

SUBJECT: Revising tax rate adjustment for indigent defense compensation costs

COMMITTEE: Ways and Means — favorable, without amendment

VOTE: 11 ayes — Meyer, Thierry, Button, Cole, Guerra, Martinez Fischer,
Murphy, Noble, Rodriguez, Sanford, Shine

0 nays

WITNESSES: For — Adam Haynes, Conference of Urban Counties; Charles Reed, Dallas County Commissioners Court; Kelli Childress, El Paso County Public Defender's Office; Alex Bunin, Harris County; (*Registered, but did not testify*: Melissa Shannon, Bexar County Commissioners Court; Jim Allison, County Judges and Commissioners Association of Texas; Daniel Collins, El Paso County; Tammy Narvaez, Harris County Commissioners Court; Russell Schaffner, Tarrant County; Julie Wheeler, Travis County Commissioners Court)

Against — None

On — Geoff Burkhart, Texas Indigent Defense Commission; (*Registered, but did not testify*: Korry Castillo, Comptroller of Public Accounts)

BACKGROUND: Tax Code sec. 26.0442 provides that if a county's indigent defense compensation expenditures exceed the amount of those expenditures for the preceding tax year, the no-new-revenue maintenance and operations rate for the county is increased by certain formulas.

"Indigent defense compensation expenditures" means the amount paid by a county to provide appointed counsel for indigent individuals in criminal or civil proceedings less the amount of any state grants received for that purpose.

Concerns have been raised that tax laws allow a county's property tax rate to be adjusted to reflect increases in indigent defense compensation expenditures associated with the use of outside appointed counsel but not

expenditures associated with a public defender's office.

DIGEST:

HB 3482 would amend the definition of "indigent defense compensation expenditures" for the purposes of Tax Code sec. 26.0442 to include the amount paid by a county to fund the operations of a public defender's office less the amount of any state grants.

The bill would take effect January 1, 2022, and apply only to the calculation of tax rates for a county for a tax year on or after that date.