

BILL ANALYSIS

Senate Research Center
77R13108 JD-F

H.B. 3049
By: Ramsay (To Be Filled)
Intergovernmental Relations
5/11/2001
Engrossed

DIGEST AND PURPOSE

Current law does not specifically prohibit the interest earned on motor vehicle tax escrow accounts from being used for various purposes. While it is unclear if many collectors misuse the interest earned on such escrow accounts, there are concerns that the language of current law is vague and may allow for the misuse of the interest earned on the above mentioned escrow accounts. H.B. 3049 prohibits interest generated by an escrow account to be used to supplement the salary or cover any personal expenses of the county tax assessor-collector.

RULEMAKING AUTHORITY

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

SECTION BY SECTION ANALYSIS

H.B. 3049 amends the Tax Code to prohibit interest generated by an escrow account for prepayment of property taxes associated with an owner's motor vehicle inventory from being used to supplement the salary or cover any personal expenses of the county tax assessor-collector (collector). The bill requires the collector, at least 60 days before the first day of the county's fiscal year, to prepare a budget for the expenditure of interest generated by the escrow accounts during that fiscal year and file a copy of that budget with the county budget officer. The bill requires the county budget officer to make a copy of the collector's budget filed with the county budget officer available to the public at all reasonable times. The bill provides that the collector's budget filed with the county budget officer is not subject to approval by the county commissioners court, but any member of the public is entitled to speak for or against the collector's budget during the county's budget process. Interest generated by the escrow accounts may be spent only in compliance with the collector's budget filed with the county budget officer and the county purchasing act.

EFFECTIVE DATE: On passage, or if the Act does not receive the necessary vote, the Act takes effect September 1, 2001.