

BILL ANALYSIS

H.B. 4398
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Land & Resource Management
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The National Low Income Housing Coalition reports that Texas is currently facing a shortage of more than 665,000 affordable rental units for extremely low-income households earning at or below 30 percent of the area median income. In 2023, the organization ranked Texas as the sixth-worst state overall for affordable housing availability for extremely low-income renters and ranked Austin, Dallas, and Houston among the worst metropolitan areas nationwide for availability of such affordable housing. H.B. 4398 seeks to address this issue by requiring expedited approval or denial of a building permit for an affordable housing project in municipalities with a population of more than 100,000.

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. 4398 amends the Local Government Code to require an application for a building permit for an affordable housing project submitted to a municipality with a population of more than 100,000 for review to be granted or denied by the municipality in no more than 50 percent of the time allotted by the municipality to grant or deny any residential building permit application. The bill requires an applicant for an affordable housing project building permit in such a municipality that has adopted an accelerated residential building permit review process to be allowed to submit the application for review under the accelerated process. The bill defines "affordable housing project" as a housing development project that has received an allocation of low income housing tax credits under the low income housing tax credit program.

H.B. 4398 applies only to an application for a building permit submitted on or after the bill's effective date.

EFFECTIVE DATE

September 1, 2025.