its most harmful provisions is a major achievement, and indicates bipartisan potential to achieve a better balance between landlord and tenant interests in the future.

Housing Finance Corporation reform (HB 21)

For an in-depth discussion of HB 21 and the broader ecosystem of Tax Exempt Private Partnerships, read our full fact sheet [here](#).

HB 21 (Gates) clarifies and strengthens regulation of Housing Finance Corporation (HFC) tax exemptions for multifamily residential housing production and acquisition. HB 21 definitively ends the practice of “traveling HFCs,” and also establishes stronger requirements for

- affordability;
- the share of tax savings that must go to reducing rents;
- tenant protections; and
- compliance monitoring.

HB 21 is the culmination of an effort led by Rep. Gary Gates to reform multifamily rental housing property tax exemptions used by HFCs, in response to widely reported abuses of the tool. Observers were particularly concerned about “traveling HFCs,” HFCs from south and west Texas who were taking properties off the tax rolls outside of their area of operation in other parts of the state while providing little to no affordability in exchange. Additionally, some observers criticized the general lack of regulatory oversight and assurance that the tool was being used to produce housing that was actually cheaper than what the market would otherwise produce, noting that the tool’s general lack of regulation made it ripe for abuse.

SB 867 (Bettencourt) began as a companion to HB 21, but progressed through the Senate as a more modest alternative to the House bill, before ultimately being shelved when the Senate instead passed HB 21. Another alternative to HB 21 that did not pass, HB 1585 (C. Bell), would have ended “traveling HFCs” but otherwise left regulation of the tool untouched. That bill was the preferred vehicle for real estate industry stakeholders who wished to retain maximum flexibility in the use of the tool.

Reform of rezoning valid petition rules (HB 24)

HB 24 (Orr) makes significant changes to the ability of neighborhoods to stop the rezoning of a property in their neighborhood, which developers and others have argued has been a harmful barrier to the development of denser, more affordable housing. Prior to HB 24, the “valid petition

rule,” sometimes referred to as a neighbor veto or “tyrant’s veto,” allowed a petition signed by owners of 20% of adjacent land to trigger a vote by the local city council to still approve the rezoning, and required a supermajority of at least 75% of councilmembers to overturn the petition and allow the rezoning and development to move forward. HB 24 makes two significant changes: First, the bill raises the valid petition requirement to owners of 60% of the adjacent land. Second, the bill lowers the threshold for a city council to overturn the petition to a simple majority. HB 24 also clarifies that the valid petition rule does not apply to comprehensive, city-wide rezoning. The valid petition rule impacts all types of development, not just low-income housing. However, there have been notable cases where neighbor vetoes have halted low-income housing developments in wealthy, high opportunity neighborhoods, such as in a [high profile case](#) in north San Antonio in 2024. The changes in HB 24 reduces a barrier to market rate and low-income housing alike, but may have a specific positive impact on reducing barriers to low-income housing production in wealthier, high opportunity areas.

Reforms to repairs for rental or manufactured housing (HB 2037)

HB 2037 (Darby/Luther) makes the following targeted changes to Texas’ landlord-tenant laws:

- Modernizes the law for when a tenant directly hires a third party to make repairs by changing an outdated reference to hiring a contractor who is listed in “the yellow pages” to requiring that the contractor be licensed according to local requirements.
- Regarding security deposits, allows for communication to occur by email if previous communication by email has occurred, and allows managing agents, leasing agents, or resident managers to act as agents of the landlord.
- These changes apply to both conventional and manufactured housing tenancies.

These modest modernization changes may allow for easier navigation of repair and security deposit processes for tenants.

Model Subdivision Rule changes for Cameron County (HB 3680)

HB 3680 (Gámez) creates an important new exception to Texas’ Model Subdivision Rules (MSR) that are specific to Cameron County. MSRs were created to protect low-income households along the Texas-Mexico border from purchasing and occupying substandard housing in rural subdivisions – known as “colonias” – that fail to provide adequate roads, water, sewer, and other basic services. Texas has paired the rules with funding to fix the public health and safety problems created by sales of undeveloped land, but provides funding only after counties adopt and enforce the MSRs (a “carrot and stick” approach). This has protected both low-income colonia residents and also taxpayers, by improving existing substandard conditions and preventing a future cycle of substandard conditions.

