

BILL ANALYSIS

H.B. 2993
By: Hunter
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Texas Military Preparedness Commission has found that military installations in Texas generate over \$130 billion in economic activity each year and contribute almost 900,000 jobs both directly and indirectly to our state. However, if these installations do not successfully fulfill their military and training missions, the U.S. Department of Defense is more likely to relocate those activities, which will negatively impact the state's economy and the communities around these installations.

Texas Base Commanders along with state military experts have noted that encroaching wind farms around military bases can create adverse conditions that impede operations and create safety risks for pilots and related personnel during training operations. Because of their enormous size, wind turbines can also cause interference with radar systems. Moreover, the height and location also affect the altitude of flights and the abilities for training missions to meet their flight goals. This poses a serious threat to mission readiness at the state's military aviation installations, increasing the likelihood for base reductions or closures by the federal government through the Base Closure and Realignment (BRAC) Commission. The current federal clearinghouse process has provided neither enough certainty nor oversight to protect the state's enormous economic development interest and safety concerns with regards to windfarm developments near military aviation facilities.

H.B. 2993 seeks to protect the long-term viability of military aviation facilities to carry out their missions by prohibiting tax subsidies and abatements for wind energy projects located within 25 nautical miles of the boundaries of these facilities. The bill prevents taxpayer dollars from being used to subsidize structures that could ultimately have a serious negative impact on the state's economy and threaten the very existence of active military installations and the support they provide local communities.

CRIMINAL JUSTICE IMPACT

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

ANALYSIS

H.B. 2993 amends the Tax Code to prohibit an owner of a qualifying property from receiving a property tax exemption or a limitation on appraised value for the qualifying property under an agreement entered into under a law enacted as part of a program to encourage economic development in an area designated as a reinvestment zone if, on or after the date the agreement

is entered into, a wind-powered energy device is installed or constructed on the qualifying property at a location that is within 25 nautical miles of the boundaries of a military aviation facility located in Texas. This prohibition applies regardless of whether the wind-powered energy device is installed or constructed at a location that is in the reinvestment zone. The bill applies only to property taxes imposed for a tax year beginning on or after the bill's effective date.

For purposes of the bill's provisions, H.B. 2993 assigns "military aviation facility" the meaning provided by the Property Redevelopment and Tax Abatement Act and assigns "wind-powered energy device" the meaning provided by provisions establishing a property tax exemption for such devices. Moreover, the bill defines "qualifying property" as a parcel of land that is located wholly or partly in a reinvestment zone, a new building constructed on the parcel of land, a new improvement erected or affixed on the parcel of land, or tangible personal property placed in service in the building or improvement or on the parcel of land.

EFFECTIVE DATE

January 1, 2024.