



Senate Local Government Committee

September 2, 2026

89R Housing Affordability Bills

More Than A Dozen Major Bills Passed Last Session

- SB 4 (Sen. Bettencourt/Rep. Morgan Meyer) - Provides \$140k Residence Homestead Exemption. Authorized by Prop 13 (SJR 2); passed 79% - 21% (2.348M YES votes – 609,203 NO votes).
- SB 23 (Sen. Bettencourt/Rep. Morgan Meyer) - \$60k Addition Residence Homestead Exemption for over-65/disabled property owners. Authorized by Prop 11 (SJR 85); passed 78% - 22% (2.294M YES votes, 659,066 NO votes).
- SB 15 (Sen. Bettencourt/Rep. Gary Gates) - Preempts municipal lot size ordinances imposing lot size minimums larger than 3,000 sq ft in Texas' urban and fast-growing cities to incentivize the building of single-family homes on smaller lot footprints. Applies only to green space (non-platted land greater than 5 acres) to protect existing neighborhoods.
- SB 38 (Sen. Bettencourt/Rep. Angie Chen-Button) – Expedites timelines for property owners to take their property back from squatters. Establishes timely processes to adjudicate cases in civil courts when a property owner is denied access to their property by someone who has no legal right to remain on the property. Examples of denied access to property include (1) a person occupying a residential property without the owner's consent or (2) a person remaining in a residential property despite no longer having legal access to the property.

-
- SB 467 (Sen. Paxton/Rep. Cole Hefner) – Creates a temporary property tax exemption for homestead properties destroyed and made uninhabitable by fire. Exemption applies to the value of the homestead improvement, and is granted from the date of the fire through the remainder of the tax year. Enabling legislation for SJR 84.
 - SJR 84 (Sen. Bettencourt/Rep. Cole Hefner) – Constitutional amendment authorizing the Legislature to provide a temporary property tax exemption. Proposition 10; Passed 89% - 11% (2.632M YES votes - 315,875 NO votes); **Highest YES vote on the November 2025 ballot.**
 - SB 785 (Sen. Flores/Rep. Guillen) Ensures that in some capacity manufactured homes serve a role in every city's housing stock. Requires that every city allow new HUD-code manufactured homes to be built, by right, in at least one area of residential zoning.
 - SB 840 (Sen. Hughes/Rep. Cole Hefner) - Allows multifamily residential to be built in areas zoned commercial. Contains exceptions for industrial.
 - SB 1567 (Sen. Bettencourt/Rep. Cody Vasut) – Prohibits home rule cities (w/ a population of less than 250k, and with a college campus of student enrollment above 20k) from limiting the number of people who may occupy a dwelling based on familial relation, age, occupation, or relationship status.

-
- SB 1883 (Sen. Bettencourt/Rep. Brad Buckley) - Increases notice periods and transparency requirements for cities to adopt/update impact fee schedules. Prohibits a city from updating its impact fee schedule more than once every five years.
 - SB 2477 (Sen. Bettencourt/Rep. Jared Patterson) - Allows commercial buildings to be converted to residential multifamily by right. Cuts through municipal red tape for conversion projects by prohibiting a city from requiring a traffic impact analysis, traffic impact fees, additional parking requirements, additional design requirements, and other requirements that increase the cost of construction/renovation.
 - HB 21 (Rep. Gary Gates/Sen. Bettencourt) - Requires housing finance corporations to deliver actually affordable housing (through rent reduction and mandatory affordable set-aside units based on AMI) to maintain a property tax exemption for the property. Does not claw back prior year tax monies (is not retroactive. 18 months for "travelling" HFCs to obtain approval of local jurisdictions; 10-year runway to comply with affordability requirements.
 - HB 24 (Rep. Angelina Orr/Sen. Hughes) - Eliminates the "tyrant's veto", whereby a single neighbor could object to a rezoning proposal, triggering a supermajority requirement for a City Council to rezone a property at the owner's request.
 - HB 2559 (Rep. Jared Patterson/Sen. Bettencourt) - Prohibits cities from imposing residential construction moratoriums for longer than 180 consecutive days. Prohibits cities from "rolling" consecutive construction moratoriums.