

BILL ANALYSIS

Senate Research Center

S.J.R. 33
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Finance
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AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

Texas military reservists and members of the Texas Guard often face financial hardship when activated for long deployments in support of a national emergency. Military reservists and members of the Texas Guard establish their family budgets based on their civilian sector job income. When these service members are activated, one of the many significant challenges these families face involves adjusting to the loss of pay when switching from their civilian job to federal military pay, which is often less. This problem is exacerbated when the family has fixed expenditures like a home mortgage, car payments, or college tuition costs for their children.

While Texas has committed to make up this pay differential for state employees, it has provided little support to activated reservists that are employed by the private sector.

S.J.R. 33 reconciles this by proposing a state constitutional amendment to provide reservists and Texas Guard members an additional \$20,000 homestead property tax exemption for the duration of their activation to federal military service, a period that usually lasts between one and two years.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 1-b, Article VIII, Texas Constitution, by adding Subsection (i), as follows:

(i) Requires the legislature by general law, in addition to the exemptions provided by Subsection (c) of this section, to exempt from ad valorem taxation for general elementary and secondary public school purposes an amount not to exceed twenty thousand dollars of the market value of the residence homestead of a married or unmarried adult, including one living alone, who is a member of the Texas military forces or who is a reservist of the armed forces of the United States engaged in active military duty pursuant to a declaration of national emergency. Authorizes the legislature, by general law, to determine the amount of and conditions for eligibility for the exemption authorized by this subsection. Requires the legislature, by general law, to establish the duration of eligibility for the exemption authorized by this subsection for a period not to exceed the time that the eligible members of Texas military forces or reservists are activated to military service during a national emergency. Provides that an eligible person is entitled to receive the exemption authorized by this subsection in addition to the exemption provided by Subsection (c) of this section. Authorizes the taxing officers of a school district, where ad valorem tax has previously been pledged for the payment of debt, to continue to levy and collect the tax against the value of the homesteads exempted under this subsection until the debt is discharged if the cessation of the levy would impair the obligation of the contract by which the debt was created. Requires the legislature to provide for formulas to protect school districts against all or part of the revenue loss incurred by the implementation of this subsection.

SECTION 2. Requires the proposed constitutional amendment to be submitted to the voters at an election to be held on November 8, 2005. Requires the ballot to be printed to permit voting for or against the specific proposition.