

RESOLUTION ANALYSIS

C.S.H.J.R. 87
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Ways & Means
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Interested parties observe that the residential needs of many Texans with intellectual and developmental disabilities are served by various private providers in lieu of more costly state-supported living centers. These individuals are typically served in either an intermediate care facility for individuals with intellectual disabilities (ICF/IID) or through the state Medicaid waiver program commonly referred to as the Home and Community-Based Services (HCS) program. Funds used to support the daily living arrangements of individuals served under these programs are derived from state Medicaid funds and federal matching funds. There are concerns regarding the expectation that the private provider of the HCS Medicaid service pay property taxes on the residence because it results in local property taxes being paid with state Medicaid funds. C.S.H.J.R. 87 seeks to stop the cycle of paying property taxes with state Medicaid funds on homes that provide residential housing for those with developmental or intellectual disabilities.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this resolution does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this resolution does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

C.S.H.J.R. 87 proposes an amendment to the Texas Constitution to authorize the legislature by general law to exempt from property taxation a portion of the assessed value of property used to provide housing to persons with disabilities in an amount equal to the costs the owner of the property incurs to maintain, operate, and make improvements to the property. The resolution authorizes the legislature to provide eligibility requirements for the exemption and to provide for the manner of determining the amount of the exemption to which a property owner is entitled in a tax year.

ELECTION DATE

The constitutional amendment proposed by this joint resolution will be submitted to the voters at an election to be held November 3, 2015.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.J.R. 87 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and formatted in a manner that indicates the substantial differences between the introduced and committee substitute versions of the resolution.

INTRODUCED

SECTION 1. Article VIII, Texas Constitution, is amended by adding Section 1-p to read as follows:

Sec. 1-p. The legislature by general law may provide for a credit against the ad valorem taxes imposed on property used to provide housing to persons with disabilities based on the costs the owner of the property incurs to maintain, operate, or make improvements to the property. The legislature may provide eligibility requirements for a credit authorized by this section and may provide formulas for computing the amount of the credit that a property owner may receive in a tax year.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 3, 2015. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment authorizing the legislature to provide for a credit against the ad valorem taxes imposed on qualifying real property used to provide housing to persons with disabilities."

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Article VIII, Texas Constitution, is amended by adding Section 1-p to read as follows:

Sec. 1-p. The legislature by general law may exempt from ad valorem taxation a portion of the assessed value of property used to provide housing to persons with disabilities in an amount equal to the costs the owner of the property incurs to maintain, operate, and make improvements to the property. The legislature may provide eligibility requirements for the exemption authorized by this section and may provide for the manner of determining the amount of the exemption to which a property owner is entitled in a tax year.

SECTION 2. This proposed constitutional amendment shall be submitted to the voters at an election to be held November 3, 2015. The ballot shall be printed to permit voting for or against the proposition: "The constitutional amendment authorizing the legislature to exempt from ad valorem taxation a portion of the assessed value of certain real property used to provide housing to certain persons with disabilities."