

By: Fraser

S.B. No. 633

A BILL TO BE ENTITLED

1 AN ACT
2 relating to a pan american games trust fund, an olympic games trust
3 fund, a major events trust fund, a motor sports racing trust fund,
4 an events trust fund for sporting and non-sporting events, and a
5 special event trust fund.

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

7 SECTION 1. Section 4, Chapter 1507 (S.B. 456), Acts of the
8 76th Legislature, Regular Session, 1999 (Article [5190.14](#), Vernon's
9 Texas Civil Statutes), is amended by amending Subsections (b), (c),
10 (d), (f), (h), (j), and (k) to read as follows:

11 (b) If a site selection organization selects a site for the
12 games in this state pursuant to an application by a local organizing
13 committee acting on behalf of an endorsing municipality, after the
14 first occurrence of a measurable economic impact in this state as a
15 result of the preparation for the games, as determined by the
16 department~~[comptroller]~~, but in no event later than one year before
17 the scheduled opening event of the games, the
18 department~~[comptroller]~~ shall determine for each subsequent
19 calendar quarter, in accordance with procedures developed by the
20 department~~[comptroller]~~:

21 (1) the incremental increase in the receipts to the
22 state from the taxes imposed under Chapters 151, 152, 156, and 183,
23 Tax Code, and under Title 5, Alcoholic Beverage Code, within the
24 market areas designated under Subsection (c) of this section, that

1 is directly attributable, as determined by the
2 department~~[comptroller]~~, to the preparation for and presentation
3 of the games and related events;

4 (2) the incremental increase in the receipts collected
5 by the state on behalf of the endorsing municipality from the sales
6 and use tax imposed by the endorsing municipality under Section
7 321.101(a), Tax Code, that is directly attributable, as determined
8 by the department~~[comptroller]~~, to the preparation for and
9 presentation of the games and related events; and

10 (3) the incremental increase in the receipts collected
11 by the endorsing municipality from the municipality's hotel
12 occupancy tax imposed under Chapter 351, Tax Code, that is directly
13 attributable, as determined by the department~~[comptroller]~~, to the
14 preparation for and presentation of the games and related events.

15 (c) For the purposes of Subsection (b)(1) of this section,
16 the department~~[comptroller]~~ shall designate as a market area for
17 the games each area in which the department~~[comptroller]~~ determines
18 there is a reasonable likelihood of measurable economic impact
19 directly attributable to the preparation for and presentation of
20 the games and related events, including areas likely to provide
21 venues, accommodations, and services in connection with the games
22 based on the proposal provided by the local organizing committee
23 under Section 7 of this Act. The department~~[comptroller]~~ shall
24 determine the geographic boundaries of each market area. The
25 endorsing municipality that has been selected as the site for the
26 games must be included in a market area for the games.

27 (d) The comptroller, at the direction of the department,

1 shall retain, for the purpose of guaranteeing the joint obligations
2 of the state and the endorsing municipality under a games support
3 contract and this Act, the amount of municipal sales and use tax
4 revenue determined under Subsection (b)(2) of this section from the
5 amounts otherwise required to be sent to the municipality under
6 Section 321.502, Tax Code, beginning with the first distribution of
7 that tax revenue that occurs after the date the
8 department~~[comptroller]~~ makes the determination of the amount of
9 municipal sales and use tax revenue under Subsection (b)(2). The
10 comptroller shall discontinue retaining municipal sales and use tax
11 revenue under this subsection on the earlier of:

12 (1) the end of the third calendar month following the
13 month in which the closing event of the games occurs; or

14 (2) the date the amount of municipal sales and use tax
15 revenue and municipal hotel occupancy tax revenue in the Pan
16 American Games trust fund equals 14 percent of the maximum amount of
17 state and municipal tax revenue that may be deposited in the trust
18 fund under Subsection (m) of this section.

19 (f) Subject to Subsection (m) of this section, the
20 department~~[comptroller]~~ shall deposit into a trust fund designated
21 as the Pan American Games trust fund the amount of municipal sales
22 and use tax revenue retained under Subsection (d) of this section
23 and, at the same time, a portion of the state tax revenue determined
24 under Subsection (b)(1) of this section in an amount equal to 6.25
25 times the amount of that municipal sales and use tax revenue.
26 Subject to Subsection (m) of this section, the endorsing
27 municipality shall deposit into the trust fund the amount of the

1 endorsing municipality's hotel occupancy tax revenue determined
2 under Subsection (b)(3) of this section. The endorsing municipality
3 shall deposit that hotel occupancy tax revenue into the trust fund
4 at least quarterly. When the endorsing municipality makes a deposit
5 of its hotel occupancy tax revenue, the comptroller, at the
6 direction of the department, shall deposit at the same time a
7 portion of the state tax revenue determined under Subsection (b)(1)
8 of this section in an amount equal to 6.25 times the amount of that
9 municipal hotel occupancy tax revenue. The Pan American Games trust
10 fund is established outside the treasury but is held in trust by the
11 department~~[comptroller]~~ for the administration of this Act. Money
12 in the trust fund may be spent by the department without
13 appropriation only as provided by this Act. The comptroller shall
14 discontinue depositing into the trust fund any state tax revenue
15 determined under Subsection (b)(1) of this section on the earlier
16 of:

17 (1) the end of the third calendar month following the
18 month in which the closing event of the games occurs; or

19 (2) the date on which the amount of state revenue in
20 the Pan American Games trust fund equals 86 percent of the maximum
21 amount of state and municipal tax revenue that may be deposited in
22 the trust fund under Subsection (m) of this section.

23 (h) A local organizing committee shall provide information
24 required by the department~~[comptroller]~~ to enable the
25 department~~[comptroller]~~ to fulfill the department's~~[comptroller's]~~
26 duties under this Act, including annual audited statements of the
27 local organizing committee's financial records required by a site

1 selection organization and data obtained by the local organizing
2 committee relating to attendance at the games and to the economic
3 impact of the games. A local organizing committee must provide an
4 annual audited financial statement required by the
5 department~~[comptroller]~~ not later than the end of the fourth month
6 after the date the period covered by the financial statement ends.

7 (j) The department may not make a disbursement from the Pan
8 American Games trust fund unless the department~~[comptroller]~~
9 certifies that the disbursement is for a purpose for which the state
10 and the endorsing municipality are jointly obligated under a games
11 support contract or other agreement described by Subsection (g) of
12 this section.

13 (k) If the department~~[comptroller]~~ certifies under
14 Subsection (j) of this section that a disbursement may be made from
15 the Pan American Games trust fund, the obligation shall be
16 satisfied first out of municipal revenue deposited in the trust
17 fund and any interest earned on that municipal revenue. If the
18 municipal revenue is not sufficient to satisfy the entire deficit,
19 state revenue deposited into the trust fund and any interest earned
20 on that state revenue shall be used to satisfy the portion of the
21 deficit not covered by the municipal revenue.

