

BILL ANALYSIS

Senate Research Center
78R3428 KEG-D

S.B. 294
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Intergovernmental Relations
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DIGEST AND PURPOSE

Currently, Texas law requires the governing body of a taxing unit to approve tax abatement agreements with the owner of real or personal property in a reinvestment zone. The Harris County Hospital District would like the Harris County Commissioners Court to be responsible for processing and approving all of the ad valorem tax abatement agreements that affect its taxable property. The commissioners court is already responsible for approving the hospital district's annual budget and setting its tax rate, and the hospital district believes that the current law detracts from their primary focus of providing health care to the county's indigent population and overseeing the operations of its health care facilities. As proposed, S.B. 294 transfers the authority to grant an exemption or abatement from ad valorem taxation from the Harris County Hospital District to the Harris County Commissioners Court. This legislation gives the Harris County Commissioners Court the ability to adopt or to remove an exemption or abatement from ad valorem taxation for the benefit of the Harris County Hospital District.

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. Amends Chapter 281E, Health and Safety Code, by adding Section 281.096, as follows:

Sec. 281.096. **AUTHORITY TO TAKE ACTIONS RELATING TO AD VALOREM TAXES.** (a) Provides that the Harris County Commissioners Court has the authority assigned by law to the governing body of a hospital district, with respect to the imposition or collection of an ad valorem tax imposed for the benefit of the Harris County Hospital District, including the authority to adopt an exemption or partial exemption or grant an abatement or other form of relief from an ad valorem tax, and the authority to elect to tax property that would otherwise be exempt from an ad valorem tax.

(b) Prohibits the board of the Harris County Hospital District from exercising a power granted by Subsection (a) to the Harris County Commissioners Court with respect to the imposition or collection of an ad valorem tax imposed for the benefit of the Harris County Hospital District.

SECTION 2. Effective date: September 1, 2003.
Makes application of this Act prospective.