

BILL ANALYSIS

Senate Research Center
88R20926 CJC-D

C.S.S.B. 506
By: Perry
Finance
4/3/2023
Committee Report (Substituted)

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

Bill Summary:

Amends the Government Code by adding Section 2001.008 that unless the authority has been explicitly granted to a state agency by the legislature, a state agency may not adopt a rule that requires a person to pay a fee or a tax if:

1. the rule authorizes the imposition of a fee or a tax on an item, service, privilege, or transaction that, at the time the agency proposes to adopt the rule, is not subject to the fee or tax; and
2. the agency has not previously interpreted the statutory or other authority under which the rule is proposed to be adopted to authorize the agency to impose the fee or tax on the applicable item, service, privilege, or transaction.

For purposes of this section, a provision of law that contains a statement of legislative intent, findings, purpose, or policy, or a statement describing an agency's general powers and duties, is not an explicit grant of authority by the legislature.

(Original Author's/Sponsor's Statement of Intent)

C.S.S.B. 506 amends current law relating to information required to be reported biennially to the legislature by state agencies that administer state taxes or fees.

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 Subtitle C, Title 10, Government Code, by adding Chapter 2117, as follows:

CHAPTER 2117. BIENNIAL REPORT ON ADMINISTRATION OF STATE TAXES AND FEES

Sec. 2117.001. DEFINITION. Defines "state agency."

Sec. 2117.002. REPORT REQUIRED. Requires each state agency, on December 1 of each even-numbered year, to submit to the lieutenant governor, the speaker of the house of representatives, and each other member of the legislature a report on the administration of state taxes and fees by the agency during the two-year period preceding the date the report is due.

Sec. 2117.003. CONTENT OF REPORT. Requires a state agency to include in the report required under Section 2117.002 the following information applicable to the administration of state taxes and fees by the agency during the period covered by the report:

- (1) a description of all audits performed or caused to be performed by the agency, listed by the type of tax or fee audited;
- (2) a description of the results of each audit described by Subdivision (1), including all identified emerging issues and errors in administration;
- (3) a list of each fee the agency is first required to administer as a result of legislation enacted during the preceding regular session of the legislature and the statutory authority for that fee;
- (4) a list of each fee the agency is required to administer the amount of which was increased and the purpose for and amount of the increase;
- (5) a list of each rule relating to a tax or fee adopted or amended by the agency as a result of legislation, a determination by a court, or a change in policy by the agency, including the statutory authority under which the rule was adopted or amended and an explanation of the administrative purpose or necessity that required adoption or amendment of the rule;
- (6) any requests for guidance from members of the public relating to a tax or fee listed by type of guidance requested; and
- (7) a list of matters contested by members of the public relating to a tax or fee organized by matter contested.

Sec. 2117.004. **ADDITIONAL ANALYSIS REQUIRED.** Requires a state agency, in addition to the information required under Section 2117.003, to include in the report required under Section 2117.002 a detailed analysis of:

- (1) issues identified by the agency as materially affecting the agency's administration of state taxes and fees and as having a significant effect on members of the public;
- (2) the information required to be included in the report under Section 2117.003, including, if applicable, the emerging issues identified during audits described in the report that are the result of changes to traditional business practices and models or the advancement of technology; and
- (3) the financial implications to this state and members of the public of the information required to be included in the report under Section 2117.003.

Sec. 2117.005. **PROHIBITED INFORMATION.** Prohibits a report required under Section 2117.002 from including personally identifying information or any information excepted from disclosure under Chapter 552 (Public Information).

SECTION 2. Effective date: September 1, 2023.