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Chapter 810

AN ACT

1
2 relating to a major events trust fund, a motor sports racing trust
3 fund, and an events trust fund for sporting and non-sporting
4 events.

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

6 SECTION 1. Section 1, Chapter 1507 (S.B. 456), Acts of the
7 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's
8 Texas Civil Statutes), is amended by amending Subdivisions (1),
9 (1-a), (2), (5), (6), (7), and (8) and adding Subdivision (2-a) to
10 read as follows:

11 (1) "Department" means the [~~Texas Department of~~
12 Economic Development and Tourism Division, Office of the Governor
13 ~~[or its successor]~~].

14 (1-a) "Endorsing county" means an endorsing county for
15 purposes of Section 5, ~~[or]~~ 5A, 5B, or 5C of this Act.

16 (2) "Endorsing municipality" means an endorsing
17 municipality for purposes of Section 4, 5, 5A, ~~[or]~~ 5B, or 5C of
18 this Act.

19 (2-a) "Event" means a game or event as defined by
20 Section 5A, 5B, or 5C of this Act.

21 (5) "Joinder agreement" means an agreement entered
22 into by:

23 (A) the department on behalf of this state and a
24 site selection organization setting out representations and

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1 assurances by the state in connection with the selection of a site
2 in this state for the location of a game or event [~~any of the games~~];
3 or

4 (B) a local organizing committee, an endorsing
5 municipality, an endorsing county, or more than one local
6 organizing committee, endorsing municipality, or endorsing county
7 acting collectively, and a site selection organization setting out
8 representations and assurances by each local organizing committee,
9 endorsing municipality, or endorsing county in connection with the
10 selection of a site in this state for the location of a game or event
11 [~~any of the games~~].

12 (6) "Joinder undertaking" means an agreement entered
13 into by:

14 (A) the department on behalf of this state and a
15 site selection organization that the state will execute a joinder
16 agreement if [~~in the event that~~] the site selection organization
17 selects a site in this state for a game or event [~~any of the games~~];
18 or

19 (B) a local organizing committee, an endorsing
20 municipality, an endorsing county, or more than one local
21 organizing committee, endorsing municipality, or endorsing county
22 acting collectively, and a site selection organization that each
23 local organizing committee, endorsing municipality, or endorsing
24 county will execute a joinder agreement if [~~in the event that~~] the
25 site selection organization selects a site in this state for a game
26 or event [~~any of the games~~].

27 (7) "Local organizing committee" means a nonprofit

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1 corporation or its successor in interest that:

2 (A) has been authorized by an endorsing
3 municipality, endorsing county, or more than one endorsing
4 municipality or county acting collectively to pursue an application
5 and bid on the applicant's behalf to a site selection organization
6 for selection as the site of a game or event [~~one or more games~~]; or

7 (B) with the authorization of an endorsing
8 municipality, endorsing county, or more than [~~that~~] one endorsing
9 municipality or county acting collectively, has executed an
10 agreement with a site selection organization regarding a bid to
11 host a game or event [~~one or more games~~].

12 (8) "Site selection organization" means a site
13 selection organization as defined by Sections 5, 5A, and 5C of this
14 Act [~~the United States Olympic Committee, the International Olympic~~
15 ~~Committee, the Pan American Sports Organization, the National~~
16 ~~Football League, the National Collegiate Athletic Association, the~~
17 ~~National Basketball Association, the National Hockey League, Major~~
18 ~~League Baseball, Federation Internationale de Football Association~~
19 ~~(FIFA), the International World Games Association, the Automobile~~
20 ~~Competition Committee for the United States (ACCUS) affiliated with~~
21 ~~the Federation Internationale de l'Automobile, the Champ Car~~
22 ~~organization, or the American Le Mans Series organization].~~

23 SECTION 2. Sections 2 and 3, Chapter 1507 (S.B. 456), Acts
24 of the 76th Legislature, Regular Session, 1999 (Article 5190.14,
25 Vernon's Texas Civil Statutes), are amended to read as follows:

26 Sec. 2. PURPOSE. The purpose of this Act is to provide
27 assurances required by a site selection organization sponsoring a

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1 ~~[one or more major]~~ sporting or non-sporting game or event
2 ~~[athletic events]~~ and to provide financing for the costs of:

3 (1) applying or bidding for selection as the site of a
4 game ~~[major sporting]~~ or event ~~[athletic events]~~ in this state;

5 (2) making the preparations necessary and desirable
6 for the conduct of a game ~~[major sporting]~~ or event ~~[athletic~~
7 ~~events]~~ in this state, including the construction or renovation of
8 facilities to the extent authorized by this Act; and

9 (3) conducting a game ~~[major sporting]~~ or event
10 ~~[athletic events]~~ in this state.

