

By: Solomons

H.B. No. 229

Substitute the following for H.B. No. 229:

By: Villarreal

C.S.H.B. No. 229

A BILL TO BE ENTITLED

AN ACT

relating to a periodic review of state and local taxes by a select committee on revenue.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subtitle B, Title 3, Government Code, is amended by adding Chapter 320A to read as follows:

CHAPTER 320A. REVIEW OF STATE AND LOCAL TAXES

Sec. 320A.001. DEFINITION. In this chapter, "committee" means the select committee on revenue.

Sec. 320A.002. SELECT COMMITTEE ON REVENUE. (a) The select committee on revenue is composed of:

(1) three members of the senate, appointed by the lieutenant governor;

(2) three members of the house of representatives, appointed by the speaker of the house of representatives;

(3) eight public members, of which:

(A) four are appointed by the governor;

(B) two are appointed by the lieutenant governor;

and

(C) two are appointed by the speaker of the house of representatives; and

(4) the comptroller.

(b) The speaker of the house of representatives shall select one member of the committee appointed under Subsection (a)(2) to

1 serve as chair of the committee. The lieutenant governor shall
2 select one member of the committee appointed under Subsection
3 (a)(1) to serve as vice chair of the committee.

4 (c) The committee shall meet at the call of the chair.

5 (d) Members of the committee must be appointed not later
6 than September 1 of the first odd-numbered year of each decade.
7 Each member serves until the legislature convenes in regular
8 session in the second odd-numbered year of the decade for which the
9 member was appointed to serve.

10 Sec. 320A.003. PURPOSE; DUTIES. The committee shall meet
11 to conduct studies and draft proposed legislation regarding state
12 and local taxation. In conducting studies, the committee shall:

13 (1) evaluate the impact of state and local taxation
14 and the expenditures of the state and local tax revenue on economic
15 development in this state;

16 (2) examine the relationship between:

17 (A) taxes and other revenue sources and the
18 revenue needs of the state government and local governments, with
19 particular consideration given to projected demographic trends in
20 this state; and

21 (B) the tax burden imposed on taxpayers,
22 categorized by household income level or business sector, as
23 applicable, and the benefits those taxpayers receive from
24 government expenditures in this state;

25 (3) evaluate state and local taxes and develop
26 recommendations for retaining or repealing certain taxes or for
27 amending a provision related to the tax; and

1 (4) make recommendations for retaining, repealing, or
2 amending tax credits, exemptions, discounts, exclusions, special
3 valuations, special accounting treatments, special rates, and
4 special methods of reporting.

5 Sec. 320A.004. REPORT. The committee shall present to the
6 legislature and the governor a report on the studies conducted and
7 the recommendations developed by the committee under Section
8 320A.003. The report must include drafts of any proposed
9 legislation needed to carry out the committee's recommendations.

10 Sec. 320A.005. STAFF. (a) The committee may hire staff as
11 the committee determines necessary.

12 (b) On the request of the committee, the Legislative Budget
13 Board, the Texas Legislative Council, the office of the governor,
14 the comptroller, the senate, and the house of representatives shall
15 provide other staff necessary to carry out the duties of the
16 committee.

17 Sec. 320A.006. COOPERATION OF OTHER STATE ENTITIES. The
18 committee may request the assistance of any state agency,
19 department, or office if the committee needs assistance to
20 discharge the committee's duties. The agency, department, or
21 office shall provide the requested assistance.

22 Sec. 320A.007. EXPENSES. The operating expenses of the
23 committee shall be paid from available funds of the office of the
24 governor and the contingent expense funds of the senate and the
25 house of representatives, as agreed by those entities. The
26 committee members are entitled to reimbursement from those funds
27 for expenses incurred by the members in carrying out this chapter.

1 SECTION 2. This Act takes effect September 1, 2005.