HB 3680 creates new exceptions to Texas’ MSRs in response to complaints by landowners in Cameron County that local enforcement of the rules have been overly restrictive, beyond the letter of the law, and that non-legislative remedies have been unsuccessful. In certain limited situations (e.g., sale to the owner of adjacent land), HB 3680 eases the requirements to sell property without building or bonding for the water, sewer, and other infrastructure required by the MSRs.

HB 3680 does not appear to create substantial changes to the MSRs. However, it will be critical to monitor conditions in colonias in Cameron County in the coming years, to ensure that this law has not resulted in backsliding on housing conditions for low-income households living in rural subdivisions. Furthermore, creating separate MSR rules for Cameron County potentially opens the possibility of creating separate MSRs for other counties. These rules are difficult enough to track and enforce with one set (and now with two), but it would become extremely difficult to ensure compliance and set a common standard of protection for low-income households if different county-specific MSRs were to proliferate.

By-right development on small lots (SB 15)

SB 15 (Bettencourt) allows for by-right development on lots as small as 3,000 sq. ft. on undeveloped land in certain cities (cities with a population of 90,000 or more in a county with a population of 300,000 or more). The bill is intended to reduce the cost of market rate single family houses – presumably for sale, but not exclusively – by reducing the amount of land that must be used per house. The bill, which is not targeted at low-income housing needs, may contribute overall to stabilizing the costs of housing, especially entry into ownership, all other costs and factors equal. However, the contributions of single family home production may not be able to add new supply at the same rate as multifamily production. The bill is also limited because it allows HOAs and other deed restricted properties to exempt themselves from these requirements. This is concerning because it not only threatens the scale of impact of the reform – since most new single family development on undeveloped land in Texas is governed by an HOA – but also presents the potential for inequitable outcomes, where wealthy, well-organized areas still operate under large lot rules through HOAs. The scale of impact of SB 15 and any unintended consequences will need to be closely monitored.

Permanent Supportive Housing hearing requirements (SB 617)

SB 617 (Schwertner) requires that cities that wish to develop housing for people experiencing homelessness on property that they own must hold a public hearing no less than 90 days before beginning the conversion process. That public hearing must be held within a one-mile radius of the proposed location. The bill's supporters claimed that SB 617 was intended to ensure that cities do not relocate people experiencing homelessness to other jurisdictions without a local hearing, but the rules do not apply only to extra-jurisdictional projects. SB 617 will give local NIMBY ("Not In My Backyard") opponents to housing for people experiencing homelessness opportunities to block important and needed housing projects.

Residential development by-right in commercial zones (SB 840)

SB 840 (Hughes) allows for the development of residential multifamily housing by-right in areas zoned for commercial uses. The bill opens up commercially zoned land for residential multifamily development without having to go through a zoning change. This may help stabilize market rate housing costs by encouraging additional supply. The bill may also free up more viable land and reduce costs for low-income housing tax credit developments and other subsidized development, which could directly benefit low-income people. The bill was positively amended to remove a dangerous extra-judicial Attorney General enforcement mechanism. The

bill was also amended to establish a buffer between heavy industrial uses and residential development allowed by the bill. Texas Housers proposed an additional buffer from freeways – which could be mitigated with enhanced air filtration – but this was not considered. The bill explicitly states that it should not be interpreted to prevent or restrict local density bonus programs for low-income housing. However, local density bonuses that are more restrictive than the density allowed by-right in the bill may be at risk. The impact of this bill on local density bonuses will need to be monitored carefully.

“Squatter” criminalization (SB 1333)

SB 1333 (Hughes) increases criminal penalties for so-called “squatting” cases, defined here as trespassing and doing damage to a property. The evidence that squatting is a major issue in Texas is thin and unverifiable. Squatting is not a low-income housing issue, *per se*, but SB 1333 could negatively impact efforts to connect people experiencing homelessness with stable housing options, and in certain cases may disrupt stable housing for renters and others. Unlike SB 38 (discussed above), SB 1333 does actually seek to address “squatting” as commonly understood (there is no technical or legally binding definition of the term). However, it does so in ways that are overly punitive, cruel, and will lead to unintended consequences.