11 Sec. 3. LEGISLATIVE FINDINGS. The conduct in this state of
12 one or more games ~~[major sporting]~~ or ~~[athletic]~~ events will:

13 (1) provide invaluable public visibility throughout
14 the nation or world for this state and the communities where the
15 games ~~[major sporting]~~ or ~~[athletic]~~ events are held;

16 (2) encourage and provide major economic benefits to
17 the communities where the games ~~[major sporting]~~ or ~~[athletic]~~
18 events are held and to the entire state; and

19 (3) provide opportunities for the creation of jobs by
20 local and Texas businesses that pay a living wage.

21 SECTION 3. The heading to Section 5A, Chapter 1507 (S.B.
22 456), Acts of the 76th Legislature, Regular Session, 1999 (Article
23 5190.14, Vernon's Texas Civil Statutes), is amended to read as
24 follows:

25 Sec. 5A. PAYMENT OF STATE AND MUNICIPAL OR COUNTY
26 OBLIGATIONS; MAJOR ~~[OTHER]~~ EVENTS TRUST FUND.

27 SECTION 4. Section 5A, Chapter 1507 (S.B. 456), Acts of the

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1 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's
2 Texas Civil Statutes), is amended by amending Subsections (a)
3 through (m), (o), and (p) and adding Subsections (a-1), (b-1),
4 (d-1), (r), (s), (t), (u), and (v) to read as follows:

5 (a) In this section:

6 (1) "Endorsing county" means:

7 (A) a county that contains a site selected by a
8 site selection organization for one or more events; or

9 (B) a county that:

10 (i) does not contain a site selected by a
11 site selection organization for an event;

12 (ii) is included in the market area for the
13 event as designated by the comptroller; and

14 (iii) is a party to an event support
15 contract [~~games~~].

16 (2) "Endorsing municipality" means:

17 (A) a municipality that contains a site selected
18 by a site selection organization for one or more events; or

19 (B) a municipality that:

20 (i) does not contain a site selected by a
21 site selection organization for an event;

22 (ii) is included in the market area for the
23 event as designated by the comptroller; and

24 (iii) is a party to an event support
25 contract [~~games~~].

26 (3) "Event support contract" means a joinder

27 undertaking, joinder agreement, or a similar contract executed by a

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1 local organizing committee, an endorsing municipality, or an
2 endorsing county and a site selection organization.

3 (4) "Event" [~~"Game"~~] means a Super Bowl, a National
4 Collegiate Athletic Association Final Four tournament game, the
5 National Basketball Association All-Star Game, the National Hockey
6 League All-Star Game, the Major League Baseball All-Star Game, a
7 National Collegiate Athletic Association Bowl Championship Series
8 game, a World Cup Soccer game, the World Games, a national
9 collegiate championship of an amateur sport sanctioned by the
10 national governing body of the sport that is recognized by the
11 United States Olympic Committee, [~~or~~] an Olympic activity,
12 including a Junior or Senior activity, training program, or feeder
13 program sanctioned by the United States Olympic Committee's
14 Community Olympic Development Program, the Breeders' Cup World
15 Championships, or a Formula One automobile race. The term includes
16 any [~~events and~~] activities related to or associated with an event
17 [~~the games~~].

18 (5) "Site selection organization" means the National
19 Football League, the National Collegiate Athletic Association, the
20 National Basketball Association, the National Hockey League, Major
21 League Baseball, the Federation Internationale de Football
22 Association (FIFA), the International World Games Association, the
23 United States Olympic Committee[~~r~~] or the national governing body
24 of a sport that is recognized [~~as such~~] by the United States Olympic
25 Committee, the National Thoroughbred Racing Association, Formula
26 One Management Limited, or the Federation Internationale de
27 l'Automobile.

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1 (a-1) An event included in Subsection (a)(4) of this section
2 is eligible for funding under this section only if:

3 (1) a site selection organization selects a site
4 located in this state for the event after considering, through a
5 highly competitive selection process, one or more sites that are
6 not located in this state;

7 (2) a site selection organization selects a site in
8 this state as the sole site for the event; and

9 (3) the event is held not more than one time in any
10 year.

