Chapter 810

S.B. No. 1515

AN ACT
relating to a major events trust fund, a motor sports racing trust
fund, and an events trust fund for sporting and non-sporting
events.

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

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

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

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

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

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

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

(A) the department on behalf of this state and a
site selection organization setting out representations and
assurances by the state in connection with the selection of a site
in this state for the location of a game or event [any of the games];
or
(B) a local organizing committee, an endorsing
municipality, an endorsing county, or more than one local
organizing committee, endorsing municipality, or endorsing county
acting collectively, and a site selection organization setting out
representations and assurances by each local organizing committee,
endorsing municipality, or endorsing county in connection with the
selection of a site in this state for the location of a game or event
[any of the games].

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

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

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

(7) "Local organizing committee" means a nonprofit
corporation or its successor in interest that:

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

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

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

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

Sec. 2. PURPOSE. The purpose of this Act is to provide assurances required by a site selection organization sponsoring a
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[one or more major] sporting or non-sporting game or event [athletic events] and to provide financing for the costs of:

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

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

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

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

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

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

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

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

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

SECTION 4. Section 5A, Chapter 1507 (S.B. 456), Acts of the
76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), is amended by amending Subsections (a) through (m), (o), and (p) and adding Subsections (a-1), (b-1), (d-1), (r), (s), (t), (u), and (v) to read as follows:

(a) In this section:

(1) "Endorsing county" means:

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

(B) a county that:

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

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

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

(2) "Endorsing municipality" means:

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

(B) a municipality that:

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

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

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

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

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

(5) "Site selection organization'' means the National Football League, the National Collegiate Athletic Association, the National Basketball Association, the National Hockey League, Major League Baseball, the Federation Internationale de Football Association (FIFA), the International World Games Association, the United States Olympic Committee[7] or the national governing body of a sport that is recognized [as such] by the United States Olympic Committee, the National Thoroughbred Racing Association, Formula One Management Limited, or the Federation Internationale de l'Automobile.
(a-1) An event included in Subsection (a)(4) of this section is eligible for funding under this section only if:
   (1) a site selection organization selects a site located in this state for the event after considering, through a highly competitive selection process, one or more sites that are not located in this state;
   (2) a site selection organization selects a site in this state as the sole site for the event; and
   (3) the event is held not more than one time in any year.

(b) If a site selection organization selects a site for an event [a game] in this state pursuant to an application by a local organizing committee, endorsing municipality, or endorsing county, [not later than three months before the date of the game or six months before the date of the game] upon request of a local organizing committee, endorsing municipality, or endorsing county, the comptroller shall determine for a one-year [the two-week] period that begins two months before [ends at the end of the day after] the date on which the event [game] will begin [be held], in accordance with procedures developed by the comptroller:
   (1) the incremental increase in the receipts to the state from taxes imposed under Chapters 151, 152, 156, and 183, Tax Code, and under Title 5, Alcoholic Beverage Code, within the market areas designated under Subsection (c) of this section, that is directly attributable, as determined by the comptroller, to the preparation for and presentation of the event [game] and related activities [events];
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(2) the incremental increase in the receipts collected by the state on behalf of each endorsing municipality in the market area from the sales and use tax imposed by each endorsing municipality under Section 321.101(a), Tax Code, and the mixed beverage tax revenue to be received by each endorsing municipality under Section 183.051(b), Tax Code, that is directly attributable, as determined by the comptroller, to the preparation for and presentation of the event [game] and related activities [events];

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

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

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

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

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

(d) Each endorsing municipality or endorsing county shall remit to the comptroller and the comptroller shall deposit into a trust fund created by the comptroller and designated as the Major
Events trust fund the amount of the municipality's or county's hotel occupancy tax revenue determined under Subsection (b)(4) or (b)(5) of this section, less any amount of the revenue that the municipality or county determines is necessary to meet the obligations of the municipality or county. The comptroller shall retain the amount of sales and use tax revenue and mixed beverage tax revenue determined under Subsection (b)(2) or (b)(3) of this section from the amounts otherwise required to be sent to the municipality under Sections 321.502 and 183.051(b), Tax Code, or to the county under Sections 323.502 and 183.051(b), Tax Code, and deposit into the trust fund the tax revenues, less any amount of the revenue that the municipality or county determines is necessary to meet the obligations of the municipality or county. The comptroller shall begin retaining and depositing the local tax revenues with the first distribution of that tax revenue that occurs after the first day of the one-year [two-week] period described by Subsection (b) of this section or at a time otherwise determined to be practicable by the comptroller and shall discontinue retaining the local tax revenues under this subsection when the amount of the applicable tax revenue determined under Subsection (b)(2) or (b)(3) of this section has been retained. The Major [Other] Events trust fund is established outside the state treasury and is held in trust by the comptroller for administration of this Act. Money in the trust fund may be disbursed by the comptroller without appropriation only as provided by this section. Not later than the 90th day after the last day of an event and in lieu of the local tax revenues remitted to or retained
by the comptroller under Subsection (d) of this section, a
municipality or county may remit to the comptroller for deposit in
the Major Events trust fund other local funds in an amount equal to
the total amount of local tax revenue determined under Subsections
(b)(2) through (f) of this section. The amount deposited by the
comptroller into the Major Events trust fund under this subsection
is subject to Subsection (f) of this section.

