

BILL ANALYSIS

Senate Research Center
84R6127 CJC-F

H.B. 994
By: Anchia et al. (West)
Finance
5/11/2015
Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The language from H.B. 1736 (83rd Legislature, Regular Session, 2013) passed last session attempted to address some of the significant economic challenges facing landfills that capture and convert landfill generated methane into a more environmentally friendly form of fuel—renewable natural gas.

The measure granted a temporary property tax exemption for the five Texas projects that existed in 2013 to help control pollution by capturing methane gas naturally emitted from landfills. This exemption will expire December 2015.

Since the bill's passage, at least four new landfill capture projects are now slated to begin construction. The expansion of these important pollution control efforts is in part due to other property tax exemptions granted by the Texas Legislature last session.

In order to ensure the continued growth of projects that capture harmful methane gas at landfills, H.B. 994 will make the property tax exemption authorized last legislative session permanent.

H.B. 994 amends current law relating to the exemption from ad valorem taxation of property used to collect, process, and deliver landfill-generated gas.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Repealer: Section 11.311(a) (providing that this section applies only to real and personal property that is used in the manner described by Subsection (b) (relating to entitling a person to an exemption on January 1, 2014), Tax Code.

Repealer: Section 11.311(d) (providing that this section expires December 31, 2015), Tax Code.

SECTION 2. Amends the heading to Section 11.311, Tax Code, to read as follows:

Sec. 11.311. LANDFILL-GENERATED GAS CONVERSION FACILITIES.

SECTION 3. Provides that the change in law made by this Act applies only to ad valorem taxes imposed for a tax year beginning on or after the effective date of this Act.

SECTION 4. Effective date: January 1, 2016.