11 (b) If a site selection organization selects a site for an
12 event [~~a game~~] in this state pursuant to an application by a local
13 organizing committee, endorsing municipality, or endorsing county,
14 [~~not later than three months before the date of the game or six~~
15 ~~months before the date of the game~~] upon request of a local
16 organizing committee, endorsing municipality, or endorsing county,
17 the comptroller shall determine for a one-year [~~the two-week~~]
18 period that begins two months before [~~ends at the end of the day~~
19 ~~after~~] the date on which the event [~~game~~] will begin [~~be held~~], in
20 accordance with procedures developed by the comptroller:

21 (1) the incremental increase in the receipts to the
22 state from taxes imposed under Chapters 151, 152, 156, and 183, Tax
23 Code, and under Title 5, Alcoholic Beverage Code, within the market
24 areas designated under Subsection (c) of this section, that is
25 directly attributable, as determined by the comptroller, to the
26 preparation for and presentation of the event [~~game~~] and related
27 activities [~~events~~];

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1 (2) the incremental increase in the receipts collected
2 by the state on behalf of each endorsing municipality in the market
3 area from the sales and use tax imposed by each endorsing
4 municipality under Section 321.101(a), Tax Code, and the mixed
5 beverage tax revenue to be received by each endorsing municipality
6 under Section 183.051(b), Tax Code, that is directly attributable,
7 as determined by the comptroller, to the preparation for and
8 presentation of the event [~~game~~] and related activities [~~events~~];

9 (3) the incremental increase in the receipts collected
10 by the state on behalf of each endorsing county in the market area
11 from the sales and use tax imposed by each endorsing county under
12 Section 323.101(a), Tax Code, and the mixed beverage tax revenue to
13 be received by each endorsing county under Section 183.051(b), Tax
14 Code, that is directly attributable, as determined by the
15 comptroller, to the preparation for and presentation of the event
16 [~~game~~] and related activities [~~events~~];

17 (4) the incremental increase in the receipts collected
18 by each endorsing municipality in the market area from the hotel
19 occupancy tax imposed under Chapter 351, Tax Code, that is directly
20 attributable, as determined by the comptroller, to the preparation
21 for and presentation of the event [~~game~~] and related activities
22 [~~events~~]; and

23 (5) the incremental increase in the receipts collected
24 by each endorsing county in the market area from the hotel occupancy
25 tax imposed under Chapter 352, Tax Code, that is directly
26 attributable, as determined by the comptroller, to the preparation
27 for and presentation of the event [~~game~~] and related activities

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1 ~~[events]~~.

2 **(b-1)** A request for a determination of the amount of
3 incremental increase in tax receipts specified by Subsection (b) of
4 this section must be submitted to the comptroller not earlier than
5 one year and not later than three months before the date the event
6 begins. The comptroller shall base the determination specified by
7 Subsection (b) of this section on information submitted by the
8 local organizing committee, endorsing municipality, or endorsing
9 county, and must make the determination not later than the 30th day
10 after the date the comptroller receives the request and related
11 information.

12 **(c)** For the purposes of Subsection (b)(1) of this section,
13 the comptroller shall designate as a market area for the event
14 ~~[game]~~ each area in which the comptroller determines there is a
15 reasonable likelihood of measurable economic impact directly
16 attributable to the preparation for and presentation of the event
17 ~~[game]~~ and related activities ~~[events]~~, including areas likely to
18 provide venues, accommodations, and services in connection with the
19 event ~~[game]~~ based on the proposal provided by the local organizing
20 committee to the comptroller. The comptroller shall determine the
21 geographic boundaries of each market area. An endorsing
22 municipality or endorsing county that has been selected as the site
23 for the event ~~[game]~~ must be included in a market area for the event
24 ~~[game]~~.

25 **(d)** Each endorsing municipality or endorsing county shall
26 remit to the comptroller and the comptroller shall deposit into a
27 trust fund created by the comptroller and designated as the Major

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1 [~~Other~~] Events trust fund the amount of the municipality's or
2 county's hotel occupancy tax revenue determined under Subsection
3 (b)(4) or (b)(5) of this section, less any amount of the revenue
4 that the municipality or county determines is necessary to meet the
5 obligations of the municipality or county. The comptroller shall
6 retain the amount of sales and use tax revenue and mixed beverage
7 tax revenue determined under Subsection (b)(2) or (b)(3) of this
8 section from the amounts otherwise required to be sent to the
9 municipality under Sections 321.502 and 183.051(b), Tax Code, or to
10 the county under Sections 323.502 and 183.051(b), Tax Code, and
11 deposit into the trust fund the tax revenues, less any amount of the
12 revenue that the municipality or county determines is necessary to
13 meet the obligations of the municipality or county. The
14 comptroller shall begin retaining and depositing the local tax
15 revenues with the first distribution of that tax revenue that
16 occurs after the first day of the one-year [~~two-week~~] period
17 described by Subsection (b) of this section or at a time otherwise
18 determined to be practicable by the comptroller and shall
19 discontinue retaining the local tax revenues under this subsection
20 when the amount of the applicable tax revenue determined under
21 Subsection (b)(2) or (b)(3) of this section has been retained. The
22 Major [~~Other~~] Events trust fund is established outside the state
23 treasury and is held in trust by the comptroller for administration
24 of this Act. Money in the trust fund may be disbursed by the
25 comptroller without appropriation only as provided by this section.
26 (d-1) Not later than the 90th day after the last day of an
27 event and in lieu of the local tax revenues remitted to or retained

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1 by the comptroller under Subsection (d) of this section, a
2 municipality or county may remit to the comptroller for deposit in
3 the Major Events trust fund other local funds in an amount equal to
4 the total amount of local tax revenue determined under Subsections
5 (b)(2) through (5) of this section. The amount deposited by the
6 comptroller into the Major Events trust fund under this subsection
7 is subject to Subsection (f) of this section.

