

1-1 By: Fraser S.B. No. 633  
 1-2 (In the Senate - Filed February 18, 2015; February 23, 2015,  
 1-3 read first time and referred to Committee on Natural Resources and  
 1-4 Economic Development; March 30, 2015, reported adversely, with  
 1-5 favorable Committee Substitute by the following vote: Yeas 10,  
 1-6 Nays 0; March 30, 2015, sent to printer.)

1-7 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14			X	
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			

1-20 COMMITTEE SUBSTITUTE FOR S.B. No. 633 By: Fraser

1-21 A BILL TO BE ENTITLED  
 1-22 AN ACT

1-23 relating to a Pan American Games reimbursement fund, an Olympic  
 1-24 Games reimbursement fund, a Major Events reimbursement fund, a  
 1-25 Motor Sports Racing reimbursement fund, an Events reimbursement  
 1-26 fund for sporting and non-sporting events, and a special event  
 1-27 trust fund.

1-28 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-29 SECTION 1. The heading to Section 4, Chapter 1507 (S.B.  
 1-30 456), Acts of the 76th Legislature, Regular Session, 1999 (Article  
 1-31 5190.14, Vernon's Texas Civil Statutes), is amended to read as  
 1-32 follows:

1-33 Sec. 4. GUARANTEE OF STATE AND MUNICIPAL OBLIGATIONS; PAN  
 1-34 AMERICAN GAMES REIMBURSEMENT ~~[TRUST]~~ FUND.

1-35 SECTION 2. Sections 4(b), (c), (d), (f), (g), (h), (j), (k),  
 1-36 and (m), Chapter 1507 (S.B. 456), Acts of the 76th Legislature,  
 1-37 Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil  
 1-38 Statutes), are amended to read as follows:

1-39 (b) If a site selection organization selects a site for the  
 1-40 games in this state pursuant to an application by a local organizing  
 1-41 committee acting on behalf of an endorsing municipality, after the  
 1-42 first occurrence of a measurable economic impact in this state as a  
 1-43 result of the preparation for the games, as determined by the  
 1-44 department ~~[comptroller]~~, but in no event later than one year  
 1-45 before the scheduled opening event of the games, the department  
 1-46 ~~[comptroller]~~ shall determine for each subsequent calendar  
 1-47 quarter, in accordance with procedures developed by the department  
 1-48 ~~[comptroller]~~:

1-49 (1) the incremental increase in the receipts to the  
 1-50 state from the taxes imposed under Chapters 151, 152, 156, and 183,  
 1-51 Tax Code, and under Title 5, Alcoholic Beverage Code, within the  
 1-52 market areas designated under Subsection (c) of this section, that  
 1-53 is directly attributable, as determined by the department  
 1-54 ~~[comptroller]~~, to the preparation for and presentation of the games  
 1-55 and related events;

1-56 (2) the incremental increase in the receipts collected  
 1-57 by the state on behalf of the endorsing municipality from the sales  
 1-58 and use tax imposed by the endorsing municipality under Section  
 1-59 321.101(a), Tax Code, that is directly attributable, as determined  
 1-60 by the department ~~[comptroller]~~, to the preparation for and  
 1-61 presentation of the games and related events; and

2-1 (3) the incremental increase in the receipts collected  
 2-2 by the endorsing municipality from the municipality's hotel  
 2-3 occupancy tax imposed under Chapter 351, Tax Code, that is directly  
 2-4 attributable, as determined by the department [comptroller], to the  
 2-5 preparation for and presentation of the games and related events.

2-6 (c) For the purposes of Subsection (b)(1) of this section,  
 2-7 the department [comptroller] shall designate as a market area for  
 2-8 the games each area in which the department [comptroller]  
 2-9 determines there is a reasonable likelihood of measurable economic  
 2-10 impact directly attributable to the preparation for and  
 2-11 presentation of the games and related events, including areas  
 2-12 likely to provide venues, accommodations, and services in  
 2-13 connection with the games based on the proposal provided by the  
 2-14 local organizing committee under Section 7 of this Act. The  
 2-15 department [comptroller] shall determine the geographic boundaries  
 2-16 of each market area. The endorsing municipality that has been  
 2-17 selected as the site for the games must be included in a market area  
 2-18 for the games.

2-19 (d) The comptroller, at the direction of the department,  
 2-20 shall retain, for the purpose of guaranteeing the joint obligations  
 2-21 of the state and the endorsing municipality under a games support  
 2-22 contract and this Act, the amount of municipal sales and use tax  
 2-23 revenue determined under Subsection (b)(2) of this section from the  
 2-24 amounts otherwise required to be sent to the municipality under  
 2-25 Section 321.502, Tax Code, beginning with the first distribution of  
 2-26 that tax revenue that occurs after the date the department  
 2-27 [comptroller] makes the determination of the amount of municipal  
 2-28 sales and use tax revenue under Subsection (b)(2). The comptroller  
 2-29 shall discontinue retaining municipal sales and use tax revenue  
 2-30 under this subsection on the earlier of:

2-31 (1) the end of the third calendar month following the  
 2-32 month in which the closing event of the games occurs; or

2-33 (2) the date the amount of municipal sales and use tax  
 2-34 revenue and municipal hotel occupancy tax revenue in the Pan  
 2-35 American Games reimbursement [trust] fund equals 14 percent of the  
 2-36 maximum amount of state and municipal tax revenue that may be  
 2-37 transferred to or deposited in the [trust] fund under Subsection  
 2-38 (m) of this section.

2-39 (f) Subject to Subsection (m) of this section, the  
 2-40 comptroller, at the direction of the department, shall deposit into  
 2-41 a [trust] fund designated as the Pan American Games reimbursement  
 2-42 [trust] fund the amount of municipal sales and use tax revenue  
 2-43 retained under Subsection (d) of this section and, at the same time,  
 2-44 shall transfer to the fund a portion of the state tax revenue  
 2-45 determined by the department under Subsection (b)(1) of this  
 2-46 section in an amount equal to 6.25 times the amount of that  
 2-47 municipal sales and use tax revenue. Subject to Subsection (m) of  
 2-48 this section, the endorsing municipality shall deposit into the  
 2-49 [trust] fund the amount of the endorsing municipality's hotel  
 2-50 occupancy tax revenue determined by the department under Subsection  
 2-51 (b)(3) of this section. The endorsing municipality shall deposit  
 2-52 that hotel occupancy tax revenue into the [trust] fund at least  
 2-53 quarterly. When the endorsing municipality makes a deposit of its  
 2-54 hotel occupancy tax revenue, the comptroller, at the direction of  
 2-55 the department, shall transfer to the fund [deposit] at the same  
 2-56 time a portion of the state tax revenue determined under Subsection  
 2-57 (b)(1) of this section in an amount equal to 6.25 times the amount  
 2-58 of that municipal hotel occupancy tax revenue. The Pan American  
 2-59 Games reimbursement [trust] fund is established outside the  
 2-60 treasury but is held in trust by the comptroller for the  
 2-61 administration of this Act. Money in the [trust] fund may be spent  
 2-62 by the department without appropriation only as provided by this  
 2-63 Act. The comptroller shall discontinue transferring [depositing]  
 2-64 into the [trust] fund any state tax revenue determined by the  
 2-65 department under Subsection (b)(1) of this section on the earlier  
 2-66 of:

2-67 (1) the end of the third calendar month following the  
 2-68 month in which the closing event of the games occurs; or

2-69 (2) the date on which the amount of state revenue in

3-1 the Pan American Games reimbursement [~~trust~~] fund equals 86 percent  
 3-2 of the maximum amount of state and municipal tax revenue that may be  
 3-3 transferred to or deposited in the [~~trust~~] fund under Subsection  
 3-4 (m) of this section.

3-5 (g) The department may use the money [~~funds~~] in the Pan  
 3-6 American Games reimbursement [~~trust~~] fund only to fulfill joint  
 3-7 obligations of the state and the endorsing municipality to a site  
 3-8 selection organization under a games support contract or any other  
 3-9 agreement providing assurances from the department or the endorsing  
 3-10 municipality to a site selection organization.

3-11 (h) A local organizing committee shall provide information  
 3-12 required by the department [~~comptroller~~] to enable the department  
 3-13 [~~comptroller~~] to fulfill the department's [~~comptroller's~~] duties  
 3-14 under this Act, including annual audited statements of the local  
 3-15 organizing committee's financial records required by a site  
 3-16 selection organization and data obtained by the local organizing  
 3-17 committee relating to attendance at the games and to the economic  
 3-18 impact of the games. A local organizing committee must provide an  
 3-19 annual audited financial statement required by the department  
 3-20 [~~comptroller~~] not later than the end of the fourth month after the  
 3-21 date the period covered by the financial statement ends.

3-22 (j) The department may not make a disbursement from the Pan  
 3-23 American Games reimbursement [~~trust~~] fund unless the department  
 3-24 [~~comptroller~~] certifies that the disbursement is for a purpose for  
 3-25 which the state and the endorsing municipality are jointly  
 3-26 obligated under a games support contract or other agreement  
 3-27 described by Subsection (g) of this section.