22 SECTION 2. Subsection (i), Section 4, Chapter 1507 (S.B.
23 456), Acts of the 76th Legislature, Regular Session, 1999 (Article
24 [5190.14](#), Vernon's Texas Civil Statutes), as amended by Chapters 579
25 (H.B. 1675) and 814 (S.B. 275), Acts of the 78th Legislature,
26 Regular Session, 2003, is reenacted and amended to read as follows:

27 (i) The department~~[comptroller]~~ shall provide an estimate

1 not later than September 1 of the year that is eight years before
2 the year in which the games would be held in this state of the total
3 amount of state and municipal tax revenue that would be deposited in
4 the Pan American Games trust fund before January 1 of the year
5 following the year in which the games would be held, if the games
6 were to be held in this state at a site selected pursuant to an
7 application by a local organizing committee. The
8 department~~[comptroller]~~ shall provide the estimate on request to a
9 local organizing committee. A local organizing committee may submit
10 the department's~~[comptroller's]~~ estimate to a site selection
11 organization.

12 SECTION 3. Subsection (1), Section 4, Chapter 1507 (S.B.
13 456), Acts of the 76th Legislature, Regular Session, 1999 (Article
14 [5190.14](#), Vernon's Texas Civil Statutes), as amended by Chapters 579
15 (H.B. 1675) and 814 (S.B. 275), Acts of the 78th Legislature,
16 Regular Session, 2003, is reenacted and amended to read as follows:

17 (1) On January 1 of the second year following the year in
18 which the games are held in this state, the department~~[comptroller]~~
19 shall transfer to the general revenue fund any money remaining in
20 the Pan American Games trust fund, not to exceed the amount of state
21 revenue remaining in the trust fund, plus any interest earned on
22 that state revenue. The department~~[comptroller]~~ shall remit to the
23 endorsing municipality any money remaining in the trust fund after
24 the required amount is transferred to the general revenue fund.

25 SECTION 4. Section 5, Chapter 1507 (S.B. 456), Acts of the
26 76th Legislature, Regular Session, 1999 (Article [5190.14](#), Vernon's
27 Texas Civil Statutes), is amended by amending Subsections (b), (c),

1 (d), (f), (h), (i), (j), (k), and (l) to read as follows:

2 (b) If a site selection organization selects a site for the
3 games in this state pursuant to an application by a local organizing
4 committee, after the first occurrence of a measurable economic
5 impact in this state as a result of the preparation for the games,
6 as determined by the department~~[comptroller]~~, but in no event later
7 than one year before the scheduled opening event of the games, the
8 department~~[comptroller]~~ shall determine for each subsequent
9 calendar quarter, in accordance with procedures developed by the
10 department~~[comptroller]~~:

11 (1) the incremental increase in the receipts to the
12 state from the taxes imposed under Chapters 151, 152, 156, and 183,
13 Tax Code, and under Title 5, Alcoholic Beverage Code, within the
14 market areas designated under Subsection (c) of this section, that
15 is directly attributable, as determined by the
16 department~~[comptroller]~~, to the preparation for and presentation
17 of the games and related events;

18 (2) the incremental increase in the receipts collected
19 by the state on behalf of each endorsing municipality from the sales
20 and use tax imposed by the endorsing municipality under Section
21 [321.101\(a\)](#), Tax Code, and the mixed beverage tax revenue to be
22 received by the endorsing municipality under Section [183.051\(b\)](#),
23 Tax Code, that is directly attributable, as determined by the
24 department~~[comptroller]~~, to the preparation for and presentation
25 of the games and related events;

26 (3) the incremental increase in the receipts collected
27 by the state on behalf of each endorsing county from the sales and

1 use tax imposed by the county under Section 323.101(a), Tax Code,
2 and the mixed beverage tax revenue to be received by the endorsing
3 county under Section 183.051(b), Tax Code, that is directly
4 attributable, as determined by the department~~[comptroller]~~, to the
5 preparation for and presentation of the games and related events;

6 (4) the incremental increase in the receipts collected
7 by each endorsing municipality from the hotel occupancy tax imposed
8 under Chapter 351, Tax Code, that is directly attributable, as
9 determined by the department~~[comptroller]~~, to the preparation for
10 and presentation of the games and related events; and

11 (5) the incremental increase in the receipts collected
12 by each endorsing county from the hotel occupancy tax imposed under
13 Chapter 352, Tax Code, that is directly attributable, as determined
14 by the department~~[comptroller]~~, to the preparation for and
15 presentation of the games and related events.

16 (c) For the purposes of Subsection (b)(1) of this section,
17 the department~~[comptroller]~~ shall designate as a market area for
18 the games each area in which the department~~[comptroller]~~ determines
19 there is a reasonable likelihood of measurable economic impact
20 directly attributable to the preparation for and presentation of
21 the games and related events, including areas likely to provide
22 venues, accommodations, and services in connection with the games
23 based on the proposal provided by the local organizing committee
24 under Section 7 of this Act. The department~~[comptroller]~~ shall
25 determine the geographic boundaries of each market area. Each
26 endorsing municipality or endorsing county that has been selected
27 as the site for the games must be included in a market area for the

1 games.

2 (d) Subject to Section 6 of this Act, the comptroller, at
3 the direction of the department, shall retain, for the purpose of
4 guaranteeing the joint obligations of the state and an endorsing
5 municipality or endorsing county under a games support contract and
6 this Act, the amount of sales and use tax revenue and mixed beverage
7 tax revenue determined under Subsection (b)(2) or (b)(3) of this
8 section from the amounts otherwise required to be sent to the
9 municipality under Section 183.051(b) or 321.502, Tax Code, or to
10 the county under Section 183.051(b) or 323.502, Tax Code, beginning
11 with the first distribution of that tax revenue that occurs after
12 the date the department~~[comptroller]~~ makes the determination of the
13 amount of sales and use tax revenue and mixed beverage tax revenue
14 under Subsection (b)(2) or (b)(3) of this section. The comptroller
15 shall discontinue retaining sales and use tax revenue and mixed
16 beverage tax revenue under this subsection on the earlier of:

17 (1) the end of the third calendar month following the
18 month in which the closing event of the games occurs; or

19 (2) the date the amount of local sales and use tax
20 revenue and mixed beverage tax revenue in the Olympic Games trust
21 fund equals 14 percent of the maximum amount of state and local tax
22 revenue that may be deposited in the trust fund under Subsection (m)
23 of this section.

24 (f) Subject to Subsection (m) of this section, each
25 endorsing municipality or endorsing county shall remit to the
26 department~~[comptroller]~~ and the department~~[comptroller]~~ shall
27 deposit into a trust fund designated as the Olympic Games trust

1 fund, on a quarterly basis, the amount of the municipality's or
2 county's hotel occupancy tax revenue determined under Subsection
3 (b)(4) or (b)(5) of this section, as applicable. Subject to Section
4 6 of this Act and Subsection (m) of this section, the comptroller,
5 at the direction of the department, shall deposit into the trust
6 fund the amount of sales and use tax revenue and mixed beverage tax
7 revenue retained under Subsection (d) of this section for the same
8 calendar quarter and, at the same time, the state tax revenue
9 determined under Subsection (b)(1) of this section for the quarter.
10 The Olympic Games trust fund is established outside the treasury
11 but is held in trust by the department~~[comptroller]~~ for the
12 administration of this Act. Money in the trust fund may be spent by
13 the department without appropriation only as provided by this Act.
14 The comptroller shall discontinue deposit of the amount of state
15 tax revenue determined under Subsection (b)(1) of this section on
16 the earlier of:

17 (1) the end of the third calendar month following the
18 month in which the closing event of the games occurs; or

19 (2) the date the amount of state revenue in the Olympic
20 Games trust fund equals 86 percent of the maximum amount of state,
21 municipal, and county tax revenue that may be deposited in the trust
22 fund under Subsection (m) of this section.