The punishment doesn't match the crime. The bill makes trespassing on private property that results in \$1,000 or more in damages a 2nd degree felony. This is an extreme punishment for the crime. This is the level of charge used for manslaughter, aggravated assault, robbery, and arson; far more serious crimes than “squatting.”

Potential for abuse. SB 1333 requires law enforcement to immediately remove a “squatter” from a home if the complaining party affirms that they have rightful possession of the property. In states that have passed similar laws, it has been abused. In a [case from Florida](#), a family of renters who were the rightful occupants of a home were physically removed by a 3rd party who was not their landlord. They eventually regained occupancy, but suffered a long physical and psychological ordeal in order to do so. SB 1333 allows such a wronged party to sue the person who files a false affidavit, but by that point the damage and trauma have already occurred.

Potential for landlords to use the threat of immediate removal to harass tenants. This process will also almost certainly be abused by unscrupulous landlords to coerce renters to “self-evict.” Though this action would be a deviation from the text of the law, which excludes landlord-tenant disputes, landlords may still use SB 1333 to threaten tenants who possess less knowledge of the law.

Prohibiting restrictions on unrelated occupants in dwellings (SB 1567)

SB 1567 (Bettencourt) prohibits cities from limiting the number of people who can occupy a home based on age, familial status, occupation, or relationship status. This bill was a response to local laws in college areas that limited the number of unrelated residents that could live together. This law may help college-age renters to afford housing with more roommates, all else equal, but is not likely to have a substantial direct impact either way on low-income housing broadly.

LIHTC temporary prohibition on the use of school ratings (SB 2137)

SB 2137 (Menéndez) removes the ability of the Texas Department of Housing and Community Affairs (TDHCA) to consider school quality ratings in the 2027 Qualified Allocation Plan, which governs the rules and incentives for the state's low-income housing tax credit (LIHTC) awards. It also instructs the agency to study the impact of this change on LIHTC allocations. The bill's supporters justified the need for it by pointing to the fact that Texas school quality ratings have been known to be flawed, and haven't been released since 2022. More troublingly, the bill's supporters suggest that school quality incentives drive LIHTC housing to high opportunity areas as if this were a negative outcome, ignoring the positive impact that high opportunity neighborhoods have for low-income families, especially children, and the positive impact they have toward ending racial and economic segregation.

Changes to rental floodplain notifications (SB 2349)

SB 2349 (Alvarado) creates modest changes to floodplain notice requirements for residential tenancies. It excludes tenancies that are 30-days or less, and short-term tenancies back to the seller of a property from a buyer. The bill also allows floodplain notices to be included as a paragraph in the lease or an addendum to the least, as additional delivery options other than as a separate document, but requires that the notice must be signed by both parties. These are reasonable changes, but it will be important to ensure that tenants fully understand the importance of the floodplain notice when it is delivered to them as just one part of a complicated lease.

Notable bills that made progress but did not pass

Tax incentive for rent stabilization (HB 203)

HB 203 (Goodwin) proposed to increase low-income housing affordability by limiting the increase in property tax appraisal values year-over-year to 10% in exchange for limited rents at the property to 85% of HUD fair market rents (FMRs). The goal of the bill is laudable, even though the impact would have likely been muted due to several factors. For example, the limit in appraisal increase would only be worth something to an owner or landlord if the appraised value of the home went up over 10% every year, which is unlikely to occur year-over-year into perpetuity. HB 203 was heard in the House Ways and Means subcommittee on Property Tax Appraisals, but was not considered further.

Adding state rep letters to private activity bond proposals (HB 293)

HB 293 (Swanson) would have added a state representative letter requirement for private activity bond/4% LIHTC proposals. As discussed above for HB 4045, state representative letters, which are included in 9% LIHTC proposals, are an unnecessary veto chokepoint that blocks good low-income housing projects from being developed in high opportunity neighborhoods. Adding state representative letters to private activity bond/4% LIHTC proposals would have the harmful effect of blocking otherwise viable projects in high opportunity areas. HB 293 passed out of committee, but was never scheduled on the House calendar.

