

## **BILL ANALYSIS**

H.B. 654  
By: Bailes  
Ways & Means  
Committee Report (Unamended)

### **BACKGROUND AND PURPOSE**

A constituent in House District 18 raised concerns regarding taxes paid by hospitals to operate their emergency generators. This issue was raised during the global pandemic, as hospitals were considered critical infrastructure in fighting COVID-19, and further emphasized during Winter Storm Uri in 2021 when hospitals relied on generators to continue serving the people of Texas. H.B. 654 seeks to address these concerns by including diesel fuel sold to hospitals among the diesel fuel sales exempt from the diesel fuel tax.

### **CRIMINAL JUSTICE IMPACT**

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

H.B. 654 to amend the Tax Code to exempt from the diesel fuel tax diesel fuel sold to a licensed hospital for the hospital's exclusive use. The bill entitles a hospital that is exempt from the tax but that paid the tax on the purchase of diesel fuel to a refund of the tax paid and authorizes the hospital to file a refund claim with the comptroller of public accounts for that amount. The bill expressly does not affect tax liability accruing before the bill's effective date and provides for the continuation of the law in effect before that date for purposes of the collection of taxes due and civil and criminal enforcement of the liability for those taxes.

### **EFFECTIVE DATE**

September 1, 2023.