

By: Raymond

H.B. No. 3500

A BILL TO BE ENTITLED

AN ACT

relating to the imposition and use of a homeland security fee.

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

SECTION 1. Subchapter A, Chapter 171, Tax Code, is amended by adding Section 171.003 to read as follows:

Sec. 171.003. HOMELAND SECURITY FEE SURCHARGE. (a) An additional homeland security fee is imposed on each corporation subject to the tax imposed by this chapter.

(b) A corporation's homeland security fee is equal to the amount computed by multiplying the corporation's net taxable earned surplus by 0.5 percent.

(c) A corporation is not required to pay the homeland security fee for a period if the corporation is not required to pay a tax for that period under Section 171.002(d).

(d) Notwithstanding Section 171.401, revenue from the fee imposed by this section shall be deposited to the homeland security account in the general revenue fund. Money in the homeland security account may be appropriated only as follows:

(1) one-third of the money may be appropriated only to the Texas Department of Health to provide funding for bioterrorism programs administered by the department;

(2) one-third of the money may be appropriated only to the Department of Public Safety to provide funding for a grant program to assist local police and fire departments in funding

1 homeland security projects and needs as provided by Section  
2 411.0093, Government Code; and

3 (3) the remainder of the money may be appropriated  
4 only to the Texas Education Agency to provide homeland security  
5 grants to public schools as provided by Section 7.060, Education  
6 Code.

7 SECTION 2. Subchapter A, Chapter 411, Government Code, is  
8 amended by adding Section 411.0093 to read as follows:

9 Sec. 411.0093. HOMELAND SECURITY GRANTS. (a) The  
10 department shall establish a grant program to award grants to local  
11 police and fire departments to fund local projects and needs  
12 relating to homeland security.

13 (b) The department shall use money appropriated to the  
14 department from the homeland security account to provide funding  
15 for the grants.

16 (c) In awarding grants under this section, the department  
17 shall give priority to police and fire departments located in areas  
18 that border the United Mexican States.

19 (d) The department by rule shall prescribe:

20 (1) an application process;

21 (2) eligibility criteria; and

22 (3) a procedure for reviewing and evaluating an  
23 application.

24 SECTION 3. Subchapter C, Chapter 7, Education Code, is  
25 amended by adding Section 7.060 to read as follows:

26 Sec. 7.060. HOMELAND SECURITY GRANTS. (a) The  
27 commissioner shall establish a grant program to award grants to

1 school districts to fund local projects and needs relating to  
2 homeland security.

3 (b) The commissioner shall use money appropriated to the  
4 agency from the homeland security account to provide funding for  
5 the grants.

6 (c) The commissioner by rule shall prescribe:

7 (1) an application process;

8 (2) eligibility criteria; and

9 (3) a procedure for reviewing and evaluating an  
10 application.

11 SECTION 4. This Act takes effect January 1, 2004, and  
12 applies to a report originally due on or after that date.