Voucher source of income preemption repeal (HB 411)

HB 411 (Rosenthal) would have repealed the state ban on local source of income protection ordinances that passed in 2015. Source of income protection ensures that landlords cannot discriminate against housing voucher holders simply because they are using a housing voucher. This is a critical protection to ensure that voucher holders are able to access housing, especially housing in areas that will give them access to opportunities. After 2015, local governments in Texas have not been allowed to pass local protections for voucher holders, which has limited the effectiveness of the federal voucher program to serve low-income residents who desperately need access to affordable rental housing. HB 411 was heard in committee, but was left pending.

Housing Voucher Support Fund (HB 714)

HB 714 (Walle), the “Tenant Readiness and Landlord Incentive” bill, proposed a pilot program to support renters and landlords with flexible funding to help house low-income voucher holders who face barriers to achieving stable housing even when they possess a voucher. For example, the funding could be used to assist with a security deposit, covering the cost of additional inspections for units in the voucher program, or as a fee to the landlord to cover regulatory compliance expenses, all of which otherwise would be preventative for low-income families and individuals finding a home. HB 714 was heard in committee, but was left pending.

Changes to private activity bond priorities for multifamily rental projects (HB 1342)

HB 1342 (Gervin-Hawkins) proposed changes to the private activity bond and 4% LIHTC rules in Texas, strengthening a prioritization for projects that had applied for but not received bonds in the past but had incurred significant real development costs. The bill also proposed to adjust the required level of affordability in certain cases from 60% AMI to 80% AMI, even though the greatest affordability needs are at lower income levels. HB 1342 was scheduled for the House floor, but missed the deadline to be heard.

Prioritizing LIHTC elderly properties (HB 2132)

HB 2132 (Bhojani) would have allowed TDHCA to award more points for low-income housing tax credit (LIHTC) applications that serve elderly residents than comparable applications that serve general, family, or other populations. This proposal is problematic because many wealthy areas that are skeptical of low-income housing already prefer elderly housing over family housing. Allowing elderly properties to score more points in the competitive LIHTC process would have made it even more difficult than it already is to place non-elderly properties in high-opportunity areas that could benefit those families. HB 2132 was scheduled for debate on the House floor, but was tabled by the author.

Eviction data collection improvements (HB 2578)

HB 2578 (Walle) proposed new eviction case reporting requirements and public data availability. Under the bill, justice courts would be required to provide case level disposition data, establishing for the first time a state-level resource for case-level data. The data would also be separated out by case type, meaning that eviction cases are no longer lumped into the larger category of “landlord tenant disputes.” Improved eviction data would help clarify the eviction landscape across the state of Texas, allowing decision makers to more accurately and effectively address housing instability. HB 2578 passed the House, but stalled in the Senate.

Tenant protections for justified use of deadly force (HB 2879)

HB 2879 (Isaac) proposed prohibiting landlords from evicting or punishing tenants for the use of justified force, including deadly force, on the property. The bill would have aligned landlord-tenant law with the criminal ruling for a given incident of use of force. HB 2879 was scheduled for the House floor, but missed the deadline to be heard.

LIHTC state rep letter reform (HB 4045)

HB 4045 (C. Bell) proposed changes to the state’s LIHTC rules concerning “state representative letters” which allow Texas Representatives to provide support, neutrality, or opposition to LIHTC proposals in their district. HB 4045 would have required the agency to treat a neutral letter and no letter the same, and in both cases revert this point opportunity to local government support points, thus removing a “soft veto” that kept projects that received neutral letters from being competitive. In general, state representative letters are an unnecessary veto point that give outsized influence to NIMBY (“not in my backyard”) interests that seek to block low-income

housing in wealthy areas. HB 4045 was heard on the House floor, but was tabled by the author after receiving significant opposition from NIMBY legislators from both sides of the aisle.