23 (h) A local organizing committee shall provide information
24 required by the department~~[comptroller]~~ to enable the
25 department~~[comptroller]~~ to fulfill the department's~~[comptroller's]~~
26 duties under this Act, including annual audited statements of the
27 local organizing committee's financial records required by a site

1 selection organization and data obtained by the local organizing
2 committee relating to attendance at the games and to the economic
3 impact of the games. A local organizing committee must provide an
4 annual audited financial statement required by the
5 department~~[comptroller]~~ not later than the end of the fourth month
6 after the date the period covered by the financial statement ends.

7 (i) The department~~[comptroller]~~ shall provide an estimate
8 before August 31 of the year that is 12 years before the year in
9 which the games would be held in this state, or as soon as practical
10 after that date, of the total amount of state, municipal, and county
11 tax revenue that would be deposited in the Olympic Games trust fund
12 if the games were to be held in this state at a site selected
13 pursuant to an application by a local organizing committee. The
14 department~~[comptroller]~~ shall provide the estimate on request to a
15 local organizing committee. A local organizing committee may submit
16 the department's~~[comptroller's]~~ estimate to a site selection
17 organization.

18 (j) The department may not make a disbursement from the
19 Olympic Games trust fund unless the department~~[comptroller]~~
20 certifies that the disbursement is for a purpose for which the state
21 and each endorsing municipality or endorsing county are jointly
22 obligated under a games support contract or other agreement
23 described by Subsection (g) of this section. A disbursement may not
24 be made from the trust fund that the department determines would be
25 used for the purpose of soliciting the relocation of a professional
26 sports franchise located in this state.

27 (k) If the department~~[comptroller]~~ certifies under

1 Subsection (j) of this section that a disbursement may be made from
2 the Olympic Games trust fund, the obligation shall be satisfied
3 proportionately from the state and municipal or county revenue in
4 the trust fund.

5 (1) Two years after the closing event of the games, the
6 department~~[comptroller]~~ shall transfer to the general revenue fund
7 any money remaining in the Olympic Games trust fund, not to exceed
8 the amount of state revenue remaining in the trust fund, plus any
9 interest earned on that state revenue. The department~~[comptroller]~~
10 shall remit to each endorsing entity in proportion to the amount
11 contributed by the entity any money remaining in the trust fund
12 after the required amount is transferred to the general revenue
13 fund.

14 SECTION 5. Subdivisions (1) and (2), Subsection (a),
15 Section 5A, Chapter 1507 (S.B. 456), Acts of the 76th Legislature,
16 Regular Session, 1999 (Article [5190.14](#), Vernon's Texas Civil
17 Statutes), are amended to read as follows:

18 (1) "Endorsing county" means:

19 (A) a county that contains a site selected by a
20 site selection organization for one or more events; or

21 (B) a county that:

22 (i) does not contain a site selected by a
23 site selection organization for an event;

24 (ii) is included in the market area for the
25 event as designated by the department~~[comptroller]~~; and

26 (iii) is a party to an event support
27 contract.

1 (2) "Endorsing municipality" means:

2 (A) a municipality that contains a site selected
3 by a site selection organization for one or more events; or

4 (B) a municipality that:

5 (i) does not contain a site selected by a
6 site selection organization for an event;

7 (ii) is included in the market area for the
8 event as designated by the department~~[comptroller]~~; and

9 (iii) is a party to an event support
10 contract.

11 SECTION 6. Section 5A, Chapter 1507 (S.B. 456), Acts of the
12 76th Legislature, Regular Session, 1999 (Article [5190.14](#), Vernon's
13 Texas Civil Statutes), is amended by amending Subsections (a-1),
14 (a-2), (b), (b-1), (c), (d), (d-1), (e), (f), (i), (j), (k), (m),
15 (p), (v), (w), and (y) to read as follows:

16 (a-1) An event not listed in Subsection (a)(4) of this
17 section is ineligible for funding under this section. A listed
18 event may receive funding under this section only if:

19 (1) a site selection organization selects a site
20 located in this state for the event to be held one time or, for an
21 event scheduled to be held each year for a period of years under an
22 event contract, or an event support contract, one time each year for
23 the period of years, after considering, through a highly
24 competitive selection process, one or more sites that are not
25 located in this state;

26 (2) a site selection organization selects a site in
27 this state as:

1 (A) the sole site for the event; or
2 (B) the sole site for the event in a region
3 composed of this state and one or more adjoining states;

4 (3) the event is held not more than one time in any
5 year; and

6 (4) the amount of the incremental increase in tax
7 receipts determined by the department~~[comptroller]~~ under
8 Subsection (b) of this section equals or exceeds \$ 1 million,
9 provided that for an event scheduled to be held each year for a
10 period of years under an event contract or event support contract,
11 the incremental increase in tax receipts shall be calculated as if
12 the event did not occur in the prior year.

13 (a-2) Subsection (a-1)(1) of this section does not apply to
14 an event that is the largest event held each year at a sports
15 entertainment venue in this state with a permanent seating
16 capacity, including grandstand and premium seating, of not less
17 than 125,000. If an endorsing municipality or endorsing county
18 requests the department~~[comptroller]~~ to make a determination under
19 Subsection (b) of this section for an event described by this
20 subsection, the provisions of this section apply to that event as if
21 it satisfied the eligibility requirements for an event under
22 Subsection (a-1)(1) of this section.

23 (b) If a site selection organization selects a site for an
24 event in this state pursuant to an application by a local organizing
25 committee, endorsing municipality, or endorsing county, upon
26 request of a local organizing committee, endorsing municipality, or
27 endorsing county, the department~~[comptroller]~~ shall determine for

1 a one-year period that begins two months before the date on which
2 the event will begin, in accordance with procedures developed by
3 the department~~[comptroller]~~:

4 (1) the incremental increase in the receipts to the
5 state from taxes imposed under Chapters 151, 152, 156, and 183, Tax
6 Code, and under Title 5, Alcoholic Beverage Code, within the market
7 areas designated under Subsection (c) of this section, that is
8 directly attributable, as determined by the
9 department~~[comptroller]~~, to the preparation for and presentation
10 of the event and related activities;

11 (2) the incremental increase in the receipts collected
12 by the state on behalf of each endorsing municipality in the market
13 area from the sales and use tax imposed by each endorsing
14 municipality under Section 321.101(a), Tax Code, and the mixed
15 beverage tax revenue to be received by each endorsing municipality
16 under Section 183.051(b), Tax Code, that is directly attributable,
17 as determined by the department~~[comptroller]~~, to the preparation
18 for and presentation of the event and related activities;

19 (3) the incremental increase in the receipts collected
20 by the state on behalf of each endorsing county in the market area
21 from the sales and use tax imposed by each endorsing county under
22 Section 323.101(a), Tax Code, and the mixed beverage tax revenue to
23 be received by each endorsing county under Section 183.051(b), Tax
24 Code, that is directly attributable, as determined by the
25 department~~[comptroller]~~, to the preparation for and presentation
26 of the event and related activities;

27 (4) the incremental increase in the receipts collected

1 by each endorsing municipality in the market area from the hotel
2 occupancy tax imposed under Chapter 351, Tax Code, that is directly
3 attributable, as determined by the department~~[comptroller]~~, to the
4 preparation for and presentation of the event and related
5 activities; and

6 (5) the incremental increase in the receipts collected
7 by each endorsing county in the market area from the hotel occupancy
8 tax imposed under Chapter 352, Tax Code, that is directly
9 attributable, as determined by the department~~[comptroller]~~, to the
10 preparation for and presentation of the event and related
11 activities.

