Bob Adair Chairman, Tax Relief for Pollution Control Property Advisory Committee Texas Commission on Environmental Quality Office: 832.765.1419 Email: bob.adair@p66.com

September 13, 2016

Dr. Bryan Shaw, Chairman Mr. Toby Baker, Commissioner Mr. Jon Niermann, Commissioner Texas Commission on Environmental Quality P.O. Box 13087 Austin, TX 78711-3087

Dear Commissioners:

Subject: Advise No Change in Rules for Tax Relief for Pollution Control Property (Prop 2)

The TCEQ Tax Relief for Pollution Control Property Advisory Committee solicited Committee and public input regarding the following provisions mandating review at least once every three years.

- Texas Tax Code §11.31(l) states, "The Texas Commission on Environmental Quality by rule shall update the list adopted under Subsection (k) at least once every three years. An item may be removed from the list if the commission finds compelling evidence to support the conclusion that the item does not provide pollution control benefits."
- Texas Administrative Code Title 30, Part 1, Chapter 17, Rule §17.14(b) states, "The commission shall review and update the Tier I Table at least once every three years."

The above referenced review was included on the Committee's 2016 meeting agendas for February 29 and June 13. As no recommended revisions were received from inside or outside of the Committee, on June 13 the Committee approved a motion without opposition to advise the Commission to make **no change in the Prop 2 rules**.

Respectfully,

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B. G. Adair

Tax Relief for Pollution Control Property Advisory Committee

Representing Industry:

Mr. Bob Adair, representing Texas Oil and Gas Association

Mr. Robert Castor, with Freescale Semiconductor

Mr. Paul Coon, representing Association of Electric Companies of Texas

Mr. Gregory P. Maxim, with Cummings Westlake LLC

Mr. Michael J. Nasi, representing Clean Coal Technology Foundation

Mr. Michael Ford, representing Texas Chemical Council

Representing Appraisal Districts:

Mr. Roland R. Bieber, Chief Appraiser for Jefferson County Appraisal District Mr. C. Wayne Frazell, with Pritchard & Abbott Inc.

Representing a School District or Junior College District:

Mr. Lloyd Graham, Superintendant of the La Porte Independent School District

Representing Taxing Units:

Mr. Don Lee, with the Texas Conference of Urban Counties

Mr. Bennett Sandlin, with the Texas Municipal League

Representing the Environmental Group:

Dr. Cyrus Reed, with the Sierra Club

The Independent Technical Expert:

Mr. Charles Allred, an independent contractor