87S30961 CJC-F

By:  Bettencourt, et al. S.B. No. 1

(Meyer)

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

By:  Noble C.S.S.B. No. 1

A BILL TO BE ENTITLED

AN ACT

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

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

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

(b)  The legislature finds that:

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

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

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

(4)  ad valorem taxes imposed on households in this state are especially burdensome for this state's residents and the negative economic effects of COVID-19 have made it difficult for local governments to reduce the ad valorem tax burden; and

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

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

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

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

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

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

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

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

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

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

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

(j)  This section expires January 1, 2023.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

SECTION 4.  The amount of $3,000,000,000 is appropriated to the comptroller of public accounts from money received by this state from the Coronavirus State Fiscal Recovery Fund (42 U.S.C. Section 802) established under the American Rescue Plan Act of 2021 (Pub. L. No. 117-2) and deposited to the credit of the Coronavirus Relief Fund No. 325 for the purpose of making the payments required by Section 403.03059, Government Code, as added by this Act, during the period beginning on the effective date of this Act and ending January 1, 2023.

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