8 (e) In addition to the tax revenue deposited in the Major
9 ~~[Other]~~ Events trust fund under Subsection (d) of this section, an
10 endorsing municipality or endorsing county may guarantee its
11 obligations under an event ~~[a game]~~ support contract and this
12 section by pledging surcharges from user fees, including parking or
13 ticket fees, charged in connection with the event ~~[game]~~. An
14 endorsing municipality or endorsing county may collect and remit to
15 the comptroller surcharges and user fees attributable to the event
16 for deposit into the Major Events trust fund.

17 (f) The comptroller shall deposit into the Major Events
18 trust fund a portion of the state tax revenue not to exceed the
19 amount determined under Subsection (b)(1) of this section in an
20 amount equal to 6.25 times the amount of the local revenue retained
21 or remitted under this section, including:

- 22 (1) local sales and use tax revenue;
- 23 (2) [and] mixed beverage tax revenue;
- 24 (3) [retained and the] hotel occupancy tax revenue;
- 25 and
- 26 (4) surcharge and user fee revenue ~~[remitted by an~~
27 ~~endorsing municipality or endorsing county under Subsection (d) of~~

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1 ~~this section~~].

2 (g) To meet its obligations under a game support contract or
3 event support contract to improve, construct, renovate, or acquire
4 facilities or to acquire equipment, an endorsing municipality by
5 ordinance or an endorsing county by order may authorize the
6 issuance of notes. An endorsing municipality or endorsing county
7 may provide that the notes be paid from and secured by amounts on
8 deposit or amounts to be deposited into the Major [~~Other~~] Events
9 trust fund or surcharges from user fees, including parking or
10 ticket fees, charged in connection with the event [~~game~~]. Any note
11 issued must mature not later than seven years from its date of
12 issuance.

13 (h) The funds in the Major [~~Other~~] Events trust fund may be
14 used to pay the principal of and interest on notes issued by an
15 endorsing municipality or endorsing county under Subsection (g) of
16 this section and to fulfill obligations of the state or an endorsing
17 municipality or endorsing county to a site selection organization
18 under a game support contract or event support contract, which
19 obligations may include the payment of costs relating to the
20 preparations necessary or desirable for the conduct of the event
21 [~~game~~] and the payment of costs of conducting the event [~~game~~],
22 including improvements or renovations to existing facilities or
23 other facilities and costs of acquisition or construction of new
24 facilities or other facilities.

25 (i) A local organizing committee, endorsing municipality,
26 or endorsing county shall provide information required by the
27 comptroller to enable the comptroller to fulfill the comptroller's

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1 duties under this section, including annual audited statements of
 2 any financial records required by a site selection organization and
 3 data obtained by the local organizing committee, an endorsing
 4 municipality, or an endorsing county relating to attendance at the
 5 event [~~game~~] and to the economic impact of the event [~~game~~]. A
 6 local organizing committee, endorsing municipality, or endorsing
 7 county must provide an annual audited financial statement required
 8 by the comptroller, if any, not later than the end of the fourth
 9 month after the date the period covered by the financial statement
 10 ends. After the conclusion of an event and on the comptroller's
 11 request, a local organizing committee, endorsing municipality, or
 12 endorsing county must provide information relating to the event,
 13 such as attendance figures, financial information, or other public
 14 information held by the local organizing committee, endorsing
 15 municipality, or endorsing county that the comptroller considers
 16 necessary.

17 (j) Not [~~The comptroller shall provide an estimate not~~]
 18 later than the 30th day after the date a [~~three months before the~~
 19 ~~date of a game or six months before the date of the game upon~~]
 20 request of a local organizing committee, endorsing municipality, or
 21 endorsing county is submitted to the comptroller under Subsection
 22 (b-1) of this section, the comptroller shall provide an estimate of
 23 the total amount of tax revenue that would be deposited in the Major
 24 [~~Other~~] Events trust fund under this section in connection with
 25 that event [~~game~~], if the event [~~game~~] were to be held in this state
 26 at a site selected pursuant to an application by a local organizing
 27 committee, endorsing municipality, or endorsing county. [~~The~~

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1 ~~comptroller shall provide the estimate on request to a local~~
2 ~~organizing committee, endorsing municipality, or endorsing~~
3 ~~county.]~~ A local organizing committee, endorsing municipality, or
4 endorsing county may submit the comptroller's estimate to a site
5 selection organization.