Eviction consumer reporting (HB 4243)

HB 4243 (Reynolds) proposed allowing a renter to request that an eviction be removed from consumer reporting agency records if the tenant paid back all fees and was in good standing in a new lease with the same landlord who was the plaintiff in the eviction case. HB 4243 was heard in committee, but was left pending.

Housing sanctions for road diets (HB 4348)

HB 4348 (Capriglione) proposed limiting the Texas Department of Housing and Community Affairs (TDHCA) from funding certain housing activities in a city if that city has narrowed or eliminated a roadway without state approval. This harmful, irresponsible bill would have punished low-income residents of cities by withholding housing support for perceived infractions of unrelated transportation issues. HB 4348 passed out of committee in the House late in the session, but was not scheduled on the House floor calendar.

Expedited permitting for LIHTC developments (HB 4398)

HB 4398 (Garcia Hernandez) would have required expedited permitting for low-income housing in cities with populations greater than 100,000. This would help streamline low-income housing production by reducing costs and uncertainty in the development process. The bill would have made it easier to deliver much needed low-income housing for households that need it. HB 4398 passed in the House but stalled in the Senate.

Single family homeowner workforce housing fund (HB 4505)

HB 4505 (C. Bell) proposed the establishment of a “workforce housing capital investment fund program.” Funding for the program would be administered by a qualifying third-party nonprofit organization – likely Habitat for Humanity Texas – for the use of assisting owner housing production and placement for low- and moderate-income owners making between 30-80% of area median income. The bill passed the House, but stalled in the Senate.

Preempting restrictions on accessory dwelling units (SB 673)

SB 673 (Hughes) proposed to address Texas’ housing affordability challenges by preempting local governments’ ability to prohibit accessory dwelling units (ADUs, sometimes known as “granny flats”) in single family zoned areas. The bill was not specifically targeted to income-restricted or subsidized housing for low-income people. It also contained an exemption for HOAs and deed restricted properties that have conflicting restrictions. The bill passed in the Senate, passed through committee in the House, and was scheduled to be considered on the House floor, but missed the deadline to be heard.

Relaxing zoning requirements for housing by religious organizations (SB 854)

SB 854 (Middleton), known as the YIGBY (“Yes in God’s Backyard”) bill, proposed to allow religious organizations to more easily develop housing on land that they own. The bill proposed to allow religious organizations to develop housing by-right on land that they own, and would have disallowed local governments from requiring rezonings, variances, or other excessive barriers to development. The stated goal of the bill was to ease barriers for housing production to address affordability, while also preserving and expanding religious liberty. The bill was not specifically targeted to income-restricted or subsidized housing for low-income people, though it could have also been used for that purpose. SB 854 moved out of committee in the Senate without controversy but was never heard on the Senate floor.

Per property LIHTC allocation increase (SB 898)

SB 898 (Blanco) proposed to raise the per property maximum low-income housing tax credit (LIHTC) allocation from \$2 million to \$3 million. Proponents of the bill argued that allowing for more tax credits to be concentrated in fewer properties would allow for “economies of scale,” where individual properties would be able to provide more low-income housing units. The problem with that argument is that the pool of tax credits that flows into the state of Texas is fixed, so concentrating more credits in less properties may result in more low-income units at the properties that are funded, but less funded properties overall and thus less low-income units overall. SB 898 passed in the Senate and was scheduled for the House floor but missed the deadline to be heard.

Limits to public housing authority area of operation (SB 1454)

SB 1454 (Bettencourt) proposed changing the area eligible for development by municipal public housing authorities (PHAs) from the existing boundary of up to five miles outside of the jurisdictional border of the city to simply the exact jurisdictional boundaries of the city. The bill passed the Senate, but stalled in the House after being assigned to a committee.

Changes to Model Subdivision Rules family property transfers (SB 1708)

SB 1708 (A. Hinojosa) proposed changes to the state’s Model Subdivision Rules (MSRs), which protect colonia residents in rural owner housing along the Texas-Mexico border from substandard housing conditions (see the HB 3680 summary above for a longer descriptions of MSRs). The bill proposed to clarify that transfers of property between family members that is not improved according to MSRs are allowed. This is already implied in the existing MSRs, but the bill would have made it explicit. The bill passed the Senate, and was scheduled for the House floor but missed the deadline to be heard.

