Huffines Liberty Foundation

# Make Texas Housing Affordable Again by Eliminating Regulatory Barriers and Costs

# Executive Summary

In 2019, President Donald Trump issued an executive order to address the rising costs of housing. The order said, “Driving the rise in housing costs is a lack of housing supply to meet demand.  Federal, State, local, and tribal governments impose a multitude of regulatory barriers—laws, regulations, and administrative practices—that hinder the development of housing.” The order also identified many of the regulatory barriers, including: “overly restrictive zoning and growth management controls; rent controls; cumbersome building and rehabilitation codes; excessive energy and water efficiency mandates; unreasonable maximum-density allowances; historic preservation requirements; [and] overly burdensome wetland or environmental regulations.”

Texans are experiencing high housing costs. According to the Texas A&M Real Estate Center, the median price of a Texas house in September 2024 was $339,000, up from $180,000 ten years ago and from $127,378 in 2004. A&M also reports that housing affordability has dropped significantly over the last decade.

Some people seek to blame markets and investors for this. But the free market is not the problem. As acknowledged in President Trump’s executive order, local, state, and federal governments are the number one cause of increasing housing prices because their regulations, fees, and taxes restrict the growth of the housing supply.

Sometimes, this is because the bureaucracy of the ‘deep state’ local governments delays construction due to bureaucratic incompetence. Other times the delays are intentional as cities want to slow growth, sometimes because NIMBYism leads to pressure from some residents who do not want new, less expensive housing in the area. Federal inflationary and environmental policies also interfere in this process. Whatever the cause, when housing costs increase, housing affordability decreases.

There should be an orderly, logical, and safe way to move forward and provide housing without the illogical responses that are driving local government policies. In fact, there is a way. It is called the free market, where buyers and sellers (builders and prospective homeowners) can get together and work out the various challenges associated with homeownership and expanding the housing stock. By removing the bureaucratic hurdles that limit housing stock and increase housing costs, Texas can significantly reduce the cost of living for Texans, including the high cost of housing.

## The High Cost of Housing in Texas

Rev. Cyfers Ray, Jr. pastored several churches throughout his calling as a Baptist minister. When he retired in 1983, he and his wife Lizziebe purchased a house on the West side of Austin, Texas.

The house was a two-bedroom, one-bath bungalow that was often crowded with as many as six of the couple's 12 children living there at times. However, it had two significant benefits: the family was close to other black friends in their Clarksville neighborhood and was centrally located just a mile from downtown Austin.

If Rev. Cyfers were to retire now, it is unlikely that scenario could repeat itself. The 958-square-foot bungalow his family once lived in is currently assessed at $989,957 by the Travis County Central Appraisal District. A 20% down payment on the house would be close to $198,000, and the monthly payment for the loan and property taxes would be about $6,300, which is likely far too much for the retired pastor—not to mention a young family looking to buy their first or second home.

Austin may be the least affordable city in Texas to live, but it is not alone when it comes to rising housing costs. According to the Texas A&M Real Estate Center, [the median price of a Texas house] in September 2024 was $339,000, up from $180,000 ten years ago and from $127,378 in 2004.

Figure 1: Median Price of a Home in Major Texas Metropolitan Areas

| | Austin | Dallas/Ft. Worth | Houston | San Antonio |
|---|---|---|---|---|
| **Sept. 2024** | $425,000 | $390,000 | $335,750 | $310,000 |
| **Sept. 2020** | $351,000 | $299,970 | $260,000 | $255,000 |
| **Sept. 2014** | $237,125 | $190,000 | $196,335 | $183,250 |
| **Jan. 1990** | $71,000 | $86,453 | $45,473 | $63,880 |
| **4-Yr Increase** | 21.08% | 30.01% | 29.13% | 21.57% |
| **10-Yr Increase** | 79.23% | 105.26% | 71.01% | 69.17% |

Source: Texas A&M Real Estate Research Center

A&M's Texas Housing Affordability Index (THAI) reflects these increasing prices. It computes a ratio of the median family income to the amount required to purchase a median-priced home. The higher the index ratio, the more affordable housing is. "A ratio of 1.00 means that the median family income (MFI) is exactly sufficient to purchase the median-priced home."