3-28 (k) If the department [~~comptroller~~] certifies under  
 3-29 Subsection (j) of this section that a disbursement may be made from  
 3-30 the Pan American Games reimbursement [~~trust~~] fund, the obligation  
 3-31 shall be satisfied first out of municipal revenue deposited in the  
 3-32 [~~trust~~] fund and any interest earned on that municipal revenue. If  
 3-33 the municipal revenue is not sufficient to satisfy the entire  
 3-34 deficit, state revenue transferred [~~deposited~~] into the [~~trust~~]  
 3-35 fund and any interest earned on that state revenue shall be used to  
 3-36 satisfy the portion of the deficit not covered by the municipal  
 3-37 revenue.

3-38 (m) In no event may:

3-39 (1) the total amount of state and municipal tax  
 3-40 revenue transferred to or deposited in the Pan American Games  
 3-41 reimbursement [~~trust~~] fund exceed \$20 million; or

3-42 (2) the joint liability of the state and the endorsing  
 3-43 municipality under a joinder agreement and any other games support  
 3-44 contracts entered into pursuant to this Act exceed the lesser of:

3-45 (A) \$20 million; or

3-46 (B) the total amount of revenue transferred to or  
 3-47 deposited in the Pan American Games reimbursement [~~trust~~] fund and  
 3-48 interest earned on the fund.

3-49 SECTION 3. Sections 4(i) and (l), Chapter 1507 (S.B. 456),  
 3-50 Acts of the 76th Legislature, Regular Session, 1999 (Article  
 3-51 5190.14, Vernon's Texas Civil Statutes), as amended by Chapters 579  
 3-52 (H.B. 1675) and 814 (S.B. 275), Acts of the 78th Legislature,  
 3-53 Regular Session, 2003, are reenacted and amended to read as follows:

3-54 (i) The department [~~comptroller~~] shall provide an estimate  
 3-55 not later than September [~~December~~] 1[~~, 2003,~~] of the year that is  
 3-56 eight years before the year in which the games would be held in this  
 3-57 state of the total amount of state and municipal tax revenue that  
 3-58 would be transferred to or deposited in the Pan American Games  
 3-59 reimbursement [~~trust~~] fund before January 1[~~, 2012,~~] of the year  
 3-60 following the year in which the games would be held, if the games  
 3-61 were to be held in this state at a site selected pursuant to an  
 3-62 application by a local organizing committee. The department  
 3-63 [~~comptroller~~] shall provide the estimate on request to a local  
 3-64 organizing committee. A local organizing committee may submit the  
 3-65 department's [~~comptroller's~~] estimate to a site selection  
 3-66 organization.

3-67 (l) On January 1[~~, 2013,~~] of the second year following the  
 3-68 year in which the games are held in this state, the comptroller, at  
 3-69 the direction of the department, shall transfer to the general

4-1 revenue fund any money remaining in the Pan American Games  
 4-2 reimbursement [~~trust~~] fund, not to exceed the amount of state  
 4-3 revenue remaining in the [~~trust~~] fund, plus any interest earned on  
 4-4 that state revenue. The comptroller shall remit to the endorsing  
 4-5 municipality any money remaining in the [~~trust~~] fund after the  
 4-6 required amount is transferred to the general revenue fund.

4-7 SECTION 4. The heading to Section 5, Chapter 1507 (S.B.  
 4-8 456), Acts of the 76th Legislature, Regular Session, 1999 (Article  
 4-9 5190.14, Vernon's Texas Civil Statutes), is amended to read as  
 4-10 follows:

4-11 Sec. 5. GUARANTEE OF STATE AND MUNICIPAL OBLIGATIONS;  
 4-12 OLYMPIC GAMES REIMBURSEMENT [~~TRUST~~] FUND.

4-13 SECTION 5. Sections 5(b), (c), (d), (f), (g), (h), (i), (j),  
 4-14 (k), (l), and (m), Chapter 1507 (S.B. 456), Acts of the 76th  
 4-15 Legislature, Regular Session, 1999 (Article 5190.14, Vernon's  
 4-16 Texas Civil Statutes), are amended to read as follows:

4-17 (b) If a site selection organization selects a site for the  
 4-18 games in this state pursuant to an application by a local organizing  
 4-19 committee, after the first occurrence of a measurable economic  
 4-20 impact in this state as a result of the preparation for the games,  
 4-21 as determined by the department [~~comptroller~~], but in no event  
 4-22 later than one year before the scheduled opening event of the games,  
 4-23 the department [~~comptroller~~] shall determine for each subsequent  
 4-24 calendar quarter, in accordance with procedures developed by the  
 4-25 department [~~comptroller~~]:

4-26 (1) the incremental increase in the receipts to the  
 4-27 state from the taxes imposed under Chapters 151, 152, 156, and 183,  
 4-28 Tax Code, and under Title 5, Alcoholic Beverage Code, within the  
 4-29 market areas designated under Subsection (c) of this section, that  
 4-30 is directly attributable, as determined by the department  
 4-31 [~~comptroller~~], to the preparation for and presentation of the games  
 4-32 and related events;

4-33 (2) the incremental increase in the receipts collected  
 4-34 by the state on behalf of each endorsing municipality from the sales  
 4-35 and use tax imposed by the endorsing municipality under Section  
 4-36 321.101(a), Tax Code, and the mixed beverage tax revenue to be  
 4-37 received by the endorsing municipality under Section 183.051(b),  
 4-38 Tax Code, that is directly attributable, as determined by the  
 4-39 department [~~comptroller~~], to the preparation for and presentation  
 4-40 of the games and related events;

4-41 (3) the incremental increase in the receipts collected  
 4-42 by the state on behalf of each endorsing county from the sales and  
 4-43 use tax imposed by the county under Section 323.101(a), Tax Code,  
 4-44 and the mixed beverage tax revenue to be received by the endorsing  
 4-45 county under Section 183.051(b), Tax Code, that is directly  
 4-46 attributable, as determined by the department [~~comptroller~~], to the  
 4-47 preparation for and presentation of the games and related events;

4-48 (4) the incremental increase in the receipts collected  
 4-49 by each endorsing municipality from the hotel occupancy tax imposed  
 4-50 under Chapter 351, Tax Code, that is directly attributable, as  
 4-51 determined by the department [~~comptroller~~], to the preparation for  
 4-52 and presentation of the games and related events; and

4-53 (5) the incremental increase in the receipts collected  
 4-54 by each endorsing county from the hotel occupancy tax imposed under  
 4-55 Chapter 352, Tax Code, that is directly attributable, as determined  
 4-56 by the department [~~comptroller~~], to the preparation for and  
 4-57 presentation of the games and related events.

4-58 (c) For the purposes of Subsection (b)(1) of this section,  
 4-59 the department [~~comptroller~~] shall designate as a market area for  
 4-60 the games each area in which the department [~~comptroller~~]  
 4-61 determines there is a reasonable likelihood of measurable economic  
 4-62 impact directly attributable to the preparation for and  
 4-63 presentation of the games and related events, including areas  
 4-64 likely to provide venues, accommodations, and services in  
 4-65 connection with the games based on the proposal provided by the  
 4-66 local organizing committee under Section 7 of this Act. The  
 4-67 department [~~comptroller~~] shall determine the geographic boundaries  
 4-68 of each market area. Each endorsing municipality or endorsing  
 4-69 county that has been selected as the site for the games must be

5-1 included in a market area for the games.

5-2 (d) Subject to Section 6 of this Act, the comptroller, at  
 5-3 the direction of the department, shall retain, for the purpose of  
 5-4 guaranteeing the joint obligations of the state and an endorsing  
 5-5 municipality or endorsing county under a games support contract and  
 5-6 this Act, the amount of sales and use tax revenue and mixed beverage  
 5-7 tax revenue determined under Subsection (b)(2) or (b)(3) of this  
 5-8 section from the amounts otherwise required to be sent to the  
 5-9 municipality under Section 183.051(b) or 321.502, Tax Code, or to  
 5-10 the county under Section 183.051(b) or 323.502, Tax Code, beginning  
 5-11 with the first distribution of that tax revenue that occurs after  
 5-12 the date the department [~~comptroller~~] makes the determination of  
 5-13 the amount of sales and use tax revenue and mixed beverage tax  
 5-14 revenue under Subsection (b)(2) or (b)(3) of this section. The  
 5-15 comptroller shall discontinue retaining sales and use tax revenue  
 5-16 and mixed beverage tax revenue under this subsection on the earlier  
 5-17 of:

5-18 (1) the end of the third calendar month following the  
 5-19 month in which the closing event of the games occurs; or

5-20 (2) the date the amount of local sales and use tax  
 5-21 revenue and mixed beverage tax revenue in the Olympic Games  
 5-22 reimbursement [~~trust~~] fund equals 14 percent of the maximum amount  
 5-23 of state and local tax revenue that may be transferred to or  
 5-24 deposited in the [~~trust~~] fund under Subsection (m) of this section.

