

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

February 19, 2013

TO: Honorable Bob Deuell, Chair, Senate Committee on Economic Development

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB398 by Hancock (Relating to conforming the eligibility under a major events trust fund of a National Collegiate Athletic Association Division I Football Bowl Subdivision postseason event with the changes to the Bowl Championship Series system.), **As Introduced**

The fiscal impact would depend upon the number and location of events covered under the bill. However, no significant fiscal implication to the State is anticipated.

The bill would amend Article 5190.14 of Vernon's Texas Civil Statutes, with regard to events eligible for the Major Events Trust Fund, to add (1) any successor to the National Collegiate Athletic Association (NCAA) Bowl Championship Series, and (2) an NCAA Division I Football Bowl Subdivision post season playoff or championship game.

Eligibility for participation in the Major Events Trust Fund is limited to those events listed in the statute. It is potentially viable that any or all of the events proposed could be in place of, or newly labeled versions of, an existing event. As named in the bill, the proposed NCAA events identified and added by the bill either have never been held in Texas or have not yet been initiated. If the site selection organization for one of these events were to choose a Texas site to host the event, the host community would be eligible to request creation of a Major Event Trust Fund account. Upon approval by the Comptroller, the Comptroller would be authorized to transfer to the trust fund the estimated state revenue gain from hosting the event. The program requires local matching funds to be deposited in the trust fund to draw down the state share. The Comptroller would be authorized to reimburse the host city and/or county governments for eligible expenses related to the event. Trust fund reimbursements would be made directly from the incremental increases in certain taxes generated by the event.

The bill would take effect immediately upon enactment, assuming that it received the requisite two-thirds majority votes in both houses of the Legislature. Otherwise, it would take effect September 1, 2013.

Local Government Impact

The fiscal impact to a local entity would vary depending on a local entity being selected by a site selection organization to host a special event.

Source Agencies: 304 Comptroller of Public Accounts

LBB Staff: UP, RB, SD, AG, LCO