

Amend **CSSB 1678** (Senate Committee Report) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS of the bill accordingly:

SECTION _____. (a) The state auditor shall conduct an audit to determine the efficiency and effectiveness of funding events through an events trust fund authorized under Section 5, 5A, 5B, or 5C, Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes).

(b) The audit, at a minimum, must determine whether money from an events trust fund is efficiently and effectively:

(1) disbursed in compliance with Section 5, 5A, 5B, or 5C, Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), as applicable, the Government Code, and other relevant laws or standards;

(2) monitored so that the event and the persons and entities that receive money from the fund comply with the terms of applicable agreements and with the applicable sections of Chapter 1507, the Government Code, and other relevant laws or standards; and

(3) maintained to provide adequate financial control systems and to ensure accountability for use of the money.

(c) The state auditor shall prepare a report of the audit conducted under Subsection (a). Not later than January 1, 2015, the state auditor shall electronically file a copy of the report with the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each standing committee of the senate and house of representatives having primary jurisdiction over fiscal matters or matters related to tourism or recreation. The report must include details on:

(1) the process for approving the disbursement of money through an events trust fund; and

(2) the degree to which past and present recipients of money from a fund have complied with the terms of event agreements and with the applicable sections of Chapter 1507, the Government Code, and other relevant laws or standards.

(d) The comptroller of public accounts shall conduct a study

to determine:

(1) the economic impact of the events that qualify for funding through an events trust fund; and

(2) whether the events would likely be held in this state in the absence of the incentives provided through the fund.

(e) The comptroller of public accounts shall prepare a report of the findings from the study conducted under Subsection (d). Not later than January 1, 2015, the comptroller shall electronically file a copy of the report with the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each standing committee of the senate and house of representatives having primary jurisdiction over fiscal matters or matters related to tourism or recreation.

(f) Notwithstanding any other law, the comptroller of public accounts shall reimburse the state auditor for the cost of the audit conducted by the state auditor under Subsection (a) using any balances available in the 2014 state fiscal year from the events trust funds established under Section 5, 5A, 5B, or 5C, Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes). The comptroller shall pay the audit cost proportionally from the established funds based on the maximum balances in the funds during the 2014 state fiscal year.

(g) This section expires September 1, 2015.