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

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

(1) Local sales and use tax revenue;

(2) [and] mixed beverage tax revenue;

(3) [retained and the] hotel occupancy tax revenue;

and

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

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

(i) A local organizing committee, endorsing municipality, or endorsing county shall provide information required by the comptroller to enable the comptroller to fulfill the comptroller's
duties under this section, including annual audited statements of
any financial records required by a site selection organization and
data obtained by the local organizing committee, an endorsing
municipality, or an endorsing county relating to attendance at the
event [game] and to the economic impact of the event [game]. A
local organizing committee, endorsing municipality, or endorsing
county must provide an annual audited financial statement required
by the comptroller, if any, not later than the end of the fourth
month after the date the period covered by the financial statement
ends. After the conclusion of an event and on the comptroller's
request, a local organizing committee, endorsing municipality, or
endorsing county must provide information relating to the event,
such as attendance figures, financial information, or other public
information held by the local organizing committee, endorsing
municipality, or endorsing county that the comptroller considers
necessary.

(j) Not [The comptroller shall provide an estimate not]
later than the 30th day after the date a [three months before the
date of a game or six months before the date of the game upon]
request of a local organizing committee, endorsing municipality, or
endorsing county is submitted to the comptroller under Subsection
(b-1) of this section, the comptroller shall provide an estimate of
the total amount of tax revenue that would be deposited in the Major
[Other] Events trust fund under this section in connection with
that event [game], if the event [game] were to be held in this state
at a site selected pursuant to an application by a local organizing
committee, endorsing municipality, or endorsing county. [The
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comptroller shall provide the estimate on request to a local organizing committee, endorsing municipality, or endorsing county. A local organizing committee, endorsing municipality, or endorsing county may submit the comptroller's estimate to a site selection organization.

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

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

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

(o) This section may not be construed as creating or requiring a state guarantee of obligations imposed on the state or an endorsing municipality or endorsing county under an event [•}
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[game] support contract or other agreement relating to hosting one or more events [games] in this state.

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

(r) This subsection applies only to an event that the comptroller determines under Subsection (b) of this section will generate at least $15 million in state and local tax revenue. The comptroller and one or more endorsing municipalities or endorsing counties may enter into an agreement to provide that an amount equal to the amount of local tax revenue determined by the comptroller under Subsections (b)(2) through (5) of this section shall be remitted to the comptroller by one or more endorsing municipalities or endorsing counties and shall be deposited by the comptroller into the Major Events trust fund before the event. In the 12 months immediately preceding the event, the comptroller may deposit into the trust fund an amount equal to the amount the state is required to deposit under Subsection (f) of this section from any amounts appropriated by the legislature for the purposes of this subsection. The comptroller may make disbursements from the trust fund in amounts that do not exceed the amounts deposited under this subsection in accordance with the agreement to pay costs relating to attracting and securing the event. An agreement under this subsection may provide that, following the last day of an event, the
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funds eligible for disbursement under Subsection (k) of this
section be held in the trust fund and made available to pay the cost
of securing the event in future years.

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

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

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

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

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

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

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

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

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

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

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

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

(a) In this section:

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

(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
4 (3) "Event" means an [a National Collegiate Athletic
5 Association regional tournament or playoff game, a Senior Olympic
6 activity, including a training program or feeder program sanctioned
7 by the National Senior Games Association, or a major sporting or
8 athletic] event or a related series of events held in this state for
9 which a local organizing committee, endorsing county, or endorsing
10 municipality seeks approval from [sanctioned by] a site selection
11 organization to hold the event at a site in this state. The term
12 includes any activities related to or associated with the event.
13
14 (4) "Event support contract" means a joinder
15 undertaking, a joinder agreement, or a similar contract executed by
16 a local organizing committee, an endorsing municipality, or an
17 endorsing county and a site selection organization.
18
19 (5) "Site selection organization" means an entity that
20 conducts or considers conducting an eligible event in this state
21 [the United States Olympic Committee (USOC), United States Youth
22 Soccer Association (USYSA), United States Bowling Congress (USBC),
23 Amateur Softball Association of America (ASA), National Senior
24 Games Association (NSGA), American Youth Football and Cheer (AYF),
25 United States Lacrosse (USL), National Collegiate Athletic
26 Association (NCAA), United States Tennis Association (USTA),
27 Special Olympics, National Association for Stock Car Auto Racing
28 (NASCAR), Breeders' Cup, or another major nationally or
29 internationally recognized sports organization].
30
31 (a-1) An event is eligible for funding under this section
only if:

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

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

   (A) the sole site for the event; or

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

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

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

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

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

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

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

(5) the incremental increase in the receipts collected
by each endorsing county in the market area from the hotel occupancy
tax imposed under Chapter 352, Tax Code, that is directly
(c-1) The comptroller shall base the determination specified by Subsection (b) of this section on information submitted by the local organizing committee, endorsing municipality, or endorsing county, and must make the determination not later than the 30th day after the date the comptroller receives the information.