Rental housing elevator repair (SB 1802)

SB 1802 (Alvarado) proposed establishing a landlord’s duty to repair or remedy in the case of failure to maintain a ramp, elevator, or handrail for accessibility to a tenant’s home. However, changes were made to the bill as it progressed that watered down landlord requirements (the landlord “may” provide alternative accommodations, but was not required to). Furthermore, later

versions of the bill added a provision explicitly stating that nothing in the repair and remedy section of Texas landlord-tenant law requires the landlord to provide alternative accommodations. Although no such requirement currently exists, it would be harmful to preclude this protection for renters as a potential remedy. SB 1802 passed the Senate, passed through committee in the House, and was placed on the House Calendar, but missed the deadline to be heard on the House floor.

LIHTC 2 mile rule reform (SB 1944)

SB 1944 (Eckhardt/West) proposed to change the so-called “two mile same year rule” (or “two mile rule”) in Texas’ LIHTC program, which prevents two LIHTC projects that are located within a two-mile radius from receiving tax credits in the same year. SB 1944 would have allowed for the two mile rule to be waived in cases where the projects are located in high income, high opportunity areas. This would have allowed for more concentration of low-income housing in cases where that housing was located in areas that provided meaningful economic and infrastructure opportunity, and avoided concentrated poverty in racially and economically segregated low-income neighborhoods. SB 1944 passed out of committee but was not heard on the Senate floor.

Multifamily rental housing tax exemption data (SB 2260)

SB 2260 (Cook) would have required the Texas Department of Housing and Community Affairs (TDHCA) to collect data on rental housing properties that receive a 100% tax exemption using the tax exemption tools for Public Facility Corporations (PFCs), Housing Finance Corporations (HFCs), and Public Housing Authorities (PHAs). This would have created the first accurate state-level database of tax exempt properties, a critical first step to assessing the level of affordability provided at these properties, and whether they are serving the public interest. SB 2260 passed in the Senate but stalled in the House.

Restrictions on the location of homeless service providers (SB 2623)

SB 2623 (Creighton) proposed to prohibit the operations of homeless service organizations within certain short distances from schools and other educational facilities. The exact distance threshold shifted several times over the course of the session, but in the final version that was considered it was 1,500 ft. The stated intention of the bill’s author was to protect school-aged children from incidents that would have a negative effect on their safety and wellbeing. However, in practice, the bill would have forced numerous service providers in cities across the state to shut down operations immediately. This would have created immediate and profound gaps in homeless service provision in the state and would have led to negative outcomes for people experiencing homelessness and also the public. SB 2623 passed the Senate, and was scheduled for the House floor but missed the deadline to be heard.

Disaster recovery

The 2nd special session response to the Hill Country floods

In the early morning of July 4th, 2025, catastrophic flooding hit central Texas' Hill Country and in particular Kerr County. At least 135 people lost their lives in the floods, including the devastating deaths of 25 young girls at Camp Mystic. In the 2nd special session of the 89th Legislature, which began shortly after the floods, state leaders responded with measures intended to address shortcomings in emergency response and other gaps that left the victims of the floods vulnerable. 89(2) HB 1 strengthens safety and evacuation plan requirements for children's camps. 89(2) SB 1 prohibits children's camps in floodplains. 89(2) SB 3 establishes procedures for the Texas Water Development Board to assist flood prone areas to install outdoor warning sirens. 89(2) HB 20 establishes guardrails to protect against post-disaster aid scams. Finally 89(2) SB 5 allocates \$200 million for disaster response, including sirens and improved weather forecasting. All of these bills passed.

Texas legislators appropriately focused on efforts to help prevent a tragedy like the loss of life in the Hill Country Floods from ever happening again. Less consideration was given, however, to the long term recovery needs of survivors of the floods. Disaster recovery is a housing issue. Past disasters have shown repeatedly that in addition to the initial loss of life, disaster survivors often face a long and traumatic road to recovery and stability. Many are permanently displaced from their homes and communities. Others live in unrepaired, dangerous homes for extended periods of time. Evictions often increase after a disaster. Much needed rental housing that is beyond repair is lost, raising prices for other rental housing. Low-income survivors are pushed deeper into poverty.

