

BILL ANALYSIS

Senate Research Center
85R1432 CJC-F

S.B. 400
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Natural Resources & Economic Development
3/31/2017
As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Section 313.032, Tax Code, requires the Texas comptroller of public accounts (comptroller) to submit to the legislature a report on agreements made under the Texas Economic Development Act. Among other requirements, the report must include an assessment of the progress of each agreement, the number of qualifying jobs the recipient committed to create, and the number of jobs actually created. Under current law, there is no requirement that employment data in the compliance report be verified. Though the comptroller must certify the report, it is unclear if the data provided is required to be accurately verified.

S.B. 400 amends the Tax Code to require the comptroller to verify submitted data with the Texas Workforce Commission, the chief appraiser of the applicable appraisal district, or another reliable source.

This bill ensures that companies that benefit from property tax abatement are providing accurate data and creating an economic benefit for the state. The legislature will have more knowledge regarding how economic development funds are being spent.

As proposed, S.B. 400 amends current law relating to the verification of information provided to the comptroller and contained in reports on compliance with agreements under the Texas Economic Development Act.

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 313.032(c), Tax Code, to require the Texas comptroller of public accounts (comptroller) to verify the data in a certain report issued by the comptroller using information from the Texas Workforce Commission, the chief appraiser of the applicable appraisal district, or other sources the comptroller considers reliable.

SECTION 2. Effective date: September 1, 2017.