6 (k) The comptroller may make a disbursement from the Major
7 ~~[Other]~~ Events trust fund on the prior approval of each
8 contributing endorsing municipality or endorsing county for a
9 purpose for which a local organizing committee, an endorsing
10 municipality, or an endorsing county or the state is obligated
11 under a game support contract or event support contract. A
12 disbursement may not be made from the trust fund that the
13 comptroller determines would be used for the purpose of soliciting
14 the relocation of a professional sports franchise located in this
15 state.

16 (l) If a disbursement is made from the Major ~~[Other]~~ Events
17 trust fund under Subsection (k), the obligation shall be satisfied
18 proportionately from the state and local revenue in the trust fund.

19 (m) On payment of all state, municipal, or county
20 obligations under a game support contract or event support contract
21 related to the location of any particular event ~~[game]~~ in the state,
22 the comptroller shall remit to each endorsing entity, in proportion
23 to the amount contributed by the entity, any money remaining in the
24 trust fund.

25 (o) This section may not be construed as creating or
26 requiring a state guarantee of obligations imposed on the state or
27 an endorsing municipality or endorsing county under an event [a

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1 ~~game~~] support contract or other agreement relating to hosting one
2 or more events [~~games~~] in this state.

3 (p) The comptroller may not undertake any of the
4 responsibilities or duties set forth in this section unless a
5 request is submitted by the municipality or [~~and~~] the county in
6 which the event [~~game~~] will be located. The request must be
7 accompanied by documentation from a site selection organization
8 selecting the site for the event [~~game~~].

9 (r) This subsection applies only to an event that the
10 comptroller determines under Subsection (b) of this section will
11 generate at least \$15 million in state and local tax revenue. The
12 comptroller and one or more endorsing municipalities or endorsing
13 counties may enter into an agreement to provide that an amount equal
14 to the amount of local tax revenue determined by the comptroller
15 under Subsections (b)(2) through (5) of this section shall be
16 remitted to the comptroller by one or more endorsing municipalities
17 or endorsing counties and shall be deposited by the comptroller
18 into the Major Events trust fund before the event. In the 12 months
19 immediately preceding the event, the comptroller may deposit into
20 the trust fund an amount equal to the amount the state is required
21 to deposit under Subsection (f) of this section from any amounts
22 appropriated by the legislature for the purposes of this
23 subsection. The comptroller may make disbursements from the trust
24 fund in amounts that do not exceed the amounts deposited under this
25 subsection in accordance with the agreement to pay costs relating
26 to attracting and securing the event. An agreement under this
27 subsection may provide that, following the last day of an event, the

1 funds eligible for disbursement under Subsection (k) of this
2 section be held in the trust fund and made available to pay the cost
3 of securing the event in future years.

4 (s) The term of an agreement entered into under Subsection
5 (r) of this section may not exceed 10 years and must terminate:

6 (1) on the final termination date provided in the
7 agreement; or

8 (2) if the event covered by the agreement is not held
9 during any 18-month period covered by the agreement.

10 (t) On termination of an agreement entered into under
11 Subsection (r) of this section, the total amount of the state's
12 initial contribution under the agreement must be repaid to the
13 state from funds disbursed under Subsection (k) of this section or
14 from any other source specified in the agreement. An agreement
15 entered into under Subsection (r) of this section must include
16 terms that the comptroller determines are necessary to protect the
17 state's interest, including a provision for a performance bond or
18 other guarantee of repayment if the event is not held in the state
19 after a disbursement has been made.

20 (u) The comptroller shall deposit any amount appropriated
21 by the legislature for the purposes of Subsection (r) of this
22 section into the Major Event trust fund for the limited purpose of
23 paying the costs of attracting and securing an event eligible under
24 that subsection.

25 (v) The comptroller may adopt rules necessary to implement
26 this section.

27 SECTION 5. Subdivisions (1) and (2), Subsection (a),

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1 Section 5B, Chapter 1507 (S.B. 456), Acts of the 76th Legislature,
2 Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil
3 Statutes), are amended to read as follows:

4 (1) "Endorsing county" means a county [~~with a~~
5 ~~population of one million or more~~] that contains a site selected by
6 a site selection organization for one or more motor sports racing
7 events.

8 (2) "Endorsing municipality" means a municipality
9 [~~with a population of one million or more~~] that contains a site
10 selected by a site selection organization for one or more motor
11 sports racing events.

