

By: Keffer

H.B. No. 3497

A BILL TO BE ENTITLED

1 AN ACT

2 relating to economic impact studies and other financial issues
3 affecting municipalities and counties that attempt to recruit or
4 retain special events.

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

6 SECTION 1. Section 398.004(b), Local Government Code, is
7 amended to read as follows:

8 (b) The economic impact study must identify the geographic
9 area expected to experience economic benefits from the special
10 event and provide an estimate of:

11 (1) the general economic impact likely to occur in the
12 area as a result of the event; and

13 (2) the anticipated amount of increase in the tax
14 receipts to this state from the taxes imposed under Title 5,
15 Alcoholic Beverage Code, and Chapters [Chapter] 151, 156, and 183,
16 Tax Code, that:

17 (A) will occur in the special event area during
18 the period that begins on the day before the first day of the event
19 and ends at the earlier of:

20 (i) the end of the day following the last
21 day of the event; or

22 (ii) the end of the 30th day after the day
23 before the first day of the event; and

24 (B) is directly attributable to the preparation

1 for and presentation of the event.

2 SECTION 2. Section 398.006(b), Local Government Code, is
3 amended to read as follows:

4 (b) A special event plan must include:

5 (1) a copy of an economic impact study for the special
6 event that has been certified under Section 398.005;

7 (2) the history of the event in the special event area,
8 a description of previous attempts by the host community to secure
9 the event, information regarding attempts by other communities to
10 recruit the event, and any other information that would justify
11 approval of the amount of money requested for the event under this
12 chapter;

13 (3) a detailed explanation justifying each expense as
14 it relates to the purposes provided by Section 398.007(c) that each
15 political subdivision within a host community anticipates will be
16 incurred in connection with hosting the event and for which each
17 political subdivision intends to use revenue from the special event
18 trust fund established by the comptroller for the host community
19 under this chapter;

20 (4) an estimate of the total amount of expenses each
21 political subdivision within a host community anticipates will be
22 incurred in hosting the event; and

23 (5) a request that an amount of money, not to exceed
24 the lesser of [~~one-half of~~] the amount of the total expenses
25 estimated under Subdivision (4) or [~~one-half of~~] the amount of the
26 anticipated increase in tax receipts to this state described by
27 Section 398.004(b)(2) according to the certified economic impact

1 study, be deposited by the comptroller into a special event trust
2 fund for the host community.

3 SECTION 3. A host community whose economic impact study was
4 certified by the comptroller under Section 398.005(a)(2), Local
5 Government Code, on or after December 1, 2006, and before the
6 effective date of this Act may provide a supplemental economic
7 impact study for consideration and certification by the comptroller
8 under Section 398.004, Local Government Code, as amended by this
9 Act, notwithstanding the certification deadlines prescribed by
10 Sections 398.004 and 398.006, Local Government Code, as amended by
11 this Act, and Section 398.005, Local Government Code.

12 SECTION 4. This Act takes effect immediately if it receives
13 a vote of two-thirds of all the members elected to each house, as
14 provided by Section 39, Article III, Texas Constitution. If this
15 Act does not receive the vote necessary for immediate effect, this
16 Act takes effect September 1, 2007.