

RESOLUTION ANALYSIS

H.J.R. 88
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Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

According to a 2023 *Fiscal Notes* article published by the comptroller of public accounts, the state's water supply is not expected to keep up with demand in parts of Texas by 2070. The Texas Water Development Board's (TWDB) 2022 State Water Plan indicates that conservation strategies represent approximately 29 percent of all recommended water strategy volumes in 2070 and were recommended for over half of the water user groups in the plan, and according to a 2024 document published by the TWDB for Hays County on water supply planning information and resources, municipal conservation is a recommended water management strategy for many jurisdictions.

While current state law exempts rainwater harvesting systems from the sales and use tax, the resolution author has informed the committee that there is currently no property tax exemption granted for the use of rainwater harvesting or graywater systems like there is for the use of solar and wind-powered energy devices. According to a 2016 study conducted by the National Academies of Sciences, Engineering, and Medicine, the use of rainwater harvesting or graywater systems could be associated with an increase in local property values, and according to a 2024 article published by The Grey Water Project, the values of properties equipped with graywater systems often increase, especially in areas where water is scarce. H.J.R. 88 seeks to incentivize water conservation efforts by providing for a county commissioners court's authority to exempt from property taxation the portion of a property's assessed value that is attributable to the installation in or on the property of a rainwater harvesting or graywater system.

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

H.J.R. 88 proposes an amendment to the Texas Constitution to authorize the legislature by general law to authorize a county commissioners court to exempt from property taxation by each political subdivision that taxes the property the portion of the assessed value of a person's property that is attributable to the installation in or on the property of a rainwater harvesting or graywater system. The resolution also authorizes the legislature by general law to provide additional eligibility requirements for the exemption.

ELECTION DATE

The constitutional amendment proposed by this joint resolution will be submitted to the voters at an election to be held November 4, 2025.