12 SECTION 6. The heading to Section 5C, Chapter 1507 (S.B.
13 456), Acts of the 76th Legislature, Regular Session, 1999 (Article
14 5190.14, Vernon's Texas Civil Statutes), is amended to read as
15 follows:

16 Sec. 5C. EVENTS [~~SPORTING EVENT~~] TRUST FUND FOR CERTAIN
17 MUNICIPALITIES AND COUNTIES.

18 SECTION 7. Section 5C, Chapter 1507 (S.B. 456), Acts of the
19 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's
20 Texas Civil Statutes), is amended by amending Subsections (a), (b),
21 and (d) through (m), and by adding Subsections (a-1), (c-1), (d-1),
22 (p), and (q) to read as follows:

23 (a) In this section:

24 (1) "Endorsing county" means a county [~~with a~~
25 ~~population of 800,000 or more~~] that contains a site selected by a
26 site selection organization for one or more events.

27 (2) "Endorsing municipality" means a municipality

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1 ~~[with a population of 500,000 or more]~~ that contains a site selected
2 by a site selection organization for one or more events.

3 (3) "Event" means an ~~[a National Collegiate Athletic~~
4 ~~Association regional tournament or playoff game, a Senior Olympic~~
5 ~~activity, including a training program or feeder program sanctioned~~
6 ~~by the National Senior Games Association, or a major sporting or~~
7 ~~athletic]~~ event or a related series of events held in this state for
8 which a local organizing committee, endorsing county, or endorsing
9 municipality seeks approval from ~~[sanctioned by]~~ a site selection
10 organization to hold the event at a site in this state. The term
11 includes any activities related to or associated with the event.

12 (4) "Event support contract" means a joinder
13 undertaking, a joinder agreement, or a similar contract executed by
14 a local organizing committee, an endorsing municipality, or an
15 endorsing county and a site selection organization.

16 (5) "Site selection organization" means an entity that
17 conducts or considers conducting an eligible event in this state
18 ~~[the United States Olympic Committee (USOC), United States Youth~~
19 ~~Soccer Association (USYSA), United States Bowling Congress (USBC),~~
20 ~~Amateur Softball Association of America (ASA), National Senior~~
21 ~~Games Association (NSGA), American Youth Football and Cheer (AYF),~~
22 ~~United States Lacrosse (USL), National Collegiate Athletic~~
23 ~~Association (NCAA), United States Tennis Association (USTA),~~
24 ~~Special Olympics, National Association for Stock Car Auto Racing~~
25 ~~(NASCAR), Breeders' Cup, or another major nationally or~~
26 ~~internationally recognized sports organization].~~

27 (a-1) An event is eligible for funding under this section

1 only if:

2 (1) a site selection organization selects a site for
3 the event located in this state after considering, through a highly
4 competitive selection process, one or more sites that are not
5 located in this state;

6 (2) a site selection organization selects a site in
7 this state as:

8 (A) the sole site for the event; or

9 (B) the sole site for the event in a region
10 composed of this state and one or more adjoining states; and

11 (3) the event is held not more than one time in this
12 state or an adjoining state in any year.

13 (b) If a site selection organization[~~, after considering~~
14 ~~through a highly competitive process one or more sites that are not~~
15 ~~located in this state,~~] selects a site for an event in this state
16 pursuant to an application by a local organizing committee,
17 endorsing municipality, or endorsing county, not later than three
18 months before the date of the event, the comptroller shall
19 determine for the 30-day period that ends at the end of the day
20 after the date on which the event will be held or, if the event
21 occurs on more than one day, after the last date on which the event
22 will be held, in accordance with procedures developed by the
23 comptroller:

24 (1) the incremental increase in the receipts to this
25 state from taxes imposed under Chapters 151, 152, 156, and 183, Tax
26 Code, and under Title 5, Alcoholic Beverage Code, within the market
27 areas designated under Subsection (c) of this section, that is

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1 directly attributable, as determined by the comptroller, to the
2 preparation for and presentation of the event and related
3 activities;

4 (2) the incremental increase in the receipts collected
5 by this state on behalf of each endorsing municipality in the market
6 area from the sales and use tax imposed by each endorsing
7 municipality under Section 321.101(a), Tax Code, and the mixed
8 beverage tax revenue to be received by each endorsing municipality
9 under Section 183.051(b), Tax Code, that is directly attributable,
10 as determined by the comptroller, to the preparation for and
11 presentation of the event and related activities;

12 (3) the incremental increase in the receipts collected
13 by this state on behalf of each endorsing county in the market area
14 from the sales and use tax imposed by each endorsing county under
15 Section 323.101(a), Tax Code, and the mixed beverage tax revenue to
16 be received by each endorsing county under Section 183.051(b), Tax
17 Code, that is directly attributable, as determined by the
18 comptroller, to the preparation for and presentation of the event
19 and related activities;

20 (4) the incremental increase in the receipts collected
21 by each endorsing municipality in the market area from the hotel
22 occupancy tax imposed under Chapter 351, Tax Code, that is directly
23 attributable, as determined by the comptroller, to the preparation
24 for and presentation of the event and related activities; and

25 (5) the incremental increase in the receipts collected
26 by each endorsing county in the market area from the hotel occupancy
27 tax imposed under Chapter 352, Tax Code, that is directly

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1 attributable, as determined by the comptroller, to the preparation
2 for and presentation of the event and related activities.