In 2011, when it debuted, the THAI was 2.06, meaning the median income provided just over double the amount needed to buy a median-priced home. It peaked at 2.23 in the 4th quarter of 2012 and as recently as the 4th quarter of 2020 was 1.76. But it has plummeted in the last four years. The most recent THAI, in the 3rd quarter of 2024, is only 1.11. On average, a family with a median income in Texas can just afford to buy a medium-priced home.

Figure 1 shows that the Austin metro area has the highest median home price in Texas, at $425,000. Dallas/Fort Worth is next, followed by Houston and San Antonio. The data also shows a significant increase in median prices over the last 10 years, with the price in the Dallas/Fort Worth metro area more than doubling, even though median family income increased by only about 45%. The increase in median family income in the other metro areas also lags significantly behind the increased housing costs.

The median price in Figure 1 is significantly lower in Houston and San Antonio than in

Dallas/Fort Worth or Austin. It has remained the same since the first year of the A&M data in 1990, though Austin has replaced Dallas as the metro with the highest median price, and Houston and San Antonio have swapped places as the metros with the lowest median-priced homes.

A recent Harvard University study found that buyers in the Austin, Dallas/Fort Worth, and Houston regions needed incomes between $100,000 and $150,000 to afford a median-priced home. In San Antonio, the income required was from $75,000 to $99,000.

The rise in housing prices outpacing income growth has hit middle—and lower-income families hardest. While the highest-paying jobs are often found in metro area centers, affordable housing is often found in suburbs and rural areas. This usually requires long commute times and affects the quality of life for many families, though the COVID lockdown-driven increase in working from home has softened this for some.

## The Free Market is Not Driving the Housing Affordability Crisis

As discussed below, some people have called for intervention in the real estate market to solve the affordability crisis. But the market is not the problem. To help us understand this, let's look at the primary participants in the housing market: developers, builders, home buyers, home sellers, renters, mortgage lenders, title insurance companies, and local, state, and federal governments.

There are two types of actors in the housing market: those who participate through voluntary transactions and those who impose regulations and mandates on the market participants. Thus, the primary price drivers in the housing market are supply and demand and external costs imposed by the government on the participants. Examining basic economic theory and the housing market will help us understand that the market is not causing the affordability crisis.

The housing market is complex and has many moving parts. However, its basic premise is simple: buyers and sellers engage in voluntary transactions to trade ownership of housing at prices that benefit all participants.

One challenge Texas faces is its vibrant economy, which continues to draw people from other states. The Texas Comptroller's office reported the "Dallas-Fort Worth-Arlington area led all U.S. metro areas in population growth and in net domestic migration between 2020 and 2023." Unlike many other states, we must have significantly more housing each year to meet this growing need.

Developers respond to this by purchasing undeveloped land and installing the roads, sewage, water pipes, drainage, and other infrastructure needed to support residential housing. Cities don't build residential infrastructure, developers build almost all of it. They do so because they expect to sell the property to builders at a profit. Likewise, builders buy the property because they expect to profit from building and then selling or leasing residential housing on the land. Those whose expectations match reality do indeed make a profit.

The main reality check for developers and builders is finding buyers who are in the market for purchasing or leasing housing at the prices being offered and believe they will be better off after they close their deals. The main reality check for buyers is finding housing that meets their size and location preferences within their budgets.

For instance, if the only potential buyers who tour a home in Highland Park are those who can only afford homes in Plano, both parties will be disappointed. The buyers set their expectations for the neighborhood they could afford too high, while the seller's expectations of the buyer's market were also off-kilter.

Yet, in a free housing market unburdened by government intervention, the expectations and resources of buyers and sellers undergo this reality check in such a way that the expectations of both parties can be satisfied. Buyers economize so they can afford a home that meets their expectations. Sellers compete on quality and price to satisfy the preferences of sellers. Both work within a framework of scarce resources and money, which hold their value. Free market mechanisms, such as realtors, mortgage lenders, and insurers, were developed to facilitate transactions between buyers and sellers. And because all of this must happen within the constraint of buyers and sellers making voluntary decisions limited by their own resources, there is no housing affordability crisis. Supply and demand reach equilibrium as all the changes and disruptions in the market work themselves out.

