

1-1 By: Perry, et al. S.B. No. 506  
 1-2 (In the Senate - Filed January 19, 2023; February 17, 2023,  
 1-3 read first time and referred to Committee on Finance;  
 1-4 April 6, 2023, reported adversely, with favorable Committee  
 1-5 Substitute by the following vote: Yeas 17, Nays 0; April 6, 2023,  
 1-6 sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8				
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			
1-20	X			
1-21	X			
1-22	X			
1-23	X			
1-24	X			
1-25	X			

1-26 COMMITTEE SUBSTITUTE FOR S.B. No. 506 By: Perry

1-27 A BILL TO BE ENTITLED  
 1-28 AN ACT

1-29 relating to information required to be reported biennially to the  
 1-30 legislature by state agencies that administer state taxes or fees.

1-31 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-32 SECTION 1. Subtitle C, Title 10, Government Code, is  
 1-33 amended by adding Chapter 2117 to read as follows:

1-34 CHAPTER 2117. BIENNIAL REPORT ON ADMINISTRATION OF STATE TAXES AND  
 1-35 FEES

1-36 Sec. 2117.001. DEFINITION. In this chapter, "state agency"  
 1-37 means any department, commission, board, office, or other agency in  
 1-38 the executive branch of state government created by the  
 1-39 constitution or a statute of this state that administers a state tax  
 1-40 or fee.

1-41 Sec. 2117.002. REPORT REQUIRED. On December 1 of each  
 1-42 even-numbered year, each state agency shall submit to the  
 1-43 lieutenant governor, the speaker of the house of representatives,  
 1-44 and each other member of the legislature a report on the  
 1-45 administration of state taxes and fees by the agency during the  
 1-46 two-year period preceding the date the report is due.

1-47 Sec. 2117.003. CONTENT OF REPORT. A state agency must  
 1-48 include in the report required under Section 2117.002 the following  
 1-49 information applicable to the administration of state taxes and  
 1-50 fees by the agency during the period covered by the report:

1-51 (1) a description of all audits performed or caused to  
 1-52 be performed by the agency, listed by the type of tax or fee  
 1-53 audited;

1-54 (2) a description of the results of each audit  
 1-55 described by Subdivision (1), including all identified emerging  
 1-56 issues and errors in administration;

1-57 (3) a list of each fee the agency is first required to  
 1-58 administer as a result of legislation enacted during the preceding  
 1-59 regular session of the legislature and the statutory authority for  
 1-60 that fee;

2-1 (4) a list of each fee the agency is required to  
2-2 administer the amount of which was increased and the purpose for and  
2-3 amount of the increase;

2-4 (5) a list of each rule relating to a tax or fee  
2-5 adopted or amended by the agency as a result of legislation, a  
2-6 determination by a court, or a change in policy by the agency,  
2-7 including the statutory authority under which the rule was adopted  
2-8 or amended and an explanation of the administrative purpose or  
2-9 necessity that required adoption or amendment of the rule;

2-10 (6) any requests for guidance from members of the  
2-11 public relating to a tax or fee listed by type of guidance  
2-12 requested; and

2-13 (7) a list of matters contested by members of the  
2-14 public relating to a tax or fee organized by matter contested.

2-15 Sec. 2117.004. ADDITIONAL ANALYSIS REQUIRED. In addition  
2-16 to the information required under Section 2117.003, a state agency  
2-17 must include in the report required under Section 2117.002 a  
2-18 detailed analysis of:

2-19 (1) issues identified by the agency as materially  
2-20 affecting the agency's administration of state taxes and fees and  
2-21 as having a significant effect on members of the public;

2-22 (2) the information required to be included in the  
2-23 report under Section 2117.003, including, if applicable, the  
2-24 emerging issues identified during audits described in the report  
2-25 that are the result of changes to traditional business practices  
2-26 and models or the advancement of technology; and

2-27 (3) the financial implications to this state and  
2-28 members of the public of the information required to be included in  
2-29 the report under Section 2117.003.

2-30 Sec. 2117.005. PROHIBITED INFORMATION. A report required  
2-31 under Section 2117.002 may not include personally identifying  
2-32 information or any information excepted from disclosure under  
2-33 Chapter 552.

2-34 SECTION 2. This Act takes effect September 1, 2023.

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