3 (c-1) The comptroller shall base the determination
4 specified by Subsection (b) of this section on information
5 submitted by the local organizing committee, endorsing
6 municipality, or endorsing county, and must make the determination
7 not later than the 30th day after the date the comptroller receives
8 the information.

9 (d) Each endorsing municipality or endorsing county shall
10 remit to the comptroller and the comptroller shall deposit into a
11 trust fund created by the comptroller and designated as the Events
12 [~~sporting events~~] trust fund the amount of the municipality's or
13 county's hotel occupancy tax revenue determined under Subsection
14 (b)(4) or (5) of this section, less any amount of the revenue that
15 the municipality or county determines is necessary to meet the
16 obligations of the municipality or county. The comptroller shall
17 retain the amount of sales and use tax revenue and mixed beverage
18 tax revenue determined under Subsection (b)(2) or (3) of this
19 section from the amounts otherwise required to be sent to the
20 municipality under Sections 321.502 and 183.051(b), Tax Code, or to
21 the county under Sections 323.502 and 183.051(b), Tax Code, and
22 deposit into the trust fund the tax revenues, less any amount of the
23 revenue that the municipality or county determines is necessary to
24 meet the obligations of the municipality or county. The
25 comptroller shall begin retaining and depositing the local tax
26 revenues with the first distribution of that tax revenue that
27 occurs after the first day of the period described by Subsection (b)

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1 of this section or at a time otherwise determined to be practicable
2 by the comptroller and shall discontinue retaining the local tax
3 revenues under this subsection when the amount of the applicable
4 tax revenue determined under Subsection (b)(2) or (3) of this
5 section has been retained. The Events [~~sporting events~~] trust fund
6 is established outside the state treasury and is held in trust by
7 the comptroller for administration of this section. Money in the
8 trust fund may be disbursed by the comptroller without
9 appropriation only as provided by this section.

10 (d-1) Not later than the 90th day after the last day of an
11 event and in lieu of the local tax revenues remitted to or retained
12 by the comptroller under Subsection (d) of this section, a
13 municipality or county may remit to the comptroller for deposit in
14 the Events trust fund other local funds in an amount equal to the
15 total amount of local tax revenue determined under Subsections
16 (b)(2) through (5) of this section. The amount deposited by the
17 comptroller into the Events trust fund under this subsection is
18 subject to Subsection (f) of this section.

19 (e) In addition to the tax revenue deposited in the Events
20 [~~sporting events~~] trust fund under Subsection (d) of this section,
21 an endorsing municipality or endorsing county may guarantee its
22 obligations under an event support contract and this section by
23 pledging surcharges from user fees, including parking or ticket
24 fees, charged in connection with the event. An endorsing
25 municipality or endorsing county may collect and remit to the
26 comptroller surcharges and user fees attributable to the event for
27 deposit into the Events trust fund.

1 (f) The comptroller shall deposit into the Events [~~sporting~~
2 ~~events~~] trust fund a portion of the state tax revenue not to exceed
3 the amount determined under Subsection (b)(1) of this section in an
4 amount equal to 6.25 times the amount of the local tax revenue
5 retained or remitted under this section, including:

- 6 (1) local sales and use tax revenue;
- 7 (2) [~~and~~] mixed beverage tax revenue;
- 8 (3) [~~retained and the~~] hotel occupancy tax revenue;

9 and

10 (4) surcharge and user fee revenue [~~remitted by an~~
11 ~~endorsing municipality or endorsing county under Subsection (d) of~~
12 ~~this section~~].

13 (g) To meet its obligations under an event support contract
14 to improve, construct, renovate, or acquire facilities or to
15 acquire equipment, an endorsing municipality by ordinance or an
16 endorsing county by order may authorize the issuance of notes. An
17 endorsing municipality or endorsing county may provide that the
18 notes be paid from and secured by amounts on deposit or amounts to
19 be deposited into the Events [~~sporting events~~] trust fund or
20 surcharges from user fees, including parking or ticket fees,
21 charged in connection with the event. Any note issued must mature
22 not later than seven years from its date of issuance.

