

1-1 By: Brimer S.B. No. 1425
1-2 (In the Senate - Filed March 8, 2007; March 20, 2007, read
1-3 first time and referred to Subcommittee on Emerging Technologies
1-4 and Economic Development; April 10, 2007, reported favorably from
1-5 Committee on Business and Commerce by the following vote: Yeas 9,
1-6 Nays 0; April 10, 2007, sent to printer.)

1-7 A BILL TO BE ENTITLED
1-8 AN ACT

1-9 relating to economic impact studies and other financial issues
1-10 affecting municipalities and counties that attempt to recruit or
1-11 retain special events.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subsection (b), Section 398.004, Local
1-14 Government Code, is amended to read as follows:

1-15 (b) The economic impact study must identify the geographic
1-16 area expected to experience economic benefits from the special
1-17 event and provide an estimate of:

1-18 (1) the general economic impact likely to occur in the
1-19 area as a result of the event; and

1-20 (2) the anticipated amount of increase in the tax
1-21 receipts to this state from the taxes imposed under Title 5,
1-22 Alcoholic Beverage Code, and Chapters [Chapter] 151, 156, and 183,
1-23 Tax Code, that:

1-24 (A) will occur in the special event area during
1-25 the period that begins on the day before the first day of the event
1-26 and ends at the earlier of:

1-27 (i) the end of the day following the last
1-28 day of the event; or

1-29 (ii) the end of the 30th day after the day
1-30 before the first day of the event; and

1-31 (B) is directly attributable to the preparation
1-32 for and presentation of the event.

1-33 SECTION 2. Subsection (b), Section 398.006, Local
1-34 Government Code, is amended to read as follows:

1-35 (b) A special event plan must include:

1-36 (1) a copy of an economic impact study for the special
1-37 event that has been certified under Section 398.005;

1-38 (2) the history of the event in the special event area,
1-39 a description of previous attempts by the host community to secure
1-40 the event, information regarding attempts by other communities to
1-41 recruit the event, and any other information that would justify
1-42 approval of the amount of money requested for the event under this
1-43 chapter;

1-44 (3) a detailed explanation justifying each expense as
1-45 it relates to the purposes provided by Section 398.007(c) that each
1-46 political subdivision within a host community anticipates will be
1-47 incurred in connection with hosting the event and for which each
1-48 political subdivision intends to use revenue from the special event
1-49 trust fund established by the comptroller for the host community
1-50 under this chapter;

1-51 (4) an estimate of the total amount of expenses each
1-52 political subdivision within a host community anticipates will be
1-53 incurred in hosting the event; and

1-54 (5) a request that an amount of money, not to exceed
1-55 the lesser of ~~[one-half of]~~ the amount of the total expenses
1-56 estimated under Subdivision (4) or ~~[one-half of]~~ the amount of the
1-57 anticipated increase in tax receipts to this state described by
1-58 Section 398.004(b)(2) according to the certified economic impact
1-59 study, be deposited by the comptroller into a special event trust
1-60 fund for the host community.

1-61 SECTION 3. A host community whose economic impact study was
1-62 certified by the comptroller of public accounts under Subdivision
1-63 (2), Subsection (a), Section 398.005, Local Government Code, on or
1-64 after December 1, 2006, and before the effective date of this Act

2-1 may provide a supplemental economic impact study for consideration
2-2 and certification by the comptroller under Section 398.004, Local
2-3 Government Code, as amended by this Act, notwithstanding the
2-4 certification deadlines prescribed by Sections 398.004 and
2-5 398.006, Local Government Code, as amended by this Act, and Section
2-6 398.005, Local Government Code.

2-7 SECTION 4. This Act takes effect immediately if it receives
2-8 a vote of two-thirds of all the members elected to each house, as
2-9 provided by Section 39, Article III, Texas Constitution. If this
2-10 Act does not receive the vote necessary for immediate effect, this
2-11 Act takes effect September 1, 2007.

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