(d) Each endorsing municipality or endorsing county shall remit to the comptroller and the comptroller shall deposit into a trust fund created by the comptroller and designated as the Events [sporting events] trust fund the amount of the municipality's or county's hotel occupancy tax revenue determined under Subsection (b)(4) or (5) of this section, less any amount of the revenue that the municipality or county determines is necessary to meet the obligations of the municipality or county. The comptroller shall retain the amount of sales and use tax revenue and mixed beverage tax revenue determined under Subsection (b)(2) or (3) of this section from the amounts otherwise required to be sent to the municipality under Sections 321.502 and 183.051(b), Tax Code, or to the county under Sections 323.502 and 183.051(b), Tax Code, and deposit into the trust fund the tax revenues, less any amount of the revenue that the municipality or county determines is necessary to meet the obligations of the municipality or county. The comptroller shall begin retaining and depositing the local tax revenues with the first distribution of that tax revenue that occurs after the first day of the period described by Subsection (b)
of this section or at a time otherwise determined to be practicable
by the comptroller and shall discontinue retaining the local tax
revenues under this subsection when the amount of the applicable
tax revenue determined under Subsection (b)(2) or (3) of this
section has been retained. The Events [sporting events] trust fund
is established outside the state treasury and is held in trust by
the comptroller for administration of this section. Money in the
trust fund may be disbursed by the comptroller without
appropriation only as provided by this section.

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

(e) In addition to the tax revenue deposited in the Events
[sporting events] trust fund under Subsection (d) of this section,
an endorsing municipality or endorsing county may guarantee its
obligations under an event support contract and this section by
pledging surcharges from user fees, including parking or ticket
fees, charged in connection with the event. An endorsing
municipality or endorsing county may collect and remit to the
comptroller surcharges and user fees attributable to the event for
deposit into the Events trust fund.
(f) The comptroller shall deposit into the Events [sporting events] trust fund a portion of the state tax revenue not to exceed the amount determined under Subsection (b)(1) of this section in an amount equal to 6.25 times the amount of the local tax revenue retained or remitted under this section, including:

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

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

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

(h) The money in the Events [sporting events] trust fund may be used to pay the principal of and interest on notes issued by an endorsing municipality or endorsing county under Subsection (g) of this section and to fulfill obligations of this state or an endorsing municipality or endorsing county to a site selection
organization under an event support contract, which obligations may
include the payment of costs relating to the preparations necessary
or desirable for the conduct of the event and the payment of costs
of conducting the event, including improvements or renovations to
existing facilities or other facilities and costs of acquisition or
construction of new facilities or other facilities.

(i) A local organizing committee, endorsing municipality,
or endorsing county shall provide information required by the
comptroller to enable the comptroller to fulfill the comptroller's
duties under this section, including annual audited statements of
any financial records required by a site selection organization and
data obtained by the local organizing committee, an endorsing
municipality, or an endorsing county relating to attendance at the
event and to the economic impact of the event. A local organizing
committee, endorsing municipality, or endorsing county must
provide an annual audited financial statement required by the
comptroller, if any, not later than the end of the fourth month
after the date the period covered by the financial statement ends.

After the conclusion of an event and on the comptroller's request, a
local organizing committee, endorsing municipality, or endorsing
county must provide information relating to the event, such as
attendance figures, financial information, or other public
information held by the local organizing committee, endorsing
municipality, or endorsing county that the comptroller considers
necessary.

(j) The comptroller shall provide an estimate not later than
three months before the date of an event of the total amount of tax
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revenue that would be deposited in the Events [sporting events] trust fund under this section in connection with that event, if the event were to be held in this state at a site selected pursuant to an application by a local organizing committee, endorsing municipality, or endorsing county. The comptroller shall provide the estimate on request to a local organizing committee, endorsing municipality, or endorsing county. A local organizing committee, endorsing municipality, or endorsing county may submit the comptroller's estimate to a site selection organization.

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

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

(m) On payment of all state, municipal, or county obligations under an event support contract related to the location of any particular event in this state, the comptroller shall remit to each endorsing entity, in proportion to the amount contributed by the entity, any money remaining in the Events [sporting events]
(p) The comptroller may adopt rules necessary to implement this section.

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

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

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

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

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

SECTION 10. This Act takes effect September 1, 2009.
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David Dewhurst  
President of the Senate

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.

Jon Smigula  
Speaker of the House

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 Hennesy  
Secretary of the Senate

Robert Hennesy  
Chief Clerk of the House

Approved:  
19 Jun '09

Rick Perry  
Governor

Filed in the office of the Secretary of State  
2 PM 11 O'Clock  
Jun 14 2009

Coley Hunter III