

By: Davis

S.B. No. 1392

A BILL TO BE ENTITLED

AN ACT

relating to an audit by the state auditor and a study by the
comptroller of the events trust funds.

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

SECTION 1. (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 (Senate Bill No. 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 (Senate Bill No. 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.

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

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

11 (2) the degree to which past and present recipients of
12 money from a fund have complied with the terms of event agreements
13 and with the applicable sections of Chapter 1507 (Senate Bill No.
14 456), Acts of the 76th Legislature, Regular Session, 1999 (Article
15 5190.14, Vernon's Texas Civil Statutes), the Government Code, and
16 other relevant laws or standards.

17 SECTION 2. (a) The comptroller of public accounts shall
18 conduct a study to determine:

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

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

23 (b) The comptroller of public accounts shall prepare a
24 report of the findings from the study conducted under this section.
25 Not later than January 1, 2015, the comptroller shall
26 electronically file a copy of the report with the lieutenant
27 governor, the speaker of the house of representatives, and the

1 presiding officer of each standing committee of the senate and
2 house of representatives having primary jurisdiction over fiscal
3 matters or matters related to tourism or recreation.

4 SECTION 3. (a) Notwithstanding any other law, the
5 comptroller of public accounts shall reimburse the state auditor
6 for the cost of the audit conducted under Section 1 of this Act. The
7 comptroller may reimburse the state auditor from the funds
8 described by Subsection (b) of this section or the money collected
9 in the manner described by Subsection (c) of this section, or with a
10 combination of the funds and money.

11 (b) The comptroller may reimburse the state auditor using
12 any balances available in the 2014 state fiscal year from the events
13 trust funds established under Section 5, 5A, 5B, or 5C, Chapter 1507
14 (Senate Bill No. 456), Acts of the 76th Legislature, Regular
15 Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes).
16 The comptroller shall pay the audit cost proportionally from the
17 established funds based on the maximum balances in the funds during
18 the 2014 state fiscal year.

19 (c) The comptroller may reimburse the state auditor using
20 money collected by deducting an administrative fee not to exceed
21 three percent from amounts disbursed from the funds. The
22 comptroller may deduct this fee until the comptroller has collected
23 an amount sufficient to reimburse the state auditor under this
24 section.

25 SECTION 4. This Act expires September 1, 2015.

26 SECTION 5. This Act takes effect September 1, 2013.