Two bills in the 2nd special session contemplated the long term disaster recovery needs of flood survivors. 89(2) HB 66 (Darby) proposed matching grants and loans to local governments for disaster recovery activities. 89(2) HB 164 (Virdell) proposed establishing a state long term recovery program for flood survivors. Both of these bills were held in committee, but neither were voted out.

Future consideration of state disaster housing recovery support is essential. Federal funding for disaster recovery is under threat, with Hill Country Flood survivors in particular not likely to see a congressional allocation of long term Community Development Block Grant - Disaster Recovery (CDBG-DR) funding. The State of Texas has a key role to play in ensuring that survivors are able to fully recover and stabilize after a disaster.

Notable pro-tenant bills

A groundswell of pro-tenant bills, but no hearings

The 89th Legislature saw a significant uptick in bills proposing reasonable changes to Texas' landlord-tenant laws that would have improved protections for renters in the state and better balanced contractual power sharing between landlords and their tenants. Most of the bills were assigned to the Trade, Workforce & Economic Development (TWED). Notably, the TWED committee was chaired by Rep. Angie Chen Button, who sponsored SB 38, the harmful eviction bill pushed by the Texas Apartment Association, and authored its House companion, HB 32.

Despite the large number of proposals to improve tenant protections in Texas, none of these bills were heard in committee.

HB 320 (Gervin Hawkins) - landlord and tenant phone number updates

HB 410 (Rosenthal) - limits on pet deposits

HB 577 (Bucy) - 14-day notice to vacate

HB 617 (R. Lopez) - veteran source of income protection

HB 798/SB 882 (Walle/Cook) - comprehensive reform of landlord-tenant law

HB 1099 (Cole) - air conditioning requirements for rental housing

HB 1100 (Cole) - remedy and repair request can be made through online portal

HB 1184 (Hinojosa) - no rent increases during the application process

HB 1185 (Hinojosa) - small improvements to rent increase notification

HB 1206 (J. González) - prohibit hidden junk fees in leases

HB 1247 (Zwiener) - improved tenant remedy for interruption of utilities

HB 1299 (Vo) - prohibit nonrefundable damage fees

HB 1214 (Hinojosa) - 'education related income' consideration in rental applications

HB 1369 (V. Jones) - eviction record sealing

HB 1711 (Collier) - statewide 5-day opportunity to cure

HB 1860 (Cole) - landlord must disclosure share of rent that goes to property taxes

HB 2184 (Meza) - allow tenant to terminate lease if essential utilities are not restored

HB 2223 (Collier) - eviction record sealing

HB 2491 (Talarico) - prohibition of algorithmic price fixing

HB 2493 (Bowers) - for-profit eviction services disclosure

HB 2904 (Simmons) - rent stabilization

HB 2905 (Simmons) - limits on apartment application fees

HB 2900 (Simmons) - strengthen requirements for rental air conditioning and heating

HB 2901 (Simmons) - security deposits limited to one month's rent

HB 2903 (Simmons) - remedy and repair notice improvements

HB 2907 (Simmons) - regulates landlord use of tenant's likeness

HB 2908 (Simmons) - expanding allowed forms of security deposit refund

HB 3155 (Simmons) - regulating junk fees

HB 3198 (J. Jones) - landlord criminal screening notification to tenant

HB 3340 (Ward Johnson) - rent stabilization for elderly renters

HB 3497 (Vo) - improvements to security deposit regulations

HB 3706 (Zwiener) - tenant right to install electric vehicle charging
HB 4151 (Reynolds) - landlord disclosure to tenant of criminal background requirements
HB 4179 (LaHood) - leasebreaking allowances for first responders
HB 4305 (Gates) - junk fees disclosure in advertising and leases
HB 4470 (Hayes) - leasebreaking allowances for servicemembers

Questions? Contact ben@texashousing.org for more information.