

By: Bettencourt, et al.
(Meyer)

S.B. No. 1

Substitute the following for S.B. No. 1:

By: Noble

C.S.S.B. No. 1

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the provision of direct relief from ad valorem taxes to
3 certain property owners in this state through the distribution of
4 certain federal economic assistance money received by the state and
5 a study of the provision of additional ad valorem tax relief; making
6 an appropriation.

7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

8 SECTION 1. (a) In this section, "COVID-19" means the 2019
9 novel coronavirus disease.

10 (b) The legislature finds that:

11 (1) the widespread effects of COVID-19 in this state
12 have resulted in a state of disaster being declared by the governor
13 under Section 418.014, Government Code;

14 (2) COVID-19 is a public calamity for the purposes of
15 Section 51, Article III, Texas Constitution;

16 (3) as part of the American Rescue Plan Act of 2021
17 (Pub. L. No. 117-2), the United States Congress established the
18 Coronavirus State Fiscal Recovery Fund (42 U.S.C. Section 802) for
19 the purpose of providing money to the states for certain purposes,
20 including "to respond to the public health emergency with respect
21 to the Coronavirus Disease 2019 (COVID-19) or its negative economic
22 impacts, including assistance to households";

23 (4) ad valorem taxes imposed on households in this
24 state are especially burdensome for this state's residents and the

1 negative economic effects of COVID-19 have made it difficult for
2 local governments to reduce the ad valorem tax burden; and

3 (5) previous state COVID-19 relief efforts have not
4 adequately addressed the additional burden ad valorem taxes have
5 imposed on households living in residence homesteads during the
6 COVID-19 pandemic.

7 SECTION 2. Subchapter B, Chapter 403, Government Code, is
8 amended by adding Section 403.03059 to read as follows:

9 Sec. 403.03059. AUTHORIZATION TO DISTRIBUTE CERTAIN
10 FEDERAL ECONOMIC ASSISTANCE MONEY TO CERTAIN HOMEOWNERS. (a) The
11 purpose of this section is to provide assistance to households in
12 this state in response to the negative economic effects of the
13 COVID-19 public health emergency by providing direct relief from ad
14 valorem taxes to eligible property owners.

15 (b) In this section, "eligible property owner" means a
16 person who, as of May 1, 2022, owns property for which the person
17 receives an exemption under Section 11.13, Tax Code.

18 (c) Notwithstanding any other provision of this chapter,
19 not later than September 1, 2022, or as soon thereafter as
20 practicable, the comptroller shall issue a warrant to each eligible
21 property owner in the amount calculated under Subsection (d) that
22 is payable from money appropriated to the comptroller for that
23 purpose.

24 (d) The comptroller shall calculate the amount of the
25 warrant to which each eligible property owner is entitled by
26 dividing the total amount of money appropriated to the comptroller
27 for the purposes of this section by the total number of eligible

1 property owners.

2 (e) On request by the comptroller, each appraisal district
3 shall, not later than July 1, 2022, submit to the comptroller, in an
4 electronic format specified by the comptroller, any information
5 determined by the comptroller to be necessary to identify eligible
6 property owners for purposes of this section. This state and the
7 comptroller are not liable for an error in the information provided
8 to the comptroller under this subsection.

9 (f) Sections 403.055 and 403.0551 of this code and Section
10 1.111(f), Tax Code, do not apply to a warrant issued under this
11 section.

12 (g) The information provided by an appraisal district to the
13 comptroller under Subsection (e) is confidential and excepted from
14 the requirements of Section 552.021.

15 (h) If a person who is not an eligible property owner,
16 including an eligible property owner's agent or mortgage servicer,
17 receives a payment issued under this section that is intended for an
18 eligible property owner, the person shall forward the full amount
19 of the payment, as well as any information that accompanied the
20 payment, to the eligible property owner as soon as practicable.

21 (i) The comptroller may adopt rules for the administration
22 of this section, including rules prescribing procedures to prevent
23 warrant fraud.

24 (j) This section expires January 1, 2023.

25 SECTION 3. (a) In this section, "committee" means the joint
26 interim committee on property tax relief.

27 (b) The committee is established for the purpose of:

1 (1) conducting the study required under Subsection (h)
2 of this section; and

3 (2) reporting the committee's findings to the
4 legislature under Subsection (j) of this section.

5 (c) The committee is composed of 10 members as follows:

6 (1) the chair of the senate committee on finance;

7 (2) the chair of the senate committee on local
8 government;

9 (3) the chair of the senate committee on education;

10 (4) two members of the senate appointed by the
11 lieutenant governor;

12 (5) the chair of the house committee on
13 appropriations;

14 (6) the chair of the house committee on ways and means;

15 (7) the chair of the house committee on public
16 education; and

17 (8) two members of the house of representatives
18 appointed by the speaker of the house of representatives.

19 (d) The lieutenant governor shall appoint a co-chair of the
20 committee from the members described by Subsections (c)(1)-(4) of
21 this section, and the speaker of the house of representatives shall
22 appoint a co-chair of the committee from the members described by
23 Subsections (c)(5)-(8) of this section.

24 (e) The lieutenant governor and the speaker of the house of
25 representatives shall make the appointments required under
26 Subsections (c) and (d) of this section not later than the 60th day
27 after the effective date of this Act.

1 (f) The committee shall meet at the joint call of the
2 co-chairs.

3 (g) The committee has all other powers and duties provided
4 to a special committee by:

5 (1) Subchapter B, Chapter 301, Government Code;

6 (2) the rules of the senate and house of
7 representatives; and

8 (3) the policies of the senate and house committees on
9 administration.

10 (h) The committee shall study matters relating to the
11 burdens on property owners imposed by the current ad valorem tax
12 structure in this state and identify potential solutions to reduce
13 those burdens.

14 (i) The comptroller of public accounts and the Legislative
15 Budget Board shall provide information to the committee necessary
16 to conduct the study required under Subsection (h) of this section.

17 (j) Not later than December 1, 2022, the committee shall:

18 (1) prepare a written report of the committee's
19 findings, including recommendations for legislation; and

20 (2) submit the report described by Subdivision (1) of
21 this subsection to the legislature.

22 (k) The committee is abolished and this section expires
23 January 1, 2023.

24 SECTION 4. The amount of \$3,000,000,000 is appropriated to
25 the comptroller of public accounts from money received by this
26 state from the Coronavirus State Fiscal Recovery Fund (42
27 U.S.C. Section 802) established under the American Rescue Plan Act

1 of 2021 (Pub. L. No. 117-2) and deposited to the credit of the
2 Coronavirus Relief Fund No. 325 for the purpose of making the
3 payments required by Section 403.03059, Government Code, as added
4 by this Act, during the period beginning on the effective date of
5 this Act and ending January 1, 2023.

6 SECTION 5. This Act takes effect immediately if it receives
7 a vote of two-thirds of all the members elected to each house, as
8 provided by Section 39, Article III, Texas Constitution. If this
9 Act does not receive the vote necessary for immediate effect, this
10 Act takes effect on the 91st day after the last day of the
11 legislative session.