

By: Brimer

S.B. No. 1425

A BILL TO BE ENTITLED

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

AN ACT

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

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

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

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

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

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

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

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

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

(B) is directly attributable to the preparation

1 for and presentation of the event.

2 SECTION 2. Subsection (b), Section 398.006, Local
3 Government Code, is 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 of public accounts under Subdivision
5 (2), Subsection (a), Section 398.005, Local Government Code, on or
6 after December 1, 2006, and before the effective date of this Act
7 may provide a supplemental economic impact study for consideration
8 and certification by the comptroller under Section 398.004, Local
9 Government Code, as amended by this Act, notwithstanding the
10 certification deadlines prescribed by Sections 398.004 and
11 398.006, Local Government Code, as amended by this Act, and Section
12 398.005, Local Government Code.

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