

SUBJECT: Amending the Texas Constitution to allow a tax exemption after a disaster

COMMITTEE: Ways and Means — favorable, without amendment

VOTE: 10 ayes — Burrows, Guillen, Bohac, Cole, Martinez Fischer, Murphy,
Noble, Sanford, Shaheen, Wray

0 nays

1 absent — E. Rodriguez

WITNESSES: For — Brent South, Texas Association of Appraisal Districts; (*Registered, but did not testify*: Paula Bulcao, British Petroleum America; Dick Lavine, Center for Public Policy Priorities; Randy Cain, City of Dallas; Clint Magee, Linebarger Goggan Blair & Sampson, LLP; Larry Gaddes, Tax Assessor-Collector Association of Texas; Ned Munoz, Texas Association of Builders; Katy Reagan, Texas Association of Counties; R. Clint Smith, Texas Association of Property Tax Consultants; Amanda Brownson, Texas Association of School Business Officials; Shanna Igo, Texas Municipal League; Julia Parenteau, Texas Realtors; James LeBas, Texas Oil and Gas Association; Deborah Cartwright, Texas Taxpayers and Research Association; James Popp)

Against — (*Registered, but did not testify*: Cheryl Johnson, Galveston County Tax Office)

DIGEST: HJR 34 would amend the Texas Constitution to allow the Legislature to create a temporary property tax exemption that a political subdivision could adopt for persons owning property in an area that was declared a disaster area by the governor. The Legislature could prescribe the method of determining the amount and duration of the exemption, as well as any additional eligibility requirements.

The ballot proposal would be presented to voters at an election on November 5, 2019, and would read: "The constitutional amendment authorizing the legislature to provide for a temporary local option

exemption from ad valorem taxation of a portion of the appraised value of certain property damaged by a disaster."

**SUPPORTERS
SAY:**

HJR 34 would enable the Legislature to provide taxing units with a cheaper, more administrable, and more easily understood method for providing property tax relief to taxpayers following a disaster. The exemption allowed by HJR 34 would be easier and more affordable for taxing units than the current method of reappraising property following a disaster. Taxpayers also are more familiar with an exemption than with reappraisals, and an exemption would provide taxpayers with more immediate relief.

**OPPONENTS
SAY:**

HJR 34 would not go far enough in providing property tax relief to taxpayers following a disaster. Any such relief should be mandatory.

NOTES:

According to the Legislative Budget Board, HJR 34 would have no fiscal implication to the state other than the cost for publication of the resolution, which would be \$177,289.

HB 492 by Shine, the enabling legislation for HJR 34, was scheduled for third reading consideration on today's calendar.