

SUBJECT: Property tax exemption for surviving spouses of certain first responders

COMMITTEE: Ways and Means — favorable, without amendment

VOTE: 10 ayes — D. Bonnen, Y. Davis, Bohac, Darby, E. Johnson, Murr,  
Raymond, Shine, Springer, Stephenson

0 nays

1 absent — Murphy

SENATE VOTE: On final passage, March 13 — 30-0

WITNESSES: *On House companion bill, HB 2524:*  
For — Byron Colston, Cops 4 Cops; (*Registered, but did not testify:*  
Arianna Smith, Combined Law Enforcement Associations of Texas  
(CLEAT); Frederick Frazier, Dallas Police Association; David Sinclair,  
Game Warden Peace Officers Association; Ray Hunt, Houston Police  
Officers Union; Allen Blakemore and Casey Haney, State Firefighters'  
and Fire Marshals' Association; Julia Parenteau, Texas Association of  
Realtors; Noel Johnson, Texas Municipal Police Association; Deborah  
Ingersoll, Texas State Troopers Association)

Against — None

BACKGROUND: Government Code, ch. 615 governs financial assistance to eligible survivors of law enforcement officers, firefighters, and certain others who died as a result of injury sustained in the line of duty. Sec. 615.003 lists those whose survivors are eligible for this state financial assistance.

DIGEST: SB 15 would entitle the surviving spouse of a first responder who was killed or fatally injured in the line of duty to a property tax exemption of the full value of the surviving spouse's homestead if the spouse:

- was an eligible survivor for purposes of Government Code, ch. 615 as determined by the Employees Retirement System of Texas; and

- had not remarried since the death of the first responder.

The exemption would apply regardless of the date of the first responder's death. The exemption also could follow the surviving spouse to a new homestead but would be limited to the dollar amount of the exemption for the first qualifying homestead in the last year it was received.

The bill also would make certain other changes to conform with the new tax exemption.

SB 15 would take effect January 1, 2018, contingent on voter approval of the constitutional amendment proposed by SJR 1, authorizing the Legislature to provide for a property tax exemption from of all or part of the market value of the homestead of the surviving spouse of a first responder who was killed or fatally injured in the line of duty. It would apply only to a tax year beginning on or after that date.

**SUPPORTERS  
SAY:**

SB 15 would extend the same well deserved property tax exemption given to surviving spouses of veterans and disabled veterans to surviving spouses of first responders. The spouse of a fallen first responder loses a source of income, which can jeopardize the spouse's ability to pay property taxes and could ultimately affect the ability of surviving spouses to maintain their homesteads. SB 15, in conjunction with voter approval of SJR 1, would help ensure that families in these situations were not forced to sell their homes due to this sudden property tax burden. The tax exemption would be appropriate considering the significant sacrifices made by these families. The bill would apply only to survivors who already were eligible for financial assistance under state law.

**OPPONENTS  
SAY:**

SB 15 would continue a pattern of giving tax exemptions to specialized groups of people, when instead the Legislature should focus its efforts on reducing the aggregate property tax burden. Exempting a specific category of people, regardless of how deserving, results in an increased tax burden on other homeowners.

**NOTES:**

SB 15 is the enabling legislation for SJR 1 by Campbell, which is set for

second-reading consideration on today's Constitutional Amendments Calendar.

According to the Legislative Budget Board's fiscal note, SB 15 would have a negative impact of \$4,000 to general revenue related funds in fiscal 2018-19, with costs nearing \$1 million in each subsequent fiscal year to offset lost school district property tax revenue with state money through the school funding formulas. The bill is projected to have a negative fiscal impact on units of local government.

A companion bill, HB 2524 by Fallon, was reported favorably by the House Ways and Means Committee on May 3. Another companion, HB 570 by Button, was left pending after a public hearing of the House Ways and Means Committee on April 26.