## Complaints About the Free Market Do Not Hold Up

Some people claim that market factors are behind the affordability problem. Earlier this year, Texas Gov. Greg Abbott expressed concern on X about the activities of some investors. "I strongly support free markets," he wrote. "But this corporate large-scale buying of residential homes seems to be distorting the market and making it harder for the average Texan to purchase a home. This must be added to the legislative agenda to protect Texas families." Texas Comptroller Glenn Hegar joined Abbott in his concerns about institutional investors in a report (p. 16) on housing affordability released by his office.

As reported in the Daily Texan, at the Texas Tribune Festival in September, Austin City Council member Vanessa Fuentes supported Abbott's call for government intervention to deal with housing. "One of the first policies that (Vice President Kamala Harris) talks about is a $25,000 down payment assistance program," she said. "Even (Gov. Greg Abbott is) talking about taking on corporate landlords and institutional investors. This is an incredible moment where Democrats and Republicans see common ground, and it's on housing."

Yet, the numbers suggest institutional investors and other market factors are not the problem. Using data from a Realtor investor report, Capital Economics Property Economist Thomas Ryan wrote, "With their small national market share, claims that large institutions inflate house prices seem exaggerated. In our view, lawmakers are looking for a new scapegoat to blame for unaffordable housing."

Investors appear to follow the same pattern everyone else follows regarding home purchases. When investor purchasing slumped in the fourth quarter of 2023, Redfin reporter Lily Katz noted, "Investor home purchases have fallen as high interest rates, elevated home prices and a sluggish rental market have made investing less lucrative."

The claim that "corporate large-scale buying [is] making it harder for the average Texan to purchase a home" is not supported by the data. On Fast Company, Lance Lamber reported, "The vast majority of investor purchases are made by small landlords who own fewer than 10 properties. In fact, according to John Burns Research and Consulting, institutional investors—operators owning at least 1,000 homes—accounted for just 0.4% of home purchases as recently as Q2 2023."

This number aligns with research by Josh Kirby and John Burns, who found that institutional investors comprised around 2% of market activity during the housing crisis from 2007 to 2013. They further noted that long before institutional investors became involved in the housing market, small rental landlords "owned about 9% of all homes in America" and made up about 12% of all home transactions. So even though investors comprise "25% of residential real estate transactions today versus just 12% in 2002," transactions by small investors far outnumber those by large institutional investors.

## The Housing Affordability Crisis is a Creation of Government

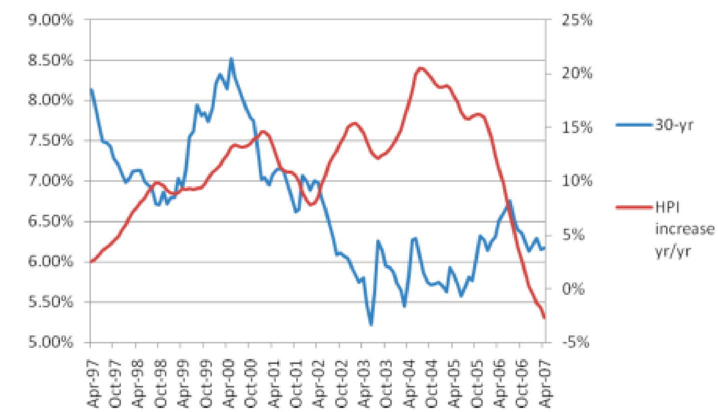
If the forces of supply and demand are not causing Texas' housing affordability crisis, that leaves us with the government as the culprit. This section examines some government activities that lead to higher housing costs.

### *Inflation and Federal Reserve Manipulation of Interest Rates*

The United States has experienced two "housing bubbles" in the 21st century. One would hope our politicians had learned a lesson after the first one, but that was not the case. The lesson our elected officials missed is that when the government prints more money to fund its runaway spending, the prices Americans pay increase. And often, the prices that go up the most are housing prices.