23 (h) The money in the Events [~~sporting events~~] trust fund may
24 be used to pay the principal of and interest on notes issued by an
25 endorsing municipality or endorsing county under Subsection (g) of
26 this section and to fulfill obligations of this state or an
27 endorsing municipality or endorsing county to a site selection

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1 organization under an event support contract, which obligations may
2 include the payment of costs relating to the preparations necessary
3 or desirable for the conduct of the event and the payment of costs
4 of conducting the event, including improvements or renovations to
5 existing facilities or other facilities and costs of acquisition or
6 construction of new facilities or other facilities.

7 (i) A local organizing committee, endorsing municipality,
8 or endorsing county shall provide information required by the
9 comptroller to enable the comptroller to fulfill the comptroller's
10 duties under this section, including annual audited statements of
11 any financial records required by a site selection organization and
12 data obtained by the local organizing committee, an endorsing
13 municipality, or an endorsing county relating to attendance at the
14 event and to the economic impact of the event. A local organizing
15 committee, endorsing municipality, or endorsing county must
16 provide an annual audited financial statement required by the
17 comptroller, if any, not later than the end of the fourth month
18 after the date the period covered by the financial statement ends.
19 After the conclusion of an event and on the comptroller's request, a
20 local organizing committee, endorsing municipality, or endorsing
21 county must provide information relating to the event, such as
22 attendance figures, financial information, or other public
23 information held by the local organizing committee, endorsing
24 municipality, or endorsing county that the comptroller considers
25 necessary.

26 (j) The comptroller shall provide an estimate not later than
27 three months before the date of an event of the total amount of tax

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1 revenue that would be deposited in the Events [~~sporting events~~]
2 trust fund under this section in connection with that event, if the
3 event were to be held in this state at a site selected pursuant to an
4 application by a local organizing committee, endorsing
5 municipality, or endorsing county. The comptroller shall provide
6 the estimate on request to a local organizing committee, endorsing
7 municipality, or endorsing county. A local organizing committee,
8 endorsing municipality, or endorsing county may submit the
9 comptroller's estimate to a site selection organization.

10 (k) The comptroller may make a disbursement from the Events
11 [~~sporting events~~] trust fund on the prior approval of each
12 contributing endorsing municipality or endorsing county for a
13 purpose for which a local organizing committee, an endorsing
14 municipality, or an endorsing county or this state is obligated
15 under an event support contract. A disbursement may not be made
16 from the trust fund that the comptroller determines would be used
17 for the purpose of soliciting the relocation of a professional
18 sports franchise located in this state.

19 (l) If a disbursement is made from the Events [~~sporting~~
20 ~~events~~] trust fund under Subsection (k) of this section, the
21 obligation shall be satisfied proportionately from the state and
22 local revenue in the trust fund.

23 (m) On payment of all state, municipal, or county
24 obligations under an event support contract related to the location
25 of any particular event in this state, the comptroller shall remit
26 to each endorsing entity, in proportion to the amount contributed
27 by the entity, any money remaining in the Events [~~sporting events~~]

1 trust fund.

2 (p) The comptroller may adopt rules necessary to implement
3 this section.

4 (q) In determining the amount of state revenue available
5 under Subsection (b)(1) of this section, the comptroller may
6 consider whether:

7 (1) the event has been held in this state on previous
8 occasions; and

9 (2) changes to the character of the event could affect
10 the incremental increase in receipts collected and remitted to the
11 state by an endorsing county or endorsing municipality under that
12 subsection.

13 SECTION 8. Subsection (n), Section 5A, Chapter 1507 (S.B.
14 456), Acts of the 76th Legislature, Regular Session, 1999 (Article
15 5190.14, Vernon's Texas Civil Statutes), is repealed.

16 SECTION 9. The changes in law made by this Act apply only to
17 applications for participation in the Major Events trust fund or
18 the Events trust fund that are received by the comptroller on or
19 after September 1, 2009. An application for participation in the
20 Other Events trust fund or the sporting events trust fund received
21 before September 1, 2009, is governed by the law as it existed
22 immediately before the effective date of this Act, and that law and
23 the respective funds are continued in effect for that purpose.

24 SECTION 10. This Act takes effect September 1, 2009.

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David Newburn
President of the Senate

Jim Strawn
Speaker of the House

I hereby certify that S.B. No. 1515 passed the Senate on April 15, 2009, by the following vote: Yeas 26, Nays 4; and that the Senate concurred in House amendment on May 28, 2009, by the following vote: Yeas 28, Nays 3.

Patry Spaw
Secretary of the Senate

I hereby certify that S.B. No. 1515 passed the House, with amendment, on May 20, 2009, by the following vote: Yeas 119, Nays 16, one present not voting.

Robert Hanes
Chief Clerk of the House

Approved:

19 JUN '09
Date

Rick Perry
Governor

FILED IN THE OFFICE OF THE
SECRETARY OF STATE
2 PM O'CLOCK

JUN 19 2009

Colby Shuter III