12 (b-1) A request for a determination of the amount of
13 incremental increase in tax receipts specified by Subsection (b) of
14 this section must be submitted to the department~~[comptroller]~~ not
15 earlier than one year and not later than 45 days before the date the
16 event begins. The department~~[comptroller]~~ shall base the
17 determination specified by Subsection (b) of this section on
18 information submitted by the local organizing committee, endorsing
19 municipality, or endorsing county, and must make the determination
20 not later than the 30th day after the date the
21 department~~[comptroller]~~ receives the request and related
22 information.

23 (c) For the purposes of Subsection (b)(1) of this section,
24 the department~~[comptroller]~~ shall designate as a market area for
25 the event each area in which the department~~[comptroller]~~ determines
26 there is a reasonable likelihood of measurable economic impact
27 directly attributable to the preparation for and presentation of

1 the event and related activities, including areas likely to provide
2 venues, accommodations, and services in connection with the event
3 based on the proposal provided by the local organizing committee to
4 the department~~[comptroller]~~. The department~~[comptroller]~~ shall
5 determine the geographic boundaries of each market area. An
6 endorsing municipality or endorsing county that has been selected
7 as the site for the event must be included in a market area for the
8 event.

9 (d) Each endorsing municipality or endorsing county shall
10 remit to the department~~[comptroller]~~ and the
11 department~~[comptroller]~~ shall deposit into a trust fund created by
12 the department~~[comptroller]~~ and designated as the Major Events
13 trust fund the amount of the municipality's or county's hotel
14 occupancy tax revenue determined under Subsection (b)(4) or (b)(5)
15 of this section, less any amount of the revenue that the
16 municipality or county determines is necessary to meet the
17 obligations of the municipality or county. The comptroller, at the
18 direction of the department, shall retain the amount of sales and
19 use tax revenue and mixed beverage tax revenue determined under
20 Subsection (b)(2) or (b)(3) of this section from the amounts
21 otherwise required to be sent to the municipality under Sections
22 [321.502](#) and [183.051\(b\)](#), Tax Code, or to the county under Sections
23 [323.502](#) and [183.051\(b\)](#), Tax Code, and deposit into the trust fund
24 the tax revenues, less any amount of the revenue that the
25 municipality or county determines is necessary to meet the
26 obligations of the municipality or county. The comptroller shall
27 begin retaining and the department shall begin depositing the local

1 tax revenues with the first distribution of that tax revenue that
2 occurs after the first day of the one-year period described by
3 Subsection (b) of this section or at a time otherwise determined to
4 be practicable by the department~~[comptroller]~~ and shall
5 discontinue retaining the local tax revenues under this subsection
6 when the amount of the applicable tax revenue determined under
7 Subsection (b)(2) or (b)(3) of this section has been retained. The
8 Major Events trust fund is established outside the state treasury
9 and is held in trust by the department~~[comptroller]~~ for
10 administration of this Act. Money in the trust fund may be
11 disbursed by the department~~[comptroller]~~ without appropriation
12 only as provided by this section.

13 (d-1) Not later than the 90th day after the last day of an
14 event and in lieu of the local tax revenues remitted to the
15 department or retained by the comptroller under Subsection (d) of
16 this section, a municipality or county may remit to the
17 department~~[comptroller]~~ for deposit in the Major Events trust fund
18 other local funds in an amount equal to the total amount of local
19 tax revenue determined under Subsections (b)(2) through (5) of this
20 section. The amount deposited by the department~~[comptroller]~~ into
21 the Major Events trust fund under this subsection is subject to
22 Subsection (f) of this section.

23 (e) In addition to the tax revenue deposited in the Major
24 Events trust fund under Subsection (d) of this section, an
25 endorsing municipality or endorsing county may guarantee its
26 obligations under an event support contract and this section by
27 pledging surcharges from user fees, including parking or ticket

1 fees, charged in connection with the event. An endorsing
2 municipality or endorsing county may collect and remit to the
3 department~~[comptroller]~~ surcharges and user fees attributable to
4 the event for deposit into the Major Events trust fund.

5 (f) The comptroller, at the direction of the department,
6 shall deposit into the Major Events trust fund a portion of the
7 state tax revenue not to exceed the amount determined under
8 Subsection (b)(1) of this section in an amount equal to 6.25 times
9 the amount of the local revenue retained or remitted under this
10 section, including:

- 11 (1) local sales and use tax revenue;
- 12 (2) mixed beverage tax revenue;
- 13 (3) hotel occupancy tax revenue; and
- 14 (4) surcharge and user fee revenue.

15 (i) A local organizing committee, endorsing municipality,
16 or endorsing county shall provide information required by the
17 department~~[comptroller]~~ to enable the department~~[comptroller]~~ to
18 fulfill the department's~~[comptroller's]~~ duties under this section,
19 including annual audited statements of any financial records
20 required by a site selection organization and data obtained by the
21 local organizing committee, an endorsing municipality, or an
22 endorsing county relating to attendance at the event, including an
23 estimate of the number of people expected to attend the event who
24 are not residents of this state, and to the economic impact of the
25 event. A local organizing committee, endorsing municipality, or
26 endorsing county must provide an annual audited financial statement
27 required by the department~~[comptroller]~~, if any, not later than the

1 end of the fourth month after the date the period covered by the
2 financial statement ends. After the conclusion of an event and on
3 the department's~~[comptroller's]~~ request, a local organizing
4 committee, endorsing municipality, or endorsing county must
5 provide information relating to the event, such as attendance
6 figures, including an estimate of the number of attendees at the
7 event who are not residents of this state, financial information,
8 or other public information held by the local organizing committee,
9 endorsing municipality, or endorsing county that the
10 department~~[comptroller]~~ considers necessary.

11 (j) Not later than the 30th day after the date a request of a
12 local organizing committee, endorsing municipality, or endorsing
13 county is submitted to the department~~[comptroller]~~ under
14 Subsection (b-1) of this section, the department~~[comptroller]~~
15 shall provide an estimate of the total amount of tax revenue that
16 would be deposited in the Major Events trust fund under this section
17 in connection with that event, if the event were to be held in this
18 state at a site selected pursuant to an application by a local
19 organizing committee, endorsing municipality, or endorsing county.
20 A local organizing committee, endorsing municipality, or endorsing
21 county may submit the department's~~[comptroller's]~~ estimate to a
22 site selection organization.

23 (k) The department~~[comptroller]~~ may make a disbursement
24 from the Major Events trust fund on the prior approval of each
25 contributing endorsing municipality or endorsing county for a
26 purpose for which a local organizing committee, an endorsing
27 municipality, or an endorsing county or the state is obligated

1 under a game support contract or event support contract. If an
2 obligation is incurred under a games support contract or event
3 support contract to make a structural improvement to the site or to
4 add a fixture to the site for purposes of an event and that
5 improvement or fixture is expected to derive most of its value in
6 subsequent uses of the site for future events, a disbursement from
7 the trust fund made for purposes of that obligation is limited to
8 five percent of the cost of the improvement or fixture and the
9 remainder of the obligation is not eligible for a disbursement from
10 the trust fund, unless the improvement or fixture is for a publicly
11 owned facility. In considering whether to make a disbursement from
12 the trust fund, the department~~[comptroller]~~ may not consider a
13 contingency clause in an event support contract as relieving a
14 local organizing committee's, endorsing municipality's, or
15 endorsing county's obligation to pay a cost under the contract. A
16 disbursement may not be made from the trust fund that the
17 department~~[comptroller]~~ determines would be used for the purpose of
18 soliciting the relocation of a professional sports franchise
19 located in this state.

20 (m) On payment of all state, municipal, or county
21 obligations under a game support contract or event support contract
22 related to the location of any particular event in the state, the
23 department~~[comptroller]~~ shall remit to each endorsing entity, in
24 proportion to the amount contributed by the entity, any money
25 remaining in the trust fund.

26 (p) The department~~[comptroller]~~ may not undertake any of
27 the responsibilities or duties set forth in this section unless:

1 (1) a request is submitted by the municipality or the
2 county in which the event will be located;

3 (2) the event meets all the requirements for funding
4 under this section, including Subsection (a-1) of this section; and

5 (3) the request is accompanied by documentation from a
6 site selection organization selecting the site for the event.

7 (v) The department~~[comptroller]~~ may adopt rules necessary
8 to implement this section.

9 (w) Not later than 10 months after the last day of an event
10 eligible for disbursements from the Major Events trust fund for
11 costs associated with the event, the department~~[comptroller]~~ using
12 existing resources shall complete a study in the market area of the
13 event on the measurable economic impact directly attributable to
14 the preparation for and presentation of the event and related
15 activities. The department~~[comptroller]~~ shall post on the
16 department's~~[comptroller's]~~ Internet website:

17 (1) the results of the study conducted under this
18 subsection, including any source documentation or other
19 information relied on by the department~~[comptroller]~~ for the study;

20 (2) the amount of incremental increase in tax receipts
21 for the event determined under Subsection (b) of this section;

22 (3) the site selection organization documentation
23 described in Subsection (p)(3) of this section;

24 (4) any source documentation or information described
25 under Subsection (i) of this section that was relied on by the
26 department~~[comptroller]~~ in making the determination of the amount
27 of incremental increase in tax receipts under Subsection (b) of

1 this section; and

2 (5) documentation verifying that:

3 (A) a request submitted by a local organizing
4 committee, endorsing municipality, or endorsing county under
5 Subsection (p) of this section is complete and certified as such by
6 the department~~[comptroller]~~,

7 (B) the determination on the amount of
8 incremental increases in tax receipts under Subsection (b) of this
9 section considered the information submitted by a local organizing
10 committee, endorsing municipality, or endorsing county as required
11 under Subsection (b-1) of this section; and

12 (C) each deadline established under this section
13 was timely met.

14 (y) After the conclusion of an event, the
15 department~~[comptroller]~~ shall compare information on the actual
16 attendance figures provided to the department~~[comptroller]~~ under
17 Subsection (i) of this section with the estimated attendance
18 numbers used to determine the incremental increase in tax receipts
19 under Subsection (b) of this section. If the actual attendance
20 figures are significantly lower than the estimated attendance
21 numbers, the department~~[comptroller]~~ may reduce the amount of a
22 disbursement for an endorsing entity under the Major Events trust
23 fund in proportion to the discrepancy between the actual and
24 estimated attendance and in proportion to the amount contributed to
25 the fund by the entity. The department~~[comptroller]~~ by rule shall
26 define "significantly lower" for purposes of this subsection and
27 provide the manner in which a disbursement may be proportionately

1 reduced. This subsection does not affect the remittance of any
2 money remaining in the fund in accordance with Subsection (m) of
3 this section.

4 SECTION 7. Section 5B, Chapter 1507 (S.B. 456), Acts of the
5 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's
6 Texas Civil Statutes), is amended by amending Subsections (b), (c),
7 (d), (f), (i), (j), (k), (m), and (o) to read as follows:

8 (b) If a site selection organization selects a site for a
9 motor sports racing event in this state pursuant to an application
10 by a local organizing committee, endorsing municipality, or
11 endorsing county, not later than three months before the date of the
12 motor sports racing event, the department~~[comptroller]~~ shall
13 determine for the 30-day period that ends at the end of the day
14 after the date on which the racing event will be held, in accordance
15 with procedures developed by the department~~[comptroller]~~:

16 (1) the incremental increase in the receipts to the
17 state from taxes imposed under Chapters 151, 152, 156, and 183, Tax
18 Code, and under Title 5, Alcoholic Beverage Code, within the market
19 areas designated under Subsection (c) of this section, that is
20 directly attributable, as determined by the
21 department~~[comptroller]~~, to the preparation for and presentation
22 of the racing event;

23 (2) the incremental increase in the receipts collected
24 by the state on behalf of each endorsing municipality in the market
25 area from the sales and use tax imposed by each endorsing
26 municipality under Section 321.101(a), Tax Code, and the mixed
27 beverage tax revenue to be received by each endorsing municipality

1 under Section 183.051(b), Tax Code, that is directly attributable,
2 as determined by the department~~[comptroller]~~, to the preparation
3 for and presentation of the racing event;

4 (3) the incremental increase in the receipts collected
5 by the state on behalf of each endorsing county in the market area
6 from the sales and use tax imposed by each endorsing county under
7 Section 323.101(a), Tax Code, and the mixed beverage tax revenue to
8 be received by each endorsing county under Section 183.051(b), Tax
9 Code, that is directly attributable, as determined by the
10 department~~[comptroller]~~, to the preparation for and presentation
11 of the racing event;

12 (4) the incremental increase in the receipts collected
13 by each endorsing municipality in the market area from the hotel
14 occupancy tax imposed under Chapter 351, Tax Code, that is directly
15 attributable, as determined by the department~~[comptroller]~~, to the
16 preparation for and presentation of the racing event; and

17 (5) the incremental increase in the receipts collected
18 by each endorsing county in the market area from the hotel occupancy
19 tax imposed under Chapter 352, Tax Code, that is directly
20 attributable, as determined by the department~~[comptroller]~~, to the
21 preparation for and presentation of the racing event.

22 (c) For the purposes of Subsection (b)(1) of this section,
23 the department~~[comptroller]~~ shall designate as a market area for
24 the motor sports racing event each area in which the
25 department~~[comptroller]~~ determines there is a reasonable
26 likelihood of measurable economic impact directly attributable to
27 the preparation for and presentation of the racing event, including

1 areas likely to provide venues, accommodations, and services in
2 connection with the racing event based on a proposal or other
3 information provided by an endorsing municipality, endorsing
4 county, or local organizing committee to the
5 department~~[comptroller]~~. The department~~[comptroller]~~ shall
6 determine the geographic boundaries of each market area. An
7 endorsing municipality or endorsing county that has been selected
8 as the site for the racing event must be included in a market area
9 for the racing event.

10 (d) Each endorsing municipality or endorsing county shall
11 remit to the department~~[comptroller]~~ and the
12 department~~[comptroller]~~ shall deposit into a trust fund created by
13 the department~~[comptroller]~~ and designated as the Motor Sports
14 Racing trust fund for the particular event the amount of the
15 municipality's or county's hotel occupancy tax revenue determined
16 under Subsection (b)(4) or (5) of this section, less any amount of
17 the revenue that the municipality or county determines is necessary
18 to meet the obligations of the municipality or county. The
19 comptroller, at the direction of the department, shall retain the
20 amount of sales and use tax revenue and mixed beverage tax revenue
21 determined under Subsection (b)(2) or (3) of this section from the
22 amounts otherwise required to be sent to the municipality under
23 Sections [321.502](#) and [183.051\(b\)](#), Tax Code, or to the county under
24 Sections [323.502](#) and [183.051\(b\)](#), Tax Code, and deposit into the
25 trust fund the tax revenues, less any amount of the revenue that the
26 municipality or county determines is necessary to meet the
27 obligations of the municipality or county. The comptroller shall

1 begin retaining and the department shall begin depositing the local
2 tax revenues with the first distribution of that tax revenue that
3 occurs after the first day of the 30-day period described by
4 Subsection (b) of this section and shall discontinue retaining the
5 local tax revenues under this subsection when the amount of the
6 applicable tax revenue determined under Subsection (b)(2) or (3) of
7 this section has been retained. The Motor Sports Racing trust fund
8 is established outside the state treasury and is held in trust by
9 the department~~[comptroller]~~ for administration of this section.
10 Money in the trust fund may be disbursed by the
11 department~~[comptroller]~~ without appropriation only as provided by
12 this section.

13 (f) The comptroller, at the direction of the department,
14 shall deposit a portion of the state tax revenue determined under
15 Subsection (b)(1) of this section in an amount equal to 6.25 times
16 the amount of the local sales and use tax revenue and mixed beverage
17 tax revenue retained and the hotel occupancy tax revenue remitted
18 by an endorsing municipality or endorsing county under Subsection
19 (d) of this section.

20 (i) A local organizing committee, endorsing municipality,
21 or endorsing county shall provide information required by the
22 department~~[comptroller]~~ to enable the department~~[comptroller]~~ to
23 fulfill the department's~~[comptroller's]~~ duties under this section,
24 including annual audited statements of any financial records
25 required by a site selection organization and data obtained by the
26 local organizing committee, an endorsing municipality, or an
27 endorsing county relating to attendance at the motor sports racing

1 event and to the economic impact of the racing event. A local
2 organizing committee, endorsing municipality, or endorsing county
3 must provide an annual audited financial statement required by the
4 department~~[comptroller]~~, if any, not later than the end of the
5 fourth month after the date the period covered by the financial
6 statement ends.

7 (j) The department~~[comptroller]~~ shall provide an estimate
8 not later than three months before the date of a motor sports racing
9 event of the total amount of tax revenue that would be deposited in
10 the Motor Sports Racing trust fund under this section in connection
11 with that racing event, if the racing event were to be held in this
12 state at a site selected pursuant to an application by a local
13 organizing committee, endorsing municipality, or endorsing county.
14 The department~~[comptroller]~~ shall provide the estimate on request
15 to a local organizing committee, endorsing municipality, or
16 endorsing county. A local organizing committee, endorsing
17 municipality, or endorsing county may submit the
18 department's~~[comptroller's]~~ estimate to a site selection
19 organization.

20 (k) The department~~[comptroller]~~ may make a disbursement
21 from the Motor Sports Racing trust fund on the prior approval of
22 each contributing endorsing municipality or endorsing county for a
23 purpose for which an endorsing municipality or endorsing county or
24 the state is obligated under a motor sports racing event support
25 contract or event support contract. A disbursement may not be made
26 from the trust fund that the department~~[comptroller]~~ determines
27 would be used for the purpose of soliciting the relocation of a

1 professional sports franchise located in this state.

2 (m) On payment of all state, municipal, or county
3 obligations under a motor sports racing support contract or event
4 support contract related to the location of any particular racing
5 event in the state, the department~~[comptroller]~~ shall remit to each
6 endorsing entity, in proportion to the amount contributed by the
7 entity, any money remaining in the trust fund.

8 (o) The department~~[comptroller]~~ may not undertake any of
9 the responsibilities or duties set forth in this section unless a
10 request is submitted by the municipality and the county in which the
11 motor sports racing event will be held. The request must be
12 accompanied by documentation from a site selection organization
13 selecting the site for the racing event.

14 SECTION 8. Section 5C, Chapter 1507 (S.B. 456), Acts of the
15 76th Legislature, Regular Session, 1999 (Article [5190.14](#), Vernon's
16 Texas Civil Statutes), is amended by amending Subsections (b),
17 (b-1), (c), (c-1), (d), (d-1), (e), (f), (i), (j), (k), (k-1), (m),
18 (o), (p), (q), (r), and (t) to read as follows:

19 (b) If a site selection organization selects a site for an
20 event in this state pursuant to an application by a local organizing
21 committee, endorsing municipality, or endorsing county, not later
22 than three months before the date of the event, the
23 department~~[comptroller]~~ shall determine for the 30-day period that
24 ends at the end of the day after the date on which the event will be
25 held or, if the event occurs on more than one day, after the last
26 date on which the event will be held, in accordance with procedures
27 developed by the department~~[comptroller]~~:

1 (1) the incremental increase in the receipts to this
2 state from taxes imposed under Chapters 151, 152, 156, and 183, Tax
3 Code, and under Title 5, Alcoholic Beverage Code, within the market
4 areas designated under Subsection (c) of this section, that is
5 directly attributable, as determined by the
6 department~~[comptroller]~~, to the preparation for and presentation
7 of the event and related activities;

8 (2) the incremental increase in the receipts collected
9 by this state on behalf of each endorsing municipality in the market
10 area from the sales and use tax imposed by each endorsing
11 municipality under Section 321.101(a), Tax Code, and the mixed
12 beverage tax revenue to be received by each endorsing municipality
13 under Section 183.051(b), Tax Code, that is directly attributable,
14 as determined by the department~~[comptroller]~~, to the preparation
15 for and presentation of the event and related activities;

16 (3) the incremental increase in the receipts collected
17 by this state on behalf of each endorsing county in the market area
18 from the sales and use tax imposed by each endorsing county under
19 Section 323.101(a), Tax Code, and the mixed beverage tax revenue to
20 be received by each endorsing county under Section 183.051(b), Tax
21 Code, that is directly attributable, as determined by the
22 department~~[comptroller]~~, to the preparation for and presentation
23 of the event and related activities;

24 (4) the incremental increase in the receipts collected
25 by each endorsing municipality in the market area from the hotel
26 occupancy tax imposed under Chapter 351, Tax Code, that is directly
27 attributable, as determined by the department~~[comptroller]~~, to the

1 preparation for and presentation of the event and related
2 activities; and

3 (5) the incremental increase in the receipts collected
4 by each endorsing county in the market area from the hotel occupancy
5 tax imposed under Chapter 352, Tax Code, that is directly
6 attributable, as determined by the department~~[comptroller]~~, to the
7 preparation for and presentation of the event and related
8 activities.

9 (b-1) The number of requests for funding under this section
10 that may be submitted by an endorsing county or endorsing
11 municipality during any 12-month period for an event for which the
12 department~~[comptroller]~~ determines that the total amount of the
13 incremental increase in tax receipts under Subsection (b) of this
14 section is less than \$ 200,000 is limited to, during any 12-month
15 period, not more than 10 events, only three of which may be
16 nonsporting events.

17 (c) For the purposes of Subsection (b)(1) of this section,
18 the department~~[comptroller]~~ shall designate as a market area for
19 the event each area in which the department~~[comptroller]~~ determines
20 there is a reasonable likelihood of measurable economic impact
21 directly attributable to the preparation for and presentation of
22 the event and related activities, including areas likely to provide
23 venues, accommodations, and services in connection with the event
24 based on the proposal provided by the local organizing committee to
25 the department~~[comptroller]~~. The department~~[comptroller]~~ shall
26 determine the geographic boundaries of each market area. An
27 endorsing municipality or endorsing county that has been selected

1 as the site for the event must be included in a market area for the
2 event.

3 (c-1) The department~~[comptroller]~~ shall base the
4 determination specified by Subsection (b) of this section on
5 information submitted by the local organizing committee, endorsing
6 municipality, or endorsing county, and must make the determination
7 not later than the 30th day after the date the
8 department~~[comptroller]~~ receives the information.

9 (d) Each endorsing municipality or endorsing county shall
10 remit to the department~~[comptroller]~~ and the
11 department~~[comptroller]~~ shall deposit into a trust fund created by
12 the department~~[comptroller]~~ and designated as the Events trust fund
13 the amount of the municipality's or county's hotel occupancy tax
14 revenue determined under Subsection (b) (4) or (5) of this section,
15 less any amount of the revenue that the municipality or county
16 determines is necessary to meet the obligations of the municipality
17 or county. The comptroller, at the direction of the department,
18 shall retain the amount of sales and use tax revenue and mixed
19 beverage tax revenue determined under Subsection (b)(2) or (3) of
20 this section from the amounts otherwise required to be sent to the
21 municipality under Sections 321.502 and 183.051(b), Tax Code, or to
22 the county under Sections 323.502 and 183.051(b), Tax Code, and
23 deposit into the trust fund the tax revenues, less any amount of the
24 revenue that the municipality or county determines is necessary to
25 meet the obligations of the municipality or county. The
26 comptroller shall begin retaining and the department shall begin
27 depositing the local tax revenues with the first distribution of

1 that tax revenue that occurs after the first day of the period
2 described by Subsection (b) of this section or at a time otherwise
3 determined to be practicable by the department~~[comptroller]~~ and
4 shall discontinue retaining the local tax revenues under this
5 subsection when the amount of the applicable tax revenue determined
6 under Subsection (b)(2) or (3) of this section has been retained.
7 The Events trust fund is established outside the state treasury and
8 is held in trust by the department~~[comptroller]~~ for administration
9 of this section. Money in the trust fund may be disbursed by the
10 department~~[comptroller]~~ without appropriation only as provided by
11 this section.

12 (d-1) Not later than the 90th day after the last day of an
13 event and in lieu of the local tax revenues remitted to the
14 department or retained by the comptroller under Subsection (d) of
15 this section, a municipality or county may remit to the
16 department~~[comptroller]~~ for deposit in the Events trust fund other
17 local funds in an amount equal to the total amount of local tax
18 revenue determined under Subsections (b)(2) through (5) of this
19 section. The amount deposited by the department~~[comptroller]~~ into
20 the Events trust fund under this subsection is subject to
21 Subsection (f) of this section.

22 (e) In addition to the tax revenue deposited in the Events
23 trust fund under Subsection (d) of this section, an endorsing
24 municipality or endorsing county may guarantee its obligations
25 under an event support contract and this section by pledging
26 surcharges from user fees, including parking or ticket fees,
27 charged in connection with the event. An endorsing municipality or

1 endorsing county may collect and remit to the
2 department~~[comptroller]~~ surcharges and user fees attributable to
3 the event for deposit into the Events trust fund.

4 (f) The comptroller, at the direction of the department,
5 shall deposit into the Events trust fund a portion of the state tax
6 revenue not to exceed the amount determined under Subsection (b)(1)
7 of this section in an amount equal to 6.25 times the amount of the
8 local tax revenue retained or remitted under this section,
9 including:

- 10 (1) local sales and use tax revenue;
- 11 (2) mixed beverage tax revenue;
- 12 (3) hotel occupancy tax revenue; and
- 13 (4) surcharge and user fee revenue.

14 (i) A local organizing committee, endorsing municipality,
15 or endorsing county shall provide information required by the
16 department~~[comptroller]~~ to enable the department~~[comptroller]~~ to
17 fulfill the department's~~[comptroller's]~~ duties under this section,
18 including annual audited statements of any financial records
19 required by a site selection organization and data obtained by the
20 local organizing committee, an endorsing municipality, or an
21 endorsing county relating to attendance at the event, including an
22 estimate of the number of people expected to attend the event who
23 are not residents of this state, and to the economic impact of the
24 event. A local organizing committee, endorsing municipality, or
25 endorsing county must provide an annual audited financial statement
26 required by the department~~[comptroller]~~, if any, not later than the
27 end of the fourth month after the date the period covered by the

1 financial statement ends. After the conclusion of an event and on
2 the department's~~[comptroller's]~~ request, a local organizing
3 committee, endorsing municipality, or endorsing county must
4 provide information relating to the event, such as attendance
5 figures, including an estimate of the number of people who are not
6 residents of this state who attended the event, financial
7 information, or other public information held by the local
8 organizing committee, endorsing municipality, or endorsing county
9 that the department~~[comptroller]~~ considers necessary.

10 (j) The department~~[comptroller]~~ shall provide an estimate
11 not later than three months before the date of an event of the total
12 amount of tax revenue that would be deposited in the Events trust
13 fund under this section in connection with that event, if the event
14 were to be held in this state at a site selected pursuant to an
15 application by a local organizing committee, endorsing
16 municipality, or endorsing county. The department~~[comptroller]~~
17 shall provide the estimate on request to a local organizing
18 committee, endorsing municipality, or endorsing county. A local
19 organizing committee, endorsing municipality, or endorsing county
20 may submit the department's~~[comptroller's]~~ estimate to a site
21 selection organization.

22 (k) The department~~[comptroller]~~ may make a disbursement
23 from the Events trust fund on the prior approval of each
24 contributing endorsing municipality or endorsing county for a
25 purpose for which a local organizing committee, an endorsing
26 municipality, or an endorsing county or this state is obligated
27 under an event support contract, including an obligation to pay

1 costs incurred in the conduct of the event and costs incurred in
2 making preparations necessary for the event. If an obligation is
3 incurred under an event support contract to make a structural
4 improvement to the site or to add a fixture to the site for purposes
5 of an event and that improvement or fixture is expected to derive
6 most of its value in subsequent uses of the site for future events,
7 a disbursement from the trust fund made for purposes of that
8 obligation is limited to five percent of the cost of the improvement
9 or fixture and the remainder of the obligation is not eligible for a
10 disbursement from the trust fund, unless the improvement or fixture
11 is for a publicly owned facility. In considering whether to make a
12 disbursement from the trust fund, the department~~[comptroller]~~ may
13 not consider a contingency clause in an event support contract as
14 relieving a local organizing committee's, endorsing
15 municipality's, or endorsing county's obligation to pay a cost
16 under the contract.

17 (k-1) A disbursement may not be made from the trust fund
18 that the department~~[comptroller]~~ determines would be used for the
19 purpose of:

20 (1) soliciting the relocation of a professional sports
21 franchise located in this state;

22 (2) constructing an arena, stadium, or convention
23 center; or

24 (3) conducting usual and customary maintenance of a
25 facility.

26 (m) On payment of all state, municipal, or county
27 obligations under an event support contract related to the location

1 of any particular event in this state, the department~~[comptroller]~~
2 shall remit to each endorsing entity, in proportion to the amount
3 contributed by the entity, any money remaining in the Events trust
4 fund.

5 (o) The department~~[comptroller]~~ may not undertake any of
6 the responsibilities or duties set forth in this section unless a
7 request is submitted by the municipality or the county in which the
8 event will be located. The request must be accompanied by
9 documentation from a site selection organization selecting the site
10 for the event.

11 (p) The department~~[comptroller]~~ may adopt rules necessary
12 to implement this section.

13 (q) In determining the amount of state revenue available
14 under Subsection (b)(1) of this section, the
15 department~~[comptroller]~~ may consider whether:

16 (1) the event has been held in this state on previous
17 occasions; and

18 (2) changes to the character of the event could affect
19 the incremental increase in receipts collected and remitted to the
20 state by an endorsing county or endorsing municipality under that
21 subsection.

22 (r) The department~~[comptroller]~~ may adopt a model event
23 support contract and make the contract available on the
24 department's~~[comptroller's]~~ Internet website. The adoption by the
25 department~~[comptroller]~~ of a model event support contract under
26 this subsection does not require use of the model event support
27 contract for purposes of this section.

1 (t) After the conclusion of an event, the
2 department~~[comptroller]~~ shall compare information on the actual
3 attendance figures provided to the department~~[comptroller]~~ under
4 Subsection (i) of this section with the estimated attendance
5 numbers used to determine the incremental increase in tax receipts
6 under Subsection (b) of this section. If the actual attendance
7 figures are significantly lower than the estimated attendance
8 numbers, the department~~[comptroller]~~ may reduce the amount of a
9 disbursement for an endorsing entity under the Events trust fund in
10 proportion to the discrepancy between the actual and estimated
11 attendance and in proportion to the amount contributed to the fund
12 by the entity. The department~~[comptroller]~~ by rule shall define
13 "significantly lower" for purposes of this subsection and provide
14 the manner in which a disbursement may be proportionately reduced.
15 This subsection does not affect the remittance of any money
16 remaining in the fund in accordance with Subsection (m) of this
17 section.

18 SECTION 9. Section 6, Chapter 1507 (S.B. 456), Acts of the
19 76th Legislature, Regular Session, 1999 (Article [5190.14](#), Vernon's
20 Texas Civil Statutes), is amended by amending Subsection (b) to
21 read as follows:

22 (b) If an endorsing municipality or endorsing county is
23 required to hold an election under this section and the
24 contribution of a portion of the municipality's or county's sales
25 and use taxes to the Olympic Games trust fund under Section 5 of
26 this Act is not approved by a majority of the voters voting in the
27 election:

1 (1) the department~~[comptroller]~~ may not establish the
2 Olympic Games trust fund under Section 5 of this Act, may not retain
3 the municipality's or county's tax revenue under Section 5(d) of
4 this Act from amounts otherwise required to be sent to that
5 municipality or county, and may not deposit any state tax revenue
6 into the trust fund;

7 (2) the department~~[comptroller]~~ is not required to
8 determine the incremental increase in state, county, or municipal
9 tax revenue under Section 5(b) of this Act; and

10 (3) the department may not enter into a games support
11 contract relating to the games for which the municipality or county
12 has authorized a bid on its behalf.

13 SECTION 10. REPEALER. The following laws are repealed:

14 (1) Subsection (s), Section 5C, Chapter 1507 (S.B.
15 456), Acts of the 76th Legislature, Regular Session, 1999 (Article
16 [5190.14](#), Vernon's Texas Civil Statutes); and

17 (2) Chapter 398, Local Government Code.

18 SECTION 11. (a) Not later than September 1, 2015:

19 (1) the administration of the pan american games trust
20 fund, olympic games trust fund, major events trust fund, motor
21 sports racing trust fund, and events trust fund for sporting and
22 non-sporting events shall be transferred from the comptroller to
23 the economic development and tourism division, office of the
24 governor;

25 (2) all rules, forms, policies, procedures, or
26 decisions of the comptroller that are related to the pan american
27 games trust fund, olympic games trust fund, major events trust

1 fund, motor sports racing trust fund, and events trust fund for
2 sporting and non-sporting events are continued in effect as rules,
3 forms, policies, procedures, or decisions of the economic
4 development and tourism division, office of the governor until
5 superseded by a rule or other appropriate act of the economic
6 development and tourism division, office of the governor;

7 (4) a reference in law or administrative rule to the
8 comptroller relating to the administration of the pan american
9 games trust fund, olympic games trust fund, major events trust
10 fund, motor sports racing trust fund, and events trust fund for
11 sporting and non-sporting events means the economic development and
12 tourism division, office of the governor.

13 (b) Before the transfer of the administration of the pan
14 american games trust fund, olympic games trust fund, major events
15 trust fund, motor sports racing trust fund, and events trust fund
16 for sporting and non-sporting events, the comptroller and the
17 economic development and tourism division, office of the governor
18 shall coordinate the transfer of powers and duties including
19 records and other items, to ensure a smooth transition.

20 SECTION 12. Notwithstanding the repeal by this Act of
21 Chapter 398, Local Government Code, a special event plan approved
22 under former Chapter 398 of that code before September 1, 2015, is
23 governed by the law as it existed immediately before the effective
24 date of this Act, and that law is continued in effect for that
25 purpose.

26 SECTION 13. This Act takes effect September 1, 2015.