One mechanism the Federal Reserve uses to create new money is lowering interest rates. Figure 2 shows that housing prices dramatically increased when the Fed artificially lowered interest rates in the first years of the 21st century. We also see that housing prices plummeted when the Fed later raised interest rates over concerns about inflation.

Figure 2: Interest Rates and Housing Prices




Source: Understanding Money Mechanics by Robert Murphy

Higher housing prices were not a problem for those who quickly received the new money created by the Federal Reserve, such as Wall Street bankers, government contractors, and large investors. But for most Americans—and Texans—whose income growth did not keep up with rising prices, housing became much less affordable.

The same phenomenon is taking place today. From 2017 to 2020, inflation averaged 1.9% annually. Texas A&M's THAI stood at 1.76 in the last quarter of that period. However, the Federal Reserve began lowering interest rates in mid-2019. As a result, inflation began to rise but was held in check by the COVID-19 government shutdowns in 2020. Once the economy restarted, though, inflation skyrocketed, hitting 7% in 2021 and 6.5% in 2022. As shown in Figure 1, housing prices increased from 21% to 30% in Texas' four largest metro areas. During this period, the THAI rapidly declined, plummeting to 1.04 by the fourth quarter of 2022.

### *Property Taxes and the Cost of Government*

Many people are discussing making housing affordable today, but fewer are focused on making government affordable. The truth is, though, that as the cost of government increases—especially when it is funded by property taxes—housing affordability rapidly decreases.

As housing prices increased and affordability decreased from 2020 to 2022, Texas property tax revenue increased by an average of 7.2% annually. In the past ten years, it has increased by 67%. Local government spending continues to drive property tax growth.

For property taxes on the average homeowner due on January 31, 2025, the city of Houston is increasing taxes by 5.34%, Dallas County by 12.47%, and Harris County by 15%. Overall, property tax revenue in Harris County is growing by almost $245 million, or 10.67%.

The tax burden on Texans has also significantly increased as Texas state government spending, funded by sales taxes, severance taxes, gasoline taxes, etc., continues to grow. Texas state government spending is up 61% over the last 10 years. Federal income taxes also take a large chunk of Texans' earnings. These higher taxes, combined with higher interest rates as the Federal Reserve again responded to inflation concerns in 2022, have made it much more difficult for average Texans to afford a new home today.

### *Local Zoning, Building Codes, and Permitting Costs*

Government is the first hurdle and gatekeeper for housing. Land use restrictions, such as excessively restrictive zoning and historic designations, development fees, consultant costs, and other local regulations, can substantially increase the cost of housing. These costs vary significantly among local jurisdictions. Texas cities and counties can make it easier and more affordable for developers to build lots and homes—or make it more restrictive and expensive.

Excessively restrictive zoning has its roots both in racism and commercial protectionism. After a black Baltimore attorney purchased a house in an affluent all-white neighborhood in 1910, the city adopted a zoning ordinance that made it illegal for people of one skin color to move into a neighborhood in which residents were predominantly of another skin color. A few years later, the high fashion clothing stores on New York's Fifth Avenue were being crowded by garment manufacturers. The owners of the shops were afraid this would ruin the area's exclusive shopping experience. That year, they convinced the city to adopt its first zoning code, restricting garment manufacturers and other unwanted neighbors.

Houston has accounted for the highest growth in new households nationally for much of the last 50 years. This has accompanied a tremendous increase in employment, with jobs almost doubling from $1.9 million in 1990 to 3.6 million this year. Yet despite this growth, Houston remains one of the lowest priced, most affordable large metropolitan areas to live in the Western world. For instance, "the same amount of money buys almost seven times as much space in Houston as it does in San Francisco and more than four times as much as in New York" (Joel Kotkin).

One reason for this is Houston's low cost of local regulations on housing. Houston is the only major city in the world that does not have excessively restrictive zoning restrictions. Thus, unlike other cities, there is no government restriction on where housing can be built and no restriction on what type of housing can be built. Many towns have lot-size restrictions that create less dense but more sprawling developments. These increase costs because more infrastructure is required to develop larger land areas. In addition, this chews up more rural land for fewer housing units.

