

BILL ANALYSIS

H.B. 994
By: Anchia
Ways & Means
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Recent legislation created a temporary property tax exemption for certain landfill-generated gas conversion facilities. According to interested parties, there were several projects in Texas that qualified for the exemption at the time the legislation was enacted, but more projects are slated to begin construction that would benefit from the exemption. The parties assert that, despite their environmental benefit, these projects face economic challenges due to the large capital investment required and the depressed and volatile natural gas market and that, without the exemption, these newer projects would have to operate under significant economic strain. H.B. 994 seeks to continue the exemption and provide a more stable cost structure in order to ensure the continued growth and long-term viability of projects that capture harmful methane gas at landfills.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill 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 bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 994 repeals Sections 11.311(a) and (d), Tax Code, limiting the property tax exemption for certain landfill-generated gas conversion facilities to real and personal property used in the manner required for the exemption on January 1, 2014, and setting the exemption to expire on December 31, 2015.

EFFECTIVE DATE

January 1, 2016.