5-25 (f) Subject to Subsection (m) of this section, each  
 5-26 endorsing municipality or endorsing county shall remit to the  
 5-27 comptroller and the comptroller, at the direction of the  
 5-28 department, shall deposit into a trust fund designated as the  
 5-29 Olympic Games reimbursement [~~trust~~] fund, on a quarterly basis, the  
 5-30 amount of the municipality's or county's hotel occupancy tax  
 5-31 revenue determined by the department under Subsection (b)(4) or  
 5-32 (b)(5) of this section, as applicable. Subject to Section 6 of this  
 5-33 Act and Subsection (m) of this section, the comptroller, at the  
 5-34 direction of the department, shall deposit into the [~~trust~~] fund  
 5-35 the amount of sales and use tax revenue and mixed beverage tax  
 5-36 revenue retained under Subsection (d) of this section for the same  
 5-37 calendar quarter and, at the same time, shall transfer to the fund  
 5-38 the state tax revenue determined by the department under Subsection  
 5-39 (b)(1) of this section for the quarter. The Olympic Games  
 5-40 reimbursement [~~trust~~] fund is established outside the treasury but  
 5-41 is held in trust by the comptroller for the administration of this  
 5-42 Act. Money in the [~~trust~~] fund may be spent by the department  
 5-43 without appropriation only as provided by this Act. The  
 5-44 comptroller shall discontinue transfer [~~deposit~~] of the amount of  
 5-45 state tax revenue determined by the department under Subsection  
 5-46 (b)(1) of this section on the earlier of:

5-47 (1) the end of the third calendar month following the  
 5-48 month in which the closing event of the games occurs; or

5-49 (2) the date the amount of state revenue in the Olympic  
 5-50 Games reimbursement [~~trust~~] fund equals 86 percent of the maximum  
 5-51 amount of state, municipal, and county tax revenue that may be  
 5-52 transferred to or deposited in the [~~trust~~] fund under Subsection  
 5-53 (m) of this section.

5-54 (g) The department may use the money [~~funds~~] in the Olympic  
 5-55 Games reimbursement [~~trust~~] fund only to fulfill joint obligations  
 5-56 of the state and each endorsing municipality or endorsing county to  
 5-57 a site selection organization under a games support contract or any  
 5-58 other agreement providing assurances from the department or the  
 5-59 municipality or county to a site selection organization.

5-60 (h) A local organizing committee shall provide information  
 5-61 required by the department [~~comptroller~~] to enable the department  
 5-62 [~~comptroller~~] to fulfill the department's [~~comptroller's~~] duties  
 5-63 under this Act, including annual audited statements of the local  
 5-64 organizing committee's financial records required by a site  
 5-65 selection organization and data obtained by the local organizing  
 5-66 committee relating to attendance at the games and to the economic  
 5-67 impact of the games. A local organizing committee must provide an  
 5-68 annual audited financial statement required by the department  
 5-69 [~~comptroller~~] not later than the end of the fourth month after the

6-1 date the period covered by the financial statement ends.

6-2 (i) The department [~~comptroller~~] shall provide an estimate  
6-3 before August 31 of the year that is 12 years before the year in  
6-4 which the games would be held in this state, or as soon as practical  
6-5 after that date, of the total amount of state, municipal, and county  
6-6 tax revenue that would be transferred to or deposited in the Olympic  
6-7 Games reimbursement [~~trust~~] fund if the games were to be held in  
6-8 this state at a site selected pursuant to an application by a local  
6-9 organizing committee. The department [~~comptroller~~] shall provide  
6-10 the estimate on request to a local organizing committee. A local  
6-11 organizing committee may submit the department's [~~comptroller's~~]  
6-12 estimate to a site selection organization.

6-13 (j) The department may not make a disbursement from the  
6-14 Olympic Games reimbursement [~~trust~~] fund unless the department  
6-15 [~~comptroller~~] certifies that the disbursement is for a purpose for  
6-16 which the state and each endorsing municipality or endorsing county  
6-17 are jointly obligated under a games support contract or other  
6-18 agreement described by Subsection (g) of this section. A  
6-19 disbursement may not be made from the [~~trust~~] fund that the  
6-20 department determines would be used for the purpose of soliciting  
6-21 the relocation of a professional sports franchise located in this  
6-22 state.

6-23 (k) If the department [~~comptroller~~] certifies under  
6-24 Subsection (j) of this section that a disbursement may be made from  
6-25 the Olympic Games reimbursement [~~trust~~] fund, the obligation shall  
6-26 be satisfied proportionately from the state and municipal or county  
6-27 revenue in the [~~trust~~] fund.

6-28 (l) Two years after the closing event of the games, the  
6-29 department [~~comptroller~~] shall transfer to the general revenue fund  
6-30 any money remaining in the Olympic Games reimbursement [~~trust~~]  
6-31 fund, not to exceed the amount of state revenue remaining in the  
6-32 [~~trust~~] fund, plus any interest earned on that state revenue. The  
6-33 department [~~comptroller~~] shall remit to each endorsing entity in  
6-34 proportion to the amount contributed by the entity any money  
6-35 remaining in the [~~trust~~] fund after the required amount is  
6-36 transferred to the general revenue fund.

6-37 (m) In no event may:

6-38 (1) the total amount of state, municipal, and county  
6-39 tax revenue transferred to or deposited in the Olympic Games  
6-40 reimbursement [~~trust~~] fund exceed \$100 million; or

6-41 (2) the joint liability of the state and an endorsing  
6-42 municipality or county under a joinder agreement and any other  
6-43 games support contracts entered into pursuant to this Act exceed  
6-44 the lesser of:

6-45 (A) \$100 million; or

6-46 (B) the total amount of revenue transferred to or  
6-47 deposited in the Olympic Games reimbursement [~~trust~~] fund and  
6-48 interest earned on the fund.

6-49 SECTION 6. The heading to Section 5A, Chapter 1507 (S.B.  
6-50 456), Acts of the 76th Legislature, Regular Session, 1999 (Article  
6-51 5190.14, Vernon's Texas Civil Statutes), is amended to read as  
6-52 follows:

6-53 Sec. 5A. PAYMENT OF STATE AND MUNICIPAL OR COUNTY  
6-54 OBLIGATIONS; MAJOR EVENTS REIMBURSEMENT [~~TRUST~~] FUND.

6-55 SECTION 7. Sections 5A(a)(1) and (2), Chapter 1507 (S.B.  
6-56 456), Acts of the 76th Legislature, Regular Session, 1999 (Article  
6-57 5190.14, Vernon's Texas Civil Statutes), are amended to read as  
6-58 follows:

6-59 (1) "Endorsing county" means:

6-60 (A) a county that contains a site selected by a  
6-61 site selection organization for one or more events; or

6-62 (B) a county that:

6-63 (i) does not contain a site selected by a  
6-64 site selection organization for an event;

6-65 (ii) is included in the market area for the  
6-66 event as designated by the department [~~comptroller~~]; and

6-67 (iii) is a party to an event support  
6-68 contract.

6-69 (2) "Endorsing municipality" means:

- 7-1 (A) a municipality that contains a site selected
- 7-2 by a site selection organization for one or more events; or
- 7-3 (B) a municipality that:
- 7-4 (i) does not contain a site selected by a
- 7-5 site selection organization for an event;
- 7-6 (ii) is included in the market area for the
- 7-7 event as designated by the department [~~comptroller~~]; and
- 7-8 (iii) is a party to an event support
- 7-9 contract.

7-10 SECTION 8. Sections 5A(a-1), (a-2), (b), (b-1), (c), (d),  
 7-11 (d-1), (e), (f), (g), (i), (j), (k), (l), (m), (p), (v), (w), and  
 7-12 (y), Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular  
 7-13 Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), are  
 7-14 amended to read as follows:

7-15 (a-1) An event not listed in Subsection (a)(4) of this  
 7-16 section is ineligible for funding under this section. A listed  
 7-17 event may receive funding under this section only if:

7-18 (1) a site selection organization selects a site  
 7-19 located in this state for the event to be held one time or, for an  
 7-20 event scheduled to be held each year for a period of years under an  
 7-21 event contract, or an event support contract, one time each year for  
 7-22 the period of years, after considering, through a highly  
 7-23 competitive selection process, one or more sites that are not  
 7-24 located in this state;

7-25 (2) a site selection organization selects a site in  
 7-26 this state as:

- 7-27 (A) the sole site for the event; or
- 7-28 (B) the sole site for the event in a region
- 7-29 composed of this state and one or more adjoining states;

7-30 (3) the event is held not more than one time in any  
 7-31 year; and

7-32 (4) the amount of the incremental increase in tax  
 7-33 receipts determined by the department [~~comptroller~~] under  
 7-34 Subsection (b) of this section equals or exceeds \$1 million,  
 7-35 provided that for an event scheduled to be held each year for a  
 7-36 period of years under an event contract or event support contract,  
 7-37 the incremental increase in tax receipts shall be calculated as if  
 7-38 the event did not occur in the prior year.