Houston's per-unit development fees associated with building new housing are substantially lower than the rest of the state. Dallas, Fort Worth, and San Antonio fees average between $10,000 and $16,000, while Houston averages less than $5,000. Development fees in Austin, which has the highest housing costs in the state, average over $40,000 per unit.

### *Housing Subsidies*

One solution often offered to make housing more affordable is government subsidies. Kamala Harris made this part of her campaign, proposing a $25,000 down payment assistance to 4 million first-time homebuyers. Unfortunately, subsidies almost always make housing less affordable.

The American Enterprise Institute examined Harris' proposal. They projected that the subsidies would increase the cost of housing paid by expected homebuyers under the program by $177 billion, more than the $100 billion in subsidies these buyers would receive. Not only would the subsidized buyers face higher costs as they used their subsidies to bid up prices, but so would everyone else.

The same happens when closing costs and interest rates are subsidized through Fannie Mae, Freddie Mac, and the Federal Housing Authority. And not just for low-cost housing. In 2021, the "Federal Housing Finance Authority (FHFA) has just increased the size of mortgage loans Fannie and Freddie can buy (the "conforming loan limit") to $970,080 in "high cost areas." With a 20% down payment, that means loans for the purchase of houses with a price up to $1,212,600."

Another problem with the subsidies is that they often increase prices and the cost of building new housing. The Wall Street Journal reported that 4,500 new apartment units built for low-income people using subsidies from Los Angeles cost an average of $600,000 each. In contrast, a 49-unit apartment built with private financing in Los Angeles costs about $291,000 a unit. The difference? Regulations that accompanied the subsidies greatly increased the costs.

Finally, federal housing subsidies also distort the housing market and increase costs by directing money to corporate investors who purchase homes and convert them into "affordable rental housing for low-income households." This is done by the Housing Tax Credit Program, funded by Congress and administered in Texas through the Texas Department of Housing and Community

Affairs. Using these subsidies, "corporations backed by left-leaning private equity groups such as [Blackstone](), [Starwood Capital Group]() and others have been feasting on real estate in recent years, buying up single-family homes, turning them into rental properties and keeping them off the market." While the private sector is involved, the federal subsidies and the federal government's push for discrimination in housing are causing the problem.

### *Legal and Illegal Immigration*

Texas has a long history of legal and illegal immigrants settling in the state. Whatever the positive and negative effects this has brought over the years, one effect it certainly had on Texas is increasing the demand for housing.

In recent years, the "number of foreign-born residents in Texas grew from 4.37 [million] in 2013 to 5.46 [million]" in 2023 ([USA FACTS]()). This means that close to 18% of the Texas population is foreign-born. In the Houston metro area, foreign-born residents comprise about 23% of the population, Dallas-Fort Worth about 19%, Austin 15%, and San Antonio 12%. Houston has twice the percentage of foreign-born residents as does San Antonio, which may be the primary factor in San Antonio replacing Houston as the metro area with the lowest median-priced home.

### *Environmental Restrictions*

Restrictions on economic activities imposed by environmental laws and actions can add significant costs to society. One area where these costs accrue is housing. Economist Katherine Kiel explains:

Environmental laws can impact the supply of land, a key input in the production of housing. Laws can also change the prices of other inputs into the construction of housing (for example, lumber) and can affect the supply of housing in that way. Laws can impact the supply of housing if they increase the amount of time necessary to build housing units or if they increase the possibility of litigation faced by housing developers.

Austin is a local example of how environmental restrictions add to housing costs, in this case, by taking land out of the housing market. Around 1990, the federal government—despite a lack of evidence—declared the black-capped vireo and golden-cheeked warbler as an endangered species. Almost overnight, tens of thousands of acres were taken off the market for new development, including new housing. Part of this is the [Balcones Canyonlands Preserve](), more than 33,000 acres west of Austin that have been removed from private use for perpetuity; it can never be used for human habitation despite the growing need for housing around Austin. Similarly, the city of Austin manages over 34,000 acres of [water quality protection lands]() in Travis and Hays counties in the Edwards Aquifer catchment area. This property, too, is no longer available for housing.

