

- SUBJECT:** Expanding local eligibility for disabled veteran assistance payments
- COMMITTEE:** Appropriations — committee substitute recommended
- VOTE:** 22 ayes — Zerwas, Longoria, C. Bell, G. Bonnen, Buckley, Capriglione, Cortez, M. González, Hefner, Howard, Jarvis Johnson, Miller, Minjarez, Rose, Schaefer, Sherman, Stucky, Toth, J. Turner, VanDeaver, Walle, Wilson
- 1 nay — Sheffield
- 4 absent — S. Davis, Muñoz, Smith, Wu
- WITNESSES:** For — Jerry Bark, David Mitchell, and Spencer Smith, City of Harker Heights; Hilary Shine, City of Killeen; Keith Sledd, Heart of Texas Defense Alliance, Governor's Committee to Support the Military; Jim Brennan, Texas Coalition of Veterans Organizations; Todd Fox; *(Registered, but did not testify:* Guadalupe Cuellar, City of El Paso; Christine Wright, City of San Antonio; Jim Allison, County Judges and Commissioners Association of Texas; Julie Acevedo, Texas Fire Chiefs Association; Scott Houston, Texas Municipal League; Robert Norris)
- Against — *(Registered, but did not testify:* Susan Ross, City of Copperas Cove)
- BACKGROUND:** Local Government Code sec. 140.011 entitles certain local governments to a disabled veteran assistance payment from the state for each fiscal year a local government is qualified. Qualified local governments include municipalities adjacent to a U.S. military installation and counties in which a U.S. military installation is wholly or partially located for which the amount of lost property tax revenue for a fiscal year is at least 2 percent of the local government's general revenue fund. The purpose of this payment is to ensure that the cost of providing property tax relief to disabled veterans is shared equitably among Texans.
- DIGEST:** CSHB 634 would adjust the qualifications that entitle a local government

to receive a disabled veteran assistance payment by expanding the definition of "local government" to include municipalities with extraterritorial jurisdiction within 2 miles of a U.S. military installation.

The bill would apply to the eligibility of a qualified local government to apply for a disabled veteran assistance payment beginning with the fiscal year of the local government that ended in the 2019 tax year.

The bill would take effect September 1, 2019.

**SUPPORTERS
SAY:**

CSHB 634 would benefit communities that are home to veterans, active-duty service members, and their families by making these areas eligible to receive a disabled veteran assistance payment from the state.

The bill would help communities in which large numbers of military personnel and veterans reside by making these communities eligible for state assistance. Currently, these communities are disproportionately impacted by the 100 Percent Disabled Veteran and 100 Percent Homestead property tax exemptions. Making these communities eligible for the disabled veteran assistance payment would help to offset lost property taxes that resulted from these exemptions. This would help these communities to provide essential city services and maintain infrastructure.

The bill would not be an unfunded mandate since both the House- and Senate-passed versions of the fiscal 2020-21 budget appropriated additional funds for the disabled veteran assistance payment program. The goal of the bill is simply to extend the same benefits of this program to communities currently not included in the list of eligible local governments.

**OPPONENTS
SAY:**

CSHB 634 would create an unfunded expansion to an existing program that was not intended to be applied to local governments across the state. The bill could not be funded with the additional funds in the fiscal 2020-21 budget because these funds were appropriated to account for a rise in property taxes and inflation, not to expand eligibility for the disabled veteran assistance program.

