

BILL ANALYSIS

Senate Research Center

S.B. 1366
By: Kolkhorst
Finance
6/5/2015
Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

H.B. 7 (83rd Legislature) amended sporting goods sales tax (SGST) provisions in the Tax Code (Section 151.801) to ensure that in addition to covering appropriated amounts, SGST transfers to the Texas Parks and Wildlife Department (TPWD) would also include amounts needed to cover employee benefits and costs of employee salaries paid from SGST. Before passage of H.B. 7, the Tax Code provided that the comptroller of public accounts of the State of Texas could credit only amounts SGST appropriated to TPWD. Because employee benefit costs are not directly appropriated, TPWD had to cover SGST-related benefit costs from other funding sources.

The initial bill language for S.B. 1366 required each affected account that consists of SGST credits to not exceed appropriated amounts. The current statute requires allocation according to specified percentages. The changes would allow the legislature more flexibility in their appropriations.

The committee substitute for S.B. 1366 clarified that each affected TPWD account will consist of the SGST credits needed to cover appropriations plus any related SGST benefits costs, making language in the Parks and Wildlife Code consistent with what is in the Tax Code and in order to avoid misinterpretation.

S.B. 1366 amends current law relating to the allocation to the Parks and Wildlife Department of the proceeds from taxes imposed on the sale, storage, or use of sporting goods.

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 Section 11.035(b), Parks and Wildlife Code, to require the Texas Parks and Wildlife Department (TPWD) to deposit to the credit of the state parks account all revenue, less allowable costs, received from certain sources, including credits made to TPWD under Section 151.801 (Disposition of Proceeds), Tax Code, in an amount not to exceed the amount of the tax proceeds appropriated from the account for use during the then-current state fiscal biennium plus the amount necessary to fund the cost of state contributions for benefits of TPWD employees whose salaries or wages are paid from the account, rather than an amount of money equal to 74 percent of the credits made to TPWD under Section 151.801, Tax Code.

SECTION 2. Amends Section 11.043(b), Parks and Wildlife Code, as follows:

(b) Provides that the Texas parks and wildlife conservation and capital account consists of:

(1) credits made to TPWD under Section 151.801, Tax Code, in an amount not to exceed the amount of the tax proceeds appropriated from the account for use during the then-current state fiscal biennium plus the amount necessary to fund the cost of state contributions for benefits of TPWD employees whose salaries or wages are paid from the account, rather than the amount of credits made to

TPWD under Section 151.801, Tax Code, after allocations to the state parks account, the large county and municipality recreation and parks account, and the Texas recreation and parks account;

(2) and (3) Makes no change to these subdivisions.

SECTION 3. Amends Section 24.003(a), Parks and Wildlife Code, to require TPWD to deposit to the credit of the Texas recreation and parks account credits made to TPWD under Section 151.801, Tax Code, in an amount not to exceed the amount of the tax proceeds appropriated from the account for use during the then-current state fiscal biennium plus the amount necessary to fund the cost of state contributions for benefits of TPWD employees whose salaries or wages are paid from the account, rather than an amount of money equal to 15 percent of the credits made to TPWD under Section 151.801, Tax Code.

SECTION 4. Amends Section 24.053(a), Parks and Wildlife Code, to require TPWD to deposit to the credit of the large county and municipality recreation and parks account credits made to TPWD under Section 151.801, Tax Code, in an amount not to exceed the amount of the tax proceeds appropriated from the account for use during the then-current state fiscal biennium plus the amount necessary to fund the cost of state contributions for benefits of TPWD employees whose salaries or wages are paid from the account, rather than an amount of money equal to 10 percent of the credits made to TPWD under Section 151.801, Tax Code.

SECTION 5. Amends Section 151.801(c), Tax Code, to delete a reference to Subsection (c-1).

SECTION 6. Repealer: Section 151.801(c) (relating to the deposit of the proceeds of the tax on sporting goods), Tax Code.

SECTION 7. Effective date: September 1, 2015.