

By: Isett, Villarreal

H.B. No. 3699

Substitute the following for H.B. No. 3699:

By: Oliveira

C.S.H.B. No. 3699

A BILL TO BE ENTITLED

1 AN ACT

2 relating to eligibility for and the effect for school finance
3 purposes of the ad valorem tax exemption for pollution control
4 property and the adjustment of the rollback tax rate of a taxing
5 unit to compensate for the costs of compliance with pollution
6 control requirements.

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

8 SECTION 1. Section 11.31, Tax Code, is amended by amending
9 Subsection (k) and adding Subsection (n) to read as follows:

10 (k) The Texas Commission on Environmental Quality shall
11 adopt rules establishing a nonexclusive list of facilities,
12 devices, or methods for the control of air, water, or land
13 pollution, which must include:

14 (1) coal cleaning or refining facilities;

15 (2) atmospheric or pressurized and bubbling or
16 circulating fluidized bed combustion systems and gasification
17 fluidized bed combustion combined cycle systems;

18 (3) ultra-supercritical pulverized coal boilers;

19 (4) flue gas recirculation components;

20 (5) syngas purification systems and gas-cleanup
21 units;

22 (6) enhanced heat recovery systems;

23 (7) exhaust heat recovery boilers;

24 (8) heat recovery steam generators;

- 1 (9) superheaters and evaporators;
- 2 (10) enhanced steam turbine systems;
- 3 (11) methanation;
- 4 (12) coal combustion or gasification byproduct and
5 coproduct handling, storage, or treatment facilities;
- 6 (13) biomass cofiring storage, distribution, and
7 firing systems;
- 8 (14) coal cleaning or drying processes, such as coal
9 drying/moisture reduction, air jigging, precombustion
10 decarbonization, and coal flow balancing technology;
- 11 (15) oxy-fuel combustion technology, amine or chilled
12 ammonia scrubbing, fuel or emission conversion through the use of
13 catalysts, enhanced scrubbing technology, modified combustion
14 technology such as chemical looping, and cryogenic technology;
- 15 (16) if a state or federal governmental entity [~~the~~
16 ~~United States Environmental Protection Agency~~] adopts a final rule
17 or regulation regulating carbon dioxide as a pollutant, property
18 that is used, constructed, acquired, or installed wholly or partly
19 to capture or transport carbon dioxide from an anthropogenic source
20 in this state that is geologically sequestered in this state;
- 21 (17) fuel cells generating electricity using hydrogen
22 derived from coal, biomass, petroleum coke, or solid waste; and
- 23 (18) any other equipment designed to prevent, capture,
24 abate, or monitor nitrogen oxides, volatile organic compounds,
25 particulate matter, mercury, carbon monoxide, or any criteria
26 pollutant.

27 (n) Notwithstanding the other provisions of this section, a

1 person may not receive an exemption under this section for property
2 described by Subsection (k)(16) unless the property was placed into
3 service after September 1, 2009.

4 SECTION 2. Section 26.045, Tax Code, is amended by amending
5 Subsection (f) and adding Subsection (j) to read as follows:

6 (f) The Texas Commission on Environmental Quality shall
7 adopt rules establishing a nonexclusive list of facilities,
8 devices, or methods for the control of air, water, or land
9 pollution, which must include:

- 10 (1) coal cleaning or refining facilities;
- 11 (2) atmospheric or pressurized and bubbling or
12 circulating fluidized bed combustion systems and gasification
13 fluidized bed combustion combined cycle systems;
- 14 (3) ultra-supercritical pulverized coal boilers;
- 15 (4) flue gas recirculation components;
- 16 (5) syngas purification systems and gas-cleanup
17 units;
- 18 (6) enhanced heat recovery systems;
- 19 (7) exhaust heat recovery boilers;
- 20 (8) heat recovery steam generators;
- 21 (9) superheaters and evaporators;
- 22 (10) enhanced steam turbine systems;
- 23 (11) methanation;
- 24 (12) coal combustion or gasification byproduct and
25 coproduct handling, storage, or treatment facilities;
- 26 (13) biomass cofiring storage, distribution, and
27 firing systems;

1 (14) coal cleaning or drying processes such as coal
2 drying/moisture reduction, air jigging, precombustion
3 decarbonization, and coal flow balancing technology;

4 (15) oxy-fuel combustion technology, amine or chilled
5 ammonia scrubbing, fuel or emission conversion through the use of
6 catalysts, enhanced scrubbing technology, modified combustion
7 technology such as chemical looping, and cryogenic technology;

8 (16) if a state or federal governmental entity [~~the~~
9 ~~United States Environmental Protection Agency~~] adopts a final rule
10 or regulation regulating carbon dioxide as a pollutant, property
11 that is used, constructed, acquired, or installed wholly or partly
12 to capture or transport carbon dioxide from an anthropogenic source
13 in this state that is geologically sequestered in this state;

14 (17) fuel cells generating electricity using hydrogen
15 derived from coal, biomass, petroleum coke, or solid waste; and

16 (18) any other equipment designed to prevent, capture,
17 abate, or monitor nitrogen oxides, volatile organic compounds,
18 particulate matter, mercury, carbon monoxide, or any criteria
19 pollutant.

20 (j) Notwithstanding the other provisions of this section, a
21 political subdivision of the state may not obtain an adjustment in
22 its rollback rate under this section in connection with property
23 described by Subsection (f)(16) unless the property was placed into
24 service after September 1, 2009.

25 SECTION 3. This Act applies only to ad valorem taxes imposed
26 for a tax year beginning on or after the effective date of this Act.

27 SECTION 4. This Act takes effect January 1, 2010.