

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 83RD LEGISLATIVE REGULAR SESSION

April 2, 2013

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

FROM: Ursula Parks, Director, Legislative Budget Board

IN RE: SB765 by Watson (Relating to the establishment and duties of an event oversight committee for an event eligible to receive funding through a major events trust fund; limiting payments from the fund to reimbursement for attracting unique events to Texas.),
As Introduced

No significant fiscal implication to the State is anticipated.

The bill would require the Comptroller of Public Accounts (Comptroller) to establish an event oversight committee (committee) for each event eligible for funding under the Major Events Trust Fund (Fund) in which a location in Texas is selected as the site by a site selection organization. The committee would be composed of the Comptroller, the State Auditor and one representative from each endorsing county or municipality. The bill would transfer authority from the Comptroller to the committee related to: determination of the incremental tax increase due to the event; determination of the market area for the event; and conduct of a post impact study of a funded event. The bill would limit distributions from the Fund only for expenses deemed necessary to conduct the event and would create a five percent payment cap for expenses to make a structural improvement or addition of a fixture to a site if the improvement or addition is expected to derive most of its value in subsequent uses. The bill would take effect immediately upon receiving a two-thirds majority vote in each house. Otherwise, the bill would take effect September 1, 2013.

Based on the analyses of the Comptroller and State Auditor's Office (SAO), it is anticipated that any costs associated with the bill could be absorbed within existing resources. However, the SAO also reports that the office may not be able to perform future Fund audits due to its management role established in the bill.

Local Government Impact

No significant fiscal implication to units of local government is anticipated.

Source Agencies: 304 Comptroller of Public Accounts, 308 State Auditor's Office

LBB Staff: UP, RB, EP, LCO, MW, KKR