7-39 (a-2) Subsection (a-1)(1) of this section does not apply to  
 7-40 an event that is the largest event held each year at a sports  
 7-41 entertainment venue in this state with a permanent seating  
 7-42 capacity, including grandstand and premium seating, of not less  
 7-43 than 125,000. If an endorsing municipality or endorsing county  
 7-44 requests the department [~~comptroller~~] to make a determination under  
 7-45 Subsection (b) of this section for an event described by this  
 7-46 subsection, the provisions of this section apply to that event as if  
 7-47 it satisfied the eligibility requirements for an event under  
 7-48 Subsection (a-1)(1) of this section.

7-49 (b) If a site selection organization selects a site for an  
 7-50 event in this state pursuant to an application by a local organizing  
 7-51 committee, endorsing municipality, or endorsing county, upon  
 7-52 request of a local organizing committee, endorsing municipality, or  
 7-53 endorsing county, the department [~~comptroller~~] shall determine for  
 7-54 a one-year period that begins two months before the date on which  
 7-55 the event will begin, in accordance with procedures developed by  
 7-56 the department [~~comptroller~~]:

7-57 (1) the incremental increase in the receipts to the  
 7-58 state from taxes imposed under Chapters 151, 152, 156, and 183, Tax  
 7-59 Code, and under Title 5, Alcoholic Beverage Code, within the market  
 7-60 areas designated under Subsection (c) of this section, that is  
 7-61 directly attributable, as determined by the department  
 7-62 [~~comptroller~~], to the preparation for and presentation of the event  
 7-63 and related activities;

7-64 (2) the incremental increase in the receipts collected  
 7-65 by the state on behalf of each endorsing municipality in the market  
 7-66 area from the sales and use tax imposed by each endorsing  
 7-67 municipality under Section 321.101(a), Tax Code, and the mixed  
 7-68 beverage tax revenue to be received by each endorsing municipality  
 7-69 under Section 183.051(b), Tax Code, that is directly attributable,

8-1 as determined by the department [~~comptroller~~], to the preparation  
8-2 for and presentation of the event and related activities;

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

8-11 (4) the incremental increase in the receipts collected  
8-12 by each endorsing municipality in the market area from the hotel  
8-13 occupancy tax imposed under Chapter 351, Tax Code, that is directly  
8-14 attributable, as determined by the department [~~comptroller~~], to the  
8-15 preparation for and presentation of the event and related  
8-16 activities; and

8-17 (5) the incremental increase in the receipts collected  
8-18 by each endorsing county in the market area from the hotel occupancy  
8-19 tax imposed under Chapter 352, Tax Code, that is directly  
8-20 attributable, as determined by the department [~~comptroller~~], to the  
8-21 preparation for and presentation of the event and related  
8-22 activities.

8-23 (b-1) A request for a determination of the amount of  
8-24 incremental increase in tax receipts specified by Subsection (b) of  
8-25 this section must be submitted to the department [~~comptroller~~] not  
8-26 earlier than one year and not later than 45 days before the date the  
8-27 event begins. The department [~~comptroller~~] shall base the  
8-28 determination specified by Subsection (b) of this section on  
8-29 information submitted by the local organizing committee, endorsing  
8-30 municipality, or endorsing county, and must make the determination  
8-31 not later than the 30th day after the date the department  
8-32 [~~comptroller~~] receives the request and related information.

8-33 (c) For the purposes of Subsection (b)(1) of this section,  
8-34 the department [~~comptroller~~] shall designate as a market area for  
8-35 the event each area in which the department [~~comptroller~~]  
8-36 determines there is a reasonable likelihood of measurable economic  
8-37 impact directly attributable to the preparation for and  
8-38 presentation of the event and related activities, including areas  
8-39 likely to provide venues, accommodations, and services in  
8-40 connection with the event based on the proposal provided by the  
8-41 local organizing committee to the department [~~comptroller~~]. The  
8-42 department [~~comptroller~~] shall determine the geographic boundaries  
8-43 of each market area. An endorsing municipality or endorsing county  
8-44 that has been selected as the site for the event must be included in  
8-45 a market area for the event.

8-46 (d) Each endorsing municipality or endorsing county shall  
8-47 remit to the comptroller and the comptroller shall deposit into a  
8-48 [~~trust~~] fund created by the comptroller, at the direction of the  
8-49 department, and designated as the Major Events reimbursement  
8-50 [~~trust~~] fund the amount of the municipality's or county's hotel  
8-51 occupancy tax revenue determined by the department under Subsection  
8-52 (b)(4) or (b)(5) of this section, less any amount of the revenue  
8-53 that the municipality or county determines is necessary to meet the  
8-54 obligations of the municipality or county. The comptroller, at the  
8-55 direction of the department, shall retain the amount of sales and  
8-56 use tax revenue and mixed beverage tax revenue determined by the  
8-57 department under Subsection (b)(2) or (b)(3) of this section from  
8-58 the amounts otherwise required to be sent to the municipality under  
8-59 Sections 321.502 and 183.051(b), Tax Code, or to the county under  
8-60 Sections 323.502 and 183.051(b), Tax Code, and deposit into the  
8-61 [~~trust~~] fund the tax revenues, less any amount of the revenue that  
8-62 the municipality or county determines is necessary to meet the  
8-63 obligations of the municipality or county. The comptroller shall  
8-64 begin retaining and depositing the local tax revenues with the  
8-65 first distribution of that tax revenue that occurs after the first  
8-66 day of the one-year period described by Subsection (b) of this  
8-67 section or at a time otherwise determined to be practicable by the  
8-68 department [~~comptroller~~] and shall discontinue retaining the local  
8-69 tax revenues under this subsection when the amount of the



9-1 applicable tax revenue determined by the department under  
 9-2 Subsection (b)(2) or (b)(3) of this section has been retained. The  
 9-3 Major Events reimbursement [~~trust~~] fund is established outside the  
 9-4 state treasury and is held in trust by the comptroller for  
 9-5 administration of this Act. Money in the [~~trust~~] fund may be  
 9-6 disbursed by the department [~~comptroller~~] without appropriation  
 9-7 only as provided by this section.

9-8 (d-1) Not later than the 90th day after the last day of an  
 9-9 event and in lieu of the local tax revenues remitted [~~to~~] or  
 9-10 retained [~~by the comptroller~~] under Subsection (d) of this section,  
 9-11 a municipality or county may remit to the department [~~comptroller~~]  
 9-12 for deposit in the Major Events reimbursement [~~trust~~] fund other  
 9-13 local funds in an amount equal to the total amount of local tax  
 9-14 revenue determined by the department under Subsections (b)(2)  
 9-15 through (5) of this section. The amount deposited by the  
 9-16 department [~~comptroller~~] into the Major Events reimbursement  
 9-17 [~~trust~~] fund under this subsection is subject to Subsection (f) of  
 9-18 this section.

9-19 (e) In addition to the tax revenue deposited in the Major  
 9-20 Events reimbursement [~~trust~~] fund under Subsection (d) of this  
 9-21 section, an endorsing municipality or endorsing county may  
 9-22 guarantee its obligations under an event support contract and this  
 9-23 section by pledging surcharges from user fees, including parking or  
 9-24 ticket fees, charged in connection with the event. An endorsing  
 9-25 municipality or endorsing county may collect and remit to the  
 9-26 department [~~comptroller~~] surcharges and user fees attributable to  
 9-27 the event for deposit into the Major Events reimbursement [~~trust~~]  
 9-28 fund.

9-29 (f) The comptroller, at the direction of the department,  
 9-30 shall transfer [~~deposit~~] into the Major Events reimbursement  
 9-31 [~~trust~~] fund a portion of the state tax revenue not to exceed the  
 9-32 amount determined by the department under Subsection (b)(1) of this  
 9-33 section in an amount equal to 6.25 times the amount of the local  
 9-34 revenue retained or remitted under this section, including:

- 9-35 (1) local sales and use tax revenue;
- 9-36 (2) mixed beverage tax revenue;
- 9-37 (3) hotel occupancy tax revenue; and
- 9-38 (4) surcharge and user fee revenue.

9-39 (g) To meet its obligations under a game support contract or  
 9-40 event support contract to improve, construct, renovate, or acquire  
 9-41 facilities or to acquire equipment, an endorsing municipality by  
 9-42 ordinance or an endorsing county by order may authorize the  
 9-43 issuance of notes. An endorsing municipality or endorsing county  
 9-44 may provide that the notes be paid from and secured by amounts on  
 9-45 deposit or amounts to be deposited into the Major Events  
 9-46 reimbursement [~~trust~~] fund or surcharges from user fees, including  
 9-47 parking or ticket fees, charged in connection with the event. Any  
 9-48 note issued must mature not later than seven years from its date of  
 9-49 issuance.