A more widespread restriction on the availability of land for new housing is the U.S. Environmental Protection Agency's rule on Waters of the United States (WOTUS). Traditionally, the EPA has said that wet patches of ground may be considered waters of the United States and thus subject to its jurisdiction. The EPA and the U.S. Corps of Engineers have used this rule to either prohibit or greatly increase the cost of new housing in Texas and elsewhere.

Last year, the U.S. Supreme Court, in its

Sackett decision, determined that the EPA's rule was far too broad and that only wetlands that are part of a larger body of water are subject to the EPA's jurisdiction. While that is a great improvement, there are concerns that the EPA is doing its best to confuse the issue. As the Mississippi Manufacturer's Association explained, "On its face, the new test should provide more clarity, fewer jurisdictional wetlands, and therefore fewer permits. Unfortunately, there is concern that the Corps and EPA's application of the new test leaves many just as confused as they were before Sackett and could further allow the Corps and EPA to slowly expand WOTUS beyond the scope of the Court's decision in Sackett." Ongoing litigation by Texas and other states is seeking to improve the situation.

The EPA has also contributed to the high price of concrete, which has increased housing costs. Under its "Good Neighbor" rule, the EPA recently imposed new restrictions on emissions from concrete plants. Other restrictions are designed to control dust and effluents. The restrictions can include emission controls, production limitations, setbacks, and enclosures of plants, all of which have increased the cost of concrete. The EPA also launched an investigation into concrete permitting in Texas in 2022 because of concerns about environmental racism.

## Solutions

If implemented by state and local policymakers, the following recommendations would significantly reduce the cost of living for Texans, including the high cost of housing.

### *Eliminate or Substantially Reduce Property Taxes*

Since 1997, the Texas Legislature has been reacting to Texans' concerns about high property taxes. However, they have accomplished little; property tax revenue has increased from $17.6 billion to $81.5 billion since 1997.

But there is a path forward for true property tax relief, even to eliminating school property taxes—it's called spending restraint. If the Texas state and local governments reined in spending, we could use the surplus funds to buy down property taxes over a relatively short period. If state spending growth was held to 3% annually and school property taxes were frozen in place, school property taxes could be eliminated in 10 years. The only requirement for making this happen is fiscal restraint by our state and local elected officials.

### *Stop Runaway Local Government Spending Growth*

Runaway local government spending not only fuels the growth of property taxes but also increases the cost of living for residents. Local government spending increases other taxes and is behind the increase in fees for development, building, impact, and more. Residents have less money to spend, and local prices increase. The Texas Legislature can stop the runaway local spending growth by 1) requiring that voters approve any increase in property taxes, 2) putting a 3% hard cap on annual local property tax increases, and 3) restricting local government spending growth to 3% annually.

### *Reduce Land Use Restrictions, Building Codes, and Permitting Costs*

There are a lot of possibilities in this area to reduce housing costs. One of those is to end excessively restrictive zoning in Texas. We do not need land use controls that sprang out of racism and commercial protectionism. Houston has proven that cities do not need excessively restrictive zoning to maintain a vibrant city and local economy. There are limited reasons why the government should tell us how we can use our private property. Restrictions on use can be dealt with voluntarily through mechanisms such as deed restrictions and neighborhood associations. This would open up as much land as possible for new housing.

Additionally, the Texas Legislature should take cities and counties out of the environmental regulation business when it comes to land use. However, with the situation today, state and local officials impose their beliefs on residents by making housing less accessible and affordable. The federally mandated energy code, which states enforce, adds tens of thousands of dollars to the cost of every house built. The Legislature should put an end to this.

Another possibility is to increase the use of municipal utility and other special districts. MUDs (Municipal Utility Districts) and these other districts often deliver the best house for the best price for homeowners because they do not face all regulations that come with being incorporated in a city. Unlike residents of incorporated cities, homeowners in a MUD only pay taxes for constructing and maintaining roads, sewage systems, and other infrastructure within their specific development. Similarly, people who live outside the MUD are not taxed for the infrastructure within the MUD. In this situation, developers and homebuilders can avoid the morass of city bureaucracies that drive up the cost of housing. The Houston area has more affordable housing because it has a thousand MUDs. Cities often push back and fight special district creation because they do not want the competition. MUDs are almost always more successful than city-controlled development.

### *Close the Border*

America's border invasion comes at [great expense]() to Texans. One group estimated the 2022 costs of illegal aliens to Texans at $9.9 billion. This is in addition to the higher cost of housing created by the vastly increased demand for housing created by the 5.46 million foreign-born residents in Texas. The only way to stop the increasing cost that illegal immigration has on housing is to stop the flow of illegals across the Texas Border.

### *Provide Local Residents More Opportunities to Hold Local Governments Accountable*

Individual Texans have very little say when it comes to controlling local governments' regulations and taking away their property rights. A major reason for this is the failure of the Texas Legislature when it passed the Private Real Property Protection Act of 1995.

A major aspect of the act is that it requires compensation when governmental regulations cause a reduction in real property value. Citizens could sue to recover their losses. If the act was truly effective, housing and real estate prices generally would be much lower today. Unfortunately, the act contains two clauses that make it largely useless.

The first is the requirement that the loss of value caused by a government regulation must be at least 25%. Most government actions cause value loss less than this, leaving property owners with no recourse. The other fatal flaw is that the act exempts cities, which means that excessively restrictive zoning, development restrictions and fees, and any other city activity are excluded from the provisions of the law.

The Texas Legislature should amend the Private Real Property Protection Act by applying it to cities and reducing the loss of value trigger down to 10% or 15%. This would allow citizens to hold local governments responsible for their actions. Perhaps more importantly, it would put a brake on many of the actions of local governments that reduce property values and increase the cost of housing.

### *Dealing with Federal Policies*

There is little Texas government can do to directly control federal policies such as inflation or housing subsidies. However, the state can make efforts to change them and their administration in Texas.

When it comes to inflation, the creation of new money out of thin air by the Federal Reserve is almost completely responsible for inflation. However, the Texas Legislature and Texans should put pressure on the federal government to 1) clamp down on the Federal Reserve and 2) adopt a balanced budget and limits on federal spending increases, preferably through a constitutional amendment. These reforms would take the pressure off the Federal Reserve to print more money and would lead to lower and more stable interest rates. Housing costs will stop increasing so rapidly.

Federal housing subsidies have a closer nexus to Texas because many of the funds are administered through the Texas Department of Housing and Community Affairs. U.S. Rep. Bob Good (Virginia) has filed legislation that would keep these funds from going to many of the "large woke corporations like Blackstone, Vanguard, and Starwood Capital [that] are buying up single-family homes en masse—driving up rents and placing a strain on housing availability," according to Rep. Good. Another bill he has filed would prohibit the U.S. Department of Housing and Urban Development from implementing a rule requiring HUD grantees to implement equity-driven housing plans. Texas could work with Texas co-sponsors of the legislation, Rep. Randy Weber and Rep. Brian Babin. Governor Abbott and the Texas Legislature could also examine whether it wants Texas to continue to administer programs such as the Housing Tax Credit Program.

# HUFFINES LIBERTY FOUNDATION

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**Our mission is to advance the cause of liberty, prosperity, and virtue in the State of Texas by educating citizens so they may hold their elected officials accountable.**

**We look beyond the obvious and develop researched solutions based upon the common sense liberty principles of individual rights, fiscal restraint, personal responsibility, limited government, and social conservatism.**

**The Huffines Liberty Foundation encourages and educates citizens so they are better informed to tackle the toughest challenges.**

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## About the Founder

### *Don Huffines*

Former Texas State Senator Donald B. Huffines is a strong Christian, proud fifth-generation Texan, husband, father, grandfather, and self-made businessman.

Don Huffines fought fearlessly for fiscal restraint and government accountability in the Texas State Senate while representing Dallas County.

During his time in the Senate from 2015 to 2019, Senator Huffines served as the Vice-Chair of the Texas Senate Border Security, Veteran Affairs, and Transportation committees. Huffines also earned a reputation as one of Texas's most conservative lawmakers.

Don Huffines founded the Huffines Liberty Foundation to promote the values we all cherish that make Texas great.