

## **BILL ANALYSIS**

H.B. 627  
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Intergovernmental Affairs  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

The 83rd Legislature passed H.B. 3361, which required developers applying for noncompetitive housing tax credits to obtain a resolution of no objection from their local jurisdiction. The bill author has informed the committee, however, that some jurisdictions have used this requirement as a suspensive veto by leaving requests for a resolution unanswered for extended periods and that, without a resolution, developments are ruled ineligible for the housing tax credits and developers are unable to appeal, which ultimately prevents affordable housing. H.B. 627 seeks to address this issue by revising provisions regarding the requirement for a developer to obtain a resolution of no objection.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 627 amends the Government Code to limit to a county with a population of 1.2 million or more or a municipality with a population of 600,000 or more application of the requirement to hold a hearing at which public comment may be made on an application for a low income housing tax credit for a development financed through the private activity bond program.

H.B. 627 authorizes the governing board of the Texas Department of Housing and Community Affairs (TDHCA) to approve an application for housing tax credits for developments that will be located in a county or municipality described by the bill if, before the 90th day after the date on which all applicable governing bodies received notice of the application, the governing body does not do the following:

- hold the required hearing; and
- pass a resolution certifying that each applicable governing body does not object to the proposed development or otherwise object to the application through an official decree.

The bill changes the provision requiring certification in the resolution that the governing body has had sufficient opportunity to obtain a response from the applicant regarding any questions or concerns about the proposed development to specify that the response is a complete response regarding such questions or concerns.

H.B. 627 applies only to an application for low income housing tax credits that is submitted to TDHCA during an application cycle that is based on the 2026 qualified allocation plan or a subsequent plan adopted by the governing board of TDHCA. An application that is submitted

during an application cycle that is based on an earlier qualified allocation plan is governed by the law in effect on the date the application cycle began, and the former law is continued in effect for that purpose.

**EFFECTIVE DATE**

September 1, 2025.