9-50 (i) A local organizing committee, endorsing municipality,  
 9-51 or endorsing county shall provide information required by the  
 9-52 department [~~comptroller~~] to enable the department [~~comptroller~~]  
 9-53 to fulfill the department's [~~comptroller's~~] duties under this section,  
 9-54 including annual audited statements of any financial records  
 9-55 required by a site selection organization and data obtained by the  
 9-56 local organizing committee, an endorsing municipality, or an  
 9-57 endorsing county relating to attendance at the event, including an  
 9-58 estimate of the number of people expected to attend the event who  
 9-59 are not residents of this state, and to the economic impact of the  
 9-60 event. A local organizing committee, endorsing municipality, or  
 9-61 endorsing county must provide an annual audited financial statement  
 9-62 required by the department [~~comptroller~~], if any, not later than  
 9-63 the end of the fourth month after the date the period covered by the  
 9-64 financial statement ends. After the conclusion of an event and on  
 9-65 the department's [~~comptroller's~~] request, a local organizing  
 9-66 committee, endorsing municipality, or endorsing county must  
 9-67 provide information relating to the event, such as attendance  
 9-68 figures, including an estimate of the number of attendees at the  
 9-69 event who are not residents of this state, financial information,

10-1 or other public information held by the local organizing committee,  
 10-2 endorsing municipality, or endorsing county that the department  
 10-3 [~~comptroller~~] considers necessary.

10-4 (j) Not later than the 30th day after the date a request of a  
 10-5 local organizing committee, endorsing municipality, or endorsing  
 10-6 county is submitted to the department [~~comptroller~~] under  
 10-7 Subsection (b-1) of this section, the department [~~comptroller~~]  
 10-8 shall provide an estimate of the total amount of tax revenue that  
 10-9 would be deposited in the Major Events reimbursement [~~trust~~] fund  
 10-10 under this section in connection with that event, if the event were  
 10-11 to be held in this state at a site selected pursuant to an  
 10-12 application by a local organizing committee, endorsing  
 10-13 municipality, or endorsing county. A local organizing committee,  
 10-14 endorsing municipality, or endorsing county may submit the  
 10-15 department's [~~comptroller's~~] estimate to a site selection  
 10-16 organization.

10-17 (k) The department [~~comptroller~~] may make a disbursement  
 10-18 from the Major Events reimbursement [~~trust~~] fund on the prior  
 10-19 approval of each contributing endorsing municipality or endorsing  
 10-20 county for a purpose for which a local organizing committee, an  
 10-21 endorsing municipality, or an endorsing county or the state is  
 10-22 obligated under a game support contract or event support  
 10-23 contract. If an obligation is incurred under a games support  
 10-24 contract or event support contract to make a structural improvement  
 10-25 to the site or to add a fixture to the site for purposes of an event  
 10-26 and that improvement or fixture is expected to derive most of its  
 10-27 value in subsequent uses of the site for future events, a  
 10-28 disbursement from the [~~trust~~] fund made for purposes of that  
 10-29 obligation is limited to five percent of the cost of the improvement  
 10-30 or fixture and the remainder of the obligation is not eligible for a  
 10-31 disbursement from the [~~trust~~] fund, unless the improvement or  
 10-32 fixture is for a publicly owned facility. In considering whether  
 10-33 to make a disbursement from the [~~trust~~] fund, the department  
 10-34 [~~comptroller~~] may not consider a contingency clause in an event  
 10-35 support contract as relieving a local organizing committee's,  
 10-36 endorsing municipality's, or endorsing county's obligation to pay a  
 10-37 cost under the contract. A disbursement may not be made from the  
 10-38 [~~trust~~] fund that the department [~~comptroller~~] determines would be  
 10-39 used for the purpose of soliciting the relocation of a professional  
 10-40 sports franchise located in this state.

10-41 (l) If a disbursement is made from the Major Events  
 10-42 reimbursement [~~trust~~] fund under Subsection (k) of this section,  
 10-43 the obligation shall be satisfied proportionately from the state  
 10-44 and local revenue in the [~~trust~~] fund.

10-45 (m) On payment of all state, municipal, or county  
 10-46 obligations under a game support contract or event support contract  
 10-47 related to the location of any particular event in the state, the  
 10-48 department [~~comptroller~~] shall remit to each endorsing entity, in  
 10-49 proportion to the amount contributed by the entity, any money  
 10-50 remaining in the [~~trust~~] fund.

10-51 (p) The department [~~comptroller~~] may not undertake any of  
 10-52 the responsibilities or duties set forth in this section unless:

10-53 (1) a request is submitted by the municipality or the  
 10-54 county in which the event will be located;

10-55 (2) the event meets all the requirements for funding  
 10-56 under this section, including Subsection (a-1) of this section; and

10-57 (3) the request is accompanied by documentation from a  
 10-58 site selection organization selecting the site for the event.

10-59 (v) The department [~~comptroller~~] may adopt rules necessary  
 10-60 to implement this section.

10-61 (w) Not later than 10 months after the last day of an event  
 10-62 eligible for disbursements from the Major Events reimbursement  
 10-63 [~~trust~~] fund for costs associated with the event, the department  
 10-64 [~~comptroller~~] using existing resources shall complete a study in  
 10-65 the market area of the event on the measurable economic impact  
 10-66 directly attributable to the preparation for and presentation of  
 10-67 the event and related activities. The department [~~comptroller~~]  
 10-68 shall post on the department's [~~comptroller's~~] Internet website:

10-69 (1) the results of the study conducted under this

11-1 subsection, including any source documentation or other  
 11-2 information relied on by the department [~~comptroller~~] for the  
 11-3 study;

11-4 (2) the amount of incremental increase in tax receipts  
 11-5 for the event determined by the department under Subsection (b) of  
 11-6 this section;

11-7 (3) the site selection organization documentation  
 11-8 described in Subsection (p)(3) of this section;

11-9 (4) any source documentation or information described  
 11-10 under Subsection (i) of this section that was relied on by the  
 11-11 department [~~comptroller~~] in making the determination of the amount  
 11-12 of incremental increase in tax receipts under Subsection (b) of  
 11-13 this section; and

11-14 (5) documentation verifying that:

11-15 (A) a request submitted by a local organizing  
 11-16 committee, endorsing municipality, or endorsing county under  
 11-17 Subsection (p) of this section is complete and certified as such by  
 11-18 the department [~~comptroller~~];

11-19 (B) the determination on the amount of  
 11-20 incremental increases in tax receipts under Subsection (b) of this  
 11-21 section considered the information submitted by a local organizing  
 11-22 committee, endorsing municipality, or endorsing county as required  
 11-23 under Subsection (b-1) of this section; and

11-24 (C) each deadline established under this section  
 11-25 was timely met.

11-26 (y) After the conclusion of an event, the department  
 11-27 [~~comptroller~~] shall compare information on the actual attendance  
 11-28 figures provided to the department [~~comptroller~~] under Subsection  
 11-29 (i) of this section with the estimated attendance numbers used to  
 11-30 determine the incremental increase in tax receipts under Subsection  
 11-31 (b) of this section. If the actual attendance figures are  
 11-32 significantly lower than the estimated attendance numbers, the  
 11-33 department [~~comptroller~~] may reduce the amount of a disbursement  
 11-34 for an endorsing entity under the Major Events reimbursement  
 11-35 [~~trust~~] fund in proportion to the discrepancy between the actual  
 11-36 and estimated attendance and in proportion to the amount  
 11-37 contributed to the fund by the entity. The department  
 11-38 [~~comptroller~~] by rule shall define "significantly lower" for  
 11-39 purposes of this subsection and provide the manner in which a  
 11-40 disbursement may be proportionately reduced. This subsection does  
 11-41 not affect the remittance of any money remaining in the fund in  
 11-42 accordance with Subsection (m) of this section.

11-43 SECTION 9. The heading to Section 5B, Chapter 1507 (S.B.  
 11-44 456), Acts of the 76th Legislature, Regular Session, 1999 (Article  
 11-45 5190.14, Vernon's Texas Civil Statutes), is amended to read as  
 11-46 follows:

11-47 Sec. 5B. GUARANTEE OF STATE AND MUNICIPAL OR COUNTY  
 11-48 OBLIGATIONS; MOTOR SPORTS RACING REIMBURSEMENT [~~TRUST~~] FUND.

11-49 SECTION 10. Sections 5B(b), (c), (d), (e), (f), (g), (h),  
 11-50 (i), (j), (k), (l), (m), and (o), Chapter 1507 (S.B. 456), Acts of  
 11-51 the 76th Legislature, Regular Session, 1999 (Article 5190.14,  
 11-52 Vernon's Texas Civil Statutes), are amended to read as follows:

11-53 (b) If a site selection organization selects a site for a  
 11-54 motor sports racing event in this state pursuant to an application  
 11-55 by a local organizing committee, endorsing municipality, or  
 11-56 endorsing county, not later than three months before the date of the  
 11-57 motor sports racing event, the department [~~comptroller~~] shall  
 11-58 determine for the 30-day period that ends at the end of the day  
 11-59 after the date on which the racing event will be held, in accordance  
 11-60 with procedures developed by the department [~~comptroller~~]:

11-61 (1) the incremental increase in the receipts to the  
 11-62 state from taxes imposed under Chapters 151, 152, 156, and 183, Tax  
 11-63 Code, and under Title 5, Alcoholic Beverage Code, within the market  
 11-64 areas designated under Subsection (c) of this section, that is  
 11-65 directly attributable, as determined by the department  
 11-66 [~~comptroller~~], to the preparation for and presentation of the  
 11-67 racing event;

11-68 (2) the incremental increase in the receipts collected  
 11-69 by the state on behalf of each endorsing municipality in the market

12-1 area from the sales and use tax imposed by each endorsing  
 12-2 municipality under Section 321.101(a), Tax Code, and the mixed  
 12-3 beverage tax revenue to be received by each endorsing municipality  
 12-4 under Section 183.051(b), Tax Code, that is directly attributable,  
 12-5 as determined by the department [comptroller], to the preparation  
 12-6 for and presentation of the racing event;

12-7 (3) the incremental increase in the receipts collected  
 12-8 by the state on behalf of each endorsing county in the market area  
 12-9 from the sales and use tax imposed by each endorsing county under  
 12-10 Section 323.101(a), Tax Code, and the mixed beverage tax revenue to  
 12-11 be received by each endorsing county under Section 183.051(b), Tax  
 12-12 Code, that is directly attributable, as determined by the  
 12-13 department [comptroller], to the preparation for and presentation  
 12-14 of the racing event;

12-15 (4) the incremental increase in the receipts collected  
 12-16 by each endorsing municipality in the market area from the hotel  
 12-17 occupancy tax imposed under Chapter 351, Tax Code, that is directly  
 12-18 attributable, as determined by the department [comptroller], to the  
 12-19 preparation for and presentation of the racing event; and

12-20 (5) the incremental increase in the receipts collected  
 12-21 by each endorsing county in the market area from the hotel occupancy  
 12-22 tax imposed under Chapter 352, Tax Code, that is directly  
 12-23 attributable, as determined by the department [comptroller], to the  
 12-24 preparation for and presentation of the racing event.

12-25 (c) For the purposes of Subsection (b)(1) of this section,  
 12-26 the department [comptroller] shall designate as a market area for  
 12-27 the motor sports racing event each area in which the department  
 12-28 [comptroller] determines there is a reasonable likelihood of  
 12-29 measurable economic impact directly attributable to the  
 12-30 preparation for and presentation of the racing event, including  
 12-31 areas likely to provide venues, accommodations, and services in  
 12-32 connection with the racing event based on a proposal or other  
 12-33 information provided by an endorsing municipality, endorsing  
 12-34 county, or local organizing committee to the department  
 12-35 [comptroller]. The department [comptroller] shall determine the  
 12-36 geographic boundaries of each market area. An endorsing  
 12-37 municipality or endorsing county that has been selected as the site  
 12-38 for the racing event must be included in a market area for the  
 12-39 racing event.

12-40 (d) Each endorsing municipality or endorsing county shall  
 12-41 remit to the comptroller and the comptroller shall deposit into a  
 12-42 [trust] fund created by the comptroller, at the direction of the  
 12-43 department, and designated as the Motor Sports Racing reimbursement  
 12-44 [trust] fund for the particular event the amount of the  
 12-45 municipality's or county's hotel occupancy tax revenue determined  
 12-46 by the department under Subsection (b)(4) or (5) of this section,  
 12-47 less any amount of the revenue that the municipality or county  
 12-48 determines is necessary to meet the obligations of the municipality  
 12-49 or county. The comptroller, at the direction of the department,  
 12-50 shall retain the amount of sales and use tax revenue and mixed  
 12-51 beverage tax revenue determined by the department under Subsection  
 12-52 (b)(2) or (3) of this section from the amounts otherwise required to  
 12-53 be sent to the municipality under Sections 321.502 and 183.051(b),  
 12-54 Tax Code, or to the county under Sections 323.502 and 183.051(b),  
 12-55 Tax Code, and deposit into the [trust] fund the tax revenues, less  
 12-56 any amount of the revenue that the municipality or county  
 12-57 determines is necessary to meet the obligations of the municipality  
 12-58 or county. The comptroller shall begin retaining and depositing  
 12-59 the local tax revenues with the first distribution of that tax  
 12-60 revenue that occurs after the first day of the 30-day period  
 12-61 described by Subsection (b) of this section and shall discontinue  
 12-62 retaining the local tax revenues under this subsection when the  
 12-63 amount of the applicable tax revenue determined under Subsection  
 12-64 (b)(2) or (3) of this section has been retained. The Motor Sports  
 12-65 Racing reimbursement [trust] fund is established outside the state  
 12-66 treasury and is held in trust by the comptroller for administration  
 12-67 of this section. Money in the [trust] fund may be disbursed by the  
 12-68 department [comptroller] without appropriation only as provided by  
 12-69 this section.

13-1 (e) In addition to the tax revenue deposited in the Motor  
 13-2 Sports Racing reimbursement [~~trust~~] fund under Subsection (d) of  
 13-3 this section, an endorsing municipality or endorsing county may  
 13-4 guarantee its obligations under a motor sports racing event support  
 13-5 contract and this section by pledging surcharges from user fees,  
 13-6 including parking or ticket fees, charged in connection with the  
 13-7 racing event.

13-8 (f) The comptroller, at the direction of the department,  
 13-9 shall transfer [~~deposit~~] a portion of the state tax revenue  
 13-10 determined by the department under Subsection (b)(1) of this  
 13-11 section in an amount equal to 6.25 times the amount of the local  
 13-12 sales and use tax revenue and mixed beverage tax revenue retained  
 13-13 and the hotel occupancy tax revenue remitted by an endorsing  
 13-14 municipality or endorsing county under Subsection (d) of this  
 13-15 section.

13-16 (g) To meet its obligations under a motor sports racing  
 13-17 event support contract or event support contract to improve,  
 13-18 renovate, or acquire facilities or to acquire equipment, an  
 13-19 endorsing municipality by ordinance or an endorsing county by order  
 13-20 may authorize the issuance of notes. An endorsing municipality or  
 13-21 endorsing county may provide that the notes be paid from and secured  
 13-22 by amounts on deposit or amounts to be transferred or deposited into  
 13-23 the Motor Sports Racing reimbursement [~~trust~~] fund or surcharges  
 13-24 from user fees, including parking or ticket fees, charged in  
 13-25 connection with the racing event. Any note issued must mature not  
 13-26 later than seven years from its date of issuance.

13-27 (h) The money [~~funds~~] in the Motor Sports Racing  
 13-28 reimbursement [~~trust~~] fund may be used to pay the principal of and  
 13-29 interest on notes issued by an endorsing municipality or endorsing  
 13-30 county under Subsection (g) of this section and to fulfill  
 13-31 obligations of the state or an endorsing municipality or endorsing  
 13-32 county to a site selection organization under a motor sports racing  
 13-33 event support contract or event support contract, which obligations  
 13-34 may include the payment of costs relating to the preparations  
 13-35 necessary or desirable for the conduct of the racing event and the  
 13-36 payment of costs of conducting the racing event, including  
 13-37 temporary improvements or temporary renovations to existing  
 13-38 facilities or other facilities specific to the event.

13-39 (i) A local organizing committee, endorsing municipality,  
 13-40 or endorsing county shall provide information required by the  
 13-41 department [~~comptroller~~] to enable the department [~~comptroller~~] to  
 13-42 fulfill the department's [~~comptroller's~~] duties under this section,  
 13-43 including annual audited statements of any financial records  
 13-44 required by a site selection organization and data obtained by the  
 13-45 local organizing committee, an endorsing municipality, or an  
 13-46 endorsing county relating to attendance at the motor sports racing  
 13-47 event and to the economic impact of the racing event. A local  
 13-48 organizing committee, endorsing municipality, or endorsing county  
 13-49 must provide an annual audited financial statement required by the  
 13-50 department [~~comptroller~~], if any, not later than the end of the  
 13-51 fourth month after the date the period covered by the financial  
 13-52 statement ends.

13-53 (j) The department [~~comptroller~~] shall provide an estimate  
 13-54 not later than three months before the date of a motor sports racing  
 13-55 event of the total amount of tax revenue that would be transferred  
 13-56 to or deposited in the Motor Sports Racing reimbursement [~~trust~~]  
 13-57 fund under this section in connection with that racing event, if the  
 13-58 racing event were to be held in this state at a site selected  
 13-59 pursuant to an application by a local organizing committee,  
 13-60 endorsing municipality, or endorsing county. The department  
 13-61 [~~comptroller~~] shall provide the estimate on request to a local  
 13-62 organizing committee, endorsing municipality, or endorsing county.  
 13-63 A local organizing committee, endorsing municipality, or endorsing  
 13-64 county may submit the department's [~~comptroller's~~] estimate to a  
 13-65 site selection organization.

13-66 (k) The department [~~comptroller~~] may make a disbursement  
 13-67 from the Motor Sports Racing reimbursement [~~trust~~] fund on the  
 13-68 prior approval of each contributing endorsing municipality or  
 13-69 endorsing county for a purpose for which an endorsing municipality

14-1 or endorsing county or the state is obligated under a motor sports  
 14-2 racing event support contract or event support contract. A  
 14-3 disbursement may not be made from the [~~trust~~] fund that the  
 14-4 department [~~comptroller~~] determines would be used for the purpose  
 14-5 of soliciting the relocation of a professional sports franchise  
 14-6 located in this state.

14-7 (l) If a disbursement is made from the Motor Sports Racing  
 14-8 reimbursement [~~trust~~] fund under Subsection (k) of this section,  
 14-9 the obligation shall be satisfied proportionately from the state  
 14-10 and local revenue in the [~~trust~~] fund.

14-11 (m) On payment of all state, municipal, or county  
 14-12 obligations under a motor sports racing support contract or event  
 14-13 support contract related to the location of any particular racing  
 14-14 event in the state, the department [~~comptroller~~] shall remit to  
 14-15 each endorsing entity, in proportion to the amount contributed by  
 14-16 the entity, any money remaining in the [~~trust~~] fund.

14-17 (o) The department [~~comptroller~~] may not undertake any of  
 14-18 the responsibilities or duties set forth in this section unless a  
 14-19 request is submitted by the municipality and the county in which the  
 14-20 motor sports racing event will be held. The request must be  
 14-21 accompanied by documentation from a site selection organization  
 14-22 selecting the site for the racing event.

14-23 SECTION 11. The heading to Section 5C, Chapter 1507 (S.B.  
 14-24 456), Acts of the 76th Legislature, Regular Session, 1999 (Article  
 14-25 5190.14, Vernon's Texas Civil Statutes), is amended to read as  
 14-26 follows:

14-27 Sec. 5C. EVENTS REIMBURSEMENT [~~TRUST~~] FUND FOR CERTAIN  
 14-28 MUNICIPALITIES AND COUNTIES.

14-29 SECTION 12. Sections 5C(b), (b-1), (c), (c-1), (d), (d-1),  
 14-30 (e), (f), (g), (h), (i), (j), (k), (k-1), (k-2), (l), (m), (o), (p),  
 14-31 (q), (r), and (t), Chapter 1507 (S.B. 456), Acts of the 76th  
 14-32 Legislature, Regular Session, 1999 (Article 5190.14, Vernon's  
 14-33 Texas Civil Statutes), are amended to read as follows:

14-34 (b) If a site selection organization selects a site for an  
 14-35 event in this state pursuant to an application by a local organizing  
 14-36 committee, endorsing municipality, or endorsing county, not later  
 14-37 than three months before the date of the event, the department  
 14-38 [~~comptroller~~] shall determine for the 30-day period that ends at  
 14-39 the end of the day after the date on which the event will be held or,  
 14-40 if the event occurs on more than one day, after the last date on  
 14-41 which the event will be held, in accordance with procedures  
 14-42 developed by the department [~~comptroller~~]:

14-43 (1) the incremental increase in the receipts to this  
 14-44 state from taxes imposed under Chapters 151, 152, 156, and 183, Tax  
 14-45 Code, and under Title 5, Alcoholic Beverage Code, within the market  
 14-46 areas designated under Subsection (c) of this section, that is  
 14-47 directly attributable, as determined by the department  
 14-48 [~~comptroller~~], to the preparation for and presentation of the event  
 14-49 and related activities;

14-50 (2) the incremental increase in the receipts collected  
 14-51 by this state on behalf of each endorsing municipality in the market  
 14-52 area from the sales and use tax imposed by each endorsing  
 14-53 municipality under Section 321.101(a), Tax Code, and the mixed  
 14-54 beverage tax revenue to be received by each endorsing municipality  
 14-55 under Section 183.051(b), Tax Code, that is directly attributable,  
 14-56 as determined by the department [~~comptroller~~], to the preparation  
 14-57 for and presentation of the event and related activities;

14-58 (3) the incremental increase in the receipts collected  
 14-59 by this state on behalf of each endorsing county in the market area  
 14-60 from the sales and use tax imposed by each endorsing county under  
 14-61 Section 323.101(a), Tax Code, and the mixed beverage tax revenue to  
 14-62 be received by each endorsing county under Section 183.051(b), Tax  
 14-63 Code, that is directly attributable, as determined by the  
 14-64 department [~~comptroller~~], to the preparation for and presentation  
 14-65 of the event and related activities;

14-66 (4) the incremental increase in the receipts collected  
 14-67 by each endorsing municipality in the market area from the hotel  
 14-68 occupancy tax imposed under Chapter 351, Tax Code, that is directly  
 14-69 attributable, as determined by the department [~~comptroller~~], to the

15-1 preparation for and presentation of the event and related  
15-2 activities; and

15-3 (5) the incremental increase in the receipts collected  
15-4 by each endorsing county in the market area from the hotel occupancy  
15-5 tax imposed under Chapter 352, Tax Code, that is directly  
15-6 attributable, as determined by the department [comptroller], to the  
15-7 preparation for and presentation of the event and related  
15-8 activities.

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

15-17 (c) For the purposes of Subsection (b)(1) of this section,  
15-18 the department [comptroller] shall designate as a market area for  
15-19 the event each area in which the department [comptroller]  
15-20 determines there is a reasonable likelihood of measurable economic  
15-21 impact directly attributable to the preparation for and  
15-22 presentation of the event and related activities, including areas  
15-23 likely to provide venues, accommodations, and services in  
15-24 connection with the event based on the proposal provided by the  
15-25 local organizing committee to the department [comptroller]. The  
15-26 department [comptroller] shall determine the geographic boundaries  
15-27 of each market area. An endorsing municipality or endorsing county  
15-28 that has been selected as the site for the event must be included in  
15-29 a market area for the event.

15-30 (c-1) The department [comptroller] shall base the  
15-31 determination specified by Subsection (b) of this section on  
15-32 information submitted by the local organizing committee, endorsing  
15-33 municipality, or endorsing county, and must make the determination  
15-34 not later than the 30th day after the date the department  
15-35 [comptroller] receives the information.

15-36 (d) Each endorsing municipality or endorsing county shall  
15-37 remit to the comptroller and the comptroller shall deposit into a  
15-38 ~~[trust]~~ fund created by the comptroller, at the direction of the  
15-39 department, and designated as the Events reimbursement ~~[trust]~~ fund  
15-40 the amount of the municipality's or county's hotel occupancy tax  
15-41 revenue determined by the department under Subsection (b)(4) or (5)  
15-42 of this section, less any amount of the revenue that the  
15-43 municipality or county determines is necessary to meet the  
15-44 obligations of the municipality or county. The comptroller, at the  
15-45 direction of the department, shall retain the amount of sales and  
15-46 use tax revenue and mixed beverage tax revenue determined by the  
15-47 department under Subsection (b)(2) or (3) of this section from the  
15-48 amounts otherwise required to be sent to the municipality under  
15-49 Sections 321.502 and 183.051(b), Tax Code, or to the county under  
15-50 Sections 323.502 and 183.051(b), Tax Code, and deposit into the  
15-51 ~~[trust]~~ fund the tax revenues, less any amount of the revenue that  
15-52 the municipality or county determines is necessary to meet the  
15-53 obligations of the municipality or county. The comptroller shall  
15-54 begin retaining and depositing the local tax revenues with the  
15-55 first distribution of that tax revenue that occurs after the first  
15-56 day of the period described by Subsection (b) of this section or at  
15-57 a time otherwise determined to be practicable by the department  
15-58 [comptroller] and shall discontinue retaining the local tax  
15-59 revenues under this subsection when the amount of the applicable  
15-60 tax revenue determined by the department under Subsection (b)(2) or  
15-61 (3) of this section has been retained. The Events reimbursement  
15-62 ~~[trust]~~ fund is established outside the state treasury and is held  
15-63 in trust by the comptroller for administration of this section.  
15-64 Money in the ~~[trust]~~ fund may be disbursed by the department  
15-65 [comptroller] without appropriation only as provided by this  
15-66 section.

15-67 (d-1) Not later than the 90th day after the last day of an  
15-68 event and in lieu of the local tax revenues remitted ~~[to]~~ or  
15-69 retained ~~[by the comptroller]~~ under Subsection (d) of this section,

16-1 a municipality or county may remit to the department ~~[comptroller]~~  
 16-2 for deposit in the Events reimbursement ~~[trust]~~ fund other local  
 16-3 funds in an amount equal to the total amount of local tax revenue  
 16-4 determined by the department under Subsections (b)(2) through (5)  
 16-5 of this section. The amount deposited by the department  
 16-6 ~~[comptroller]~~ into the Events reimbursement ~~[trust]~~ fund under this  
 16-7 subsection is subject to Subsection (f) of this section.

16-8 (e) In addition to the tax revenue deposited in the Events  
 16-9 reimbursement ~~[trust]~~ fund under Subsection (d) of this section, an  
 16-10 endorsing municipality or endorsing county may guarantee its  
 16-11 obligations under an event support contract and this section by  
 16-12 pledging surcharges from user fees, including parking or ticket  
 16-13 fees, charged in connection with the event. An endorsing  
 16-14 municipality or endorsing county may collect and remit to the  
 16-15 department ~~[comptroller]~~ surcharges and user fees attributable to  
 16-16 the event for deposit into the Events reimbursement ~~[trust]~~ fund.

16-17 (f) The comptroller, at the direction of the department,  
 16-18 shall transfer ~~[deposit]~~ into the Events reimbursement ~~[trust]~~ fund  
 16-19 a portion of the state tax revenue not to exceed the amount  
 16-20 determined by the department under Subsection (b)(1) of this  
 16-21 section in an amount equal to 6.25 times the amount of the local tax  
 16-22 revenue retained or remitted under this section, including:

- 16-23 (1) local sales and use tax revenue;
- 16-24 (2) mixed beverage tax revenue;
- 16-25 (3) hotel occupancy tax revenue; and
- 16-26 (4) surcharge and user fee revenue.

16-27 (g) To meet its obligations under an event support contract  
 16-28 to improve, construct, renovate, or acquire facilities or to  
 16-29 acquire equipment, an endorsing municipality by ordinance or an  
 16-30 endorsing county by order may authorize the issuance of notes. An  
 16-31 endorsing municipality or endorsing county may provide that the  
 16-32 notes be paid from and secured by amounts on deposit or amounts to  
 16-33 be transferred or deposited into the Events reimbursement ~~[trust]~~  
 16-34 fund or surcharges from user fees, including parking or ticket  
 16-35 fees, charged in connection with the event. Any note issued must  
 16-36 mature not later than seven years from its date of issuance.

16-37 (h) The money in the Events reimbursement ~~[trust]~~ fund may  
 16-38 be used to pay the principal of and interest on notes issued by an  
 16-39 endorsing municipality or endorsing county under Subsection (g) of  
 16-40 this section and to fulfill obligations of this state or an  
 16-41 endorsing municipality or endorsing county to a site selection  
 16-42 organization under an event support contract. Subject to  
 16-43 Subsection (k) of this section, the obligations may include the  
 16-44 payment of costs relating to the preparations necessary for the  
 16-45 conduct of the event and the payment of costs of conducting the  
 16-46 event, including improvements or renovations to existing  
 16-47 facilities or other facilities and costs of acquisition or  
 16-48 construction of new facilities or other facilities.

16-49 (i) A local organizing committee, endorsing municipality,  
 16-50 or endorsing county shall provide information required by the  
 16-51 department ~~[comptroller]~~ to enable the department ~~[comptroller]~~ to  
 16-52 fulfill the department's ~~[comptroller's]~~ duties under this section,  
 16-53 including annual audited statements of any financial records  
 16-54 required by a site selection organization and data obtained by the  
 16-55 local organizing committee, an endorsing municipality, or an  
 16-56 endorsing county relating to attendance at the event, including an  
 16-57 estimate of the number of people expected to attend the event who  
 16-58 are not residents of this state, and to the economic impact of the  
 16-59 event. A local organizing committee, endorsing municipality, or  
 16-60 endorsing county must provide an annual audited financial statement  
 16-61 required by the department ~~[comptroller]~~, if any, not later than  
 16-62 the end of the fourth month after the date the period covered by the  
 16-63 financial statement ends. After the conclusion of an event and on  
 16-64 the department's ~~[comptroller's]~~ request, a local organizing  
 16-65 committee, endorsing municipality, or endorsing county must  
 16-66 provide information relating to the event, such as attendance  
 16-67 figures, including an estimate of the number of people who are not  
 16-68 residents of this state who attended the event, financial  
 16-69 information, or other public information held by the local



17-1 organizing committee, endorsing municipality, or endorsing county  
 17-2 that the department [~~comptroller~~] considers necessary.

17-3 (j) The department [~~comptroller~~] shall provide an estimate  
 17-4 not later than three months before the date of an event of the total  
 17-5 amount of tax revenue that would be transferred into or deposited in  
 17-6 the Events reimbursement [~~trust~~] fund under this section in  
 17-7 connection with that event, if the event were to be held in this  
 17-8 state at a site selected pursuant to an application by a local  
 17-9 organizing committee, endorsing municipality, or endorsing county.  
 17-10 The department [~~comptroller~~] shall provide the estimate on request  
 17-11 to a local organizing committee, endorsing municipality, or  
 17-12 endorsing county. A local organizing committee, endorsing  
 17-13 municipality, or endorsing county may submit the department's  
 17-14 [~~comptroller's~~] estimate to a site selection organization.

17-15 (k) The department [~~comptroller~~] may make a disbursement  
 17-16 from the Events reimbursement [~~trust~~] fund on the prior approval of  
 17-17 each contributing endorsing municipality or endorsing county for a  
 17-18 purpose for which a local organizing committee, an endorsing  
 17-19 municipality, or an endorsing county or this state is obligated  
 17-20 under an event support contract, including an obligation to pay  
 17-21 costs incurred in the conduct of the event and costs incurred in  
 17-22 making preparations necessary for the event. If an obligation is  
 17-23 incurred under an event support contract to make a structural  
 17-24 improvement to the site or to add a fixture to the site for purposes  
 17-25 of an event and that improvement or fixture is expected to derive  
 17-26 most of its value in subsequent uses of the site for future events,  
 17-27 a disbursement from the [~~trust~~] fund made for purposes of that  
 17-28 obligation is limited to five percent of the cost of the improvement  
 17-29 or fixture and the remainder of the obligation is not eligible for a  
 17-30 disbursement from the [~~trust~~] fund, unless the improvement or  
 17-31 fixture is for a publicly owned facility. In considering whether to  
 17-32 make a disbursement from the [~~trust~~] fund, the department  
 17-33 [~~comptroller~~] may not consider a contingency clause in an event  
 17-34 support contract as relieving a local organizing committee's,  
 17-35 endorsing municipality's, or endorsing county's obligation to pay a  
 17-36 cost under the contract.

17-37 (k-1) A disbursement may not be made from the [~~trust~~] fund  
 17-38 that the department [~~comptroller~~] determines would be used for the  
 17-39 purpose of:

- 17-40 (1) soliciting the relocation of a professional sports  
 17-41 franchise located in this state;  
 17-42 (2) constructing an arena, stadium, or convention  
 17-43 center; or  
 17-44 (3) conducting usual and customary maintenance of a  
 17-45 facility.

17-46 (k-2) Subsection (k-1) of this section does not prohibit:

17-47 (1) a disbursement from the [~~trust~~] fund for the  
 17-48 construction of temporary structures within an arena, stadium, or  
 17-49 convention, if those temporary structures are necessary for the  
 17-50 conduct of the event; or

17-51 (2) temporary maintenance of a facility that is  
 17-52 necessary for the preparation for or conduct of the event.

17-53 (l) If a disbursement is made from the Events reimbursement  
 17-54 [~~trust~~] fund under Subsection (k) of this section, the obligation  
 17-55 shall be satisfied proportionately from the state and local revenue  
 17-56 in the [~~trust~~] fund.

17-57 (m) On payment of all state, municipal, or county  
 17-58 obligations under an event support contract related to the location  
 17-59 of any particular event in this state, the department [~~comptroller~~]  
 17-60 shall remit to each endorsing entity, in proportion to the amount  
 17-61 contributed by the entity, any money remaining in the Events  
 17-62 reimbursement [~~trust~~] fund.

17-63 (o) The department [~~comptroller~~] may not undertake any of  
 17-64 the responsibilities or duties set forth in this section unless a  
 17-65 request is submitted by the municipality or the county in which the  
 17-66 event will be located. The request must be accompanied by  
 17-67 documentation from a site selection organization selecting the site  
 17-68 for the event.

17-69 (p) The department [~~comptroller~~] may adopt rules necessary

18-1 to implement this section.

18-2 (q) In determining the amount of state revenue available  
18-3 under Subsection (b)(1) of this section, the department  
18-4 [~~comptroller~~] may consider whether:

18-5 (1) the event has been held in this state on previous  
18-6 occasions; and

18-7 (2) changes to the character of the event could affect  
18-8 the incremental increase in receipts collected and remitted to the  
18-9 state by an endorsing county or endorsing municipality under that  
18-10 subsection.

18-11 (r) The department [~~comptroller~~] may adopt a model event  
18-12 support contract and make the contract available on the  
18-13 department's [~~comptroller's~~] Internet website. The adoption by  
18-14 the department [~~comptroller~~] of a model event support contract  
18-15 under this subsection does not require use of the model event  
18-16 support contract for purposes of this section.

18-17 (t) After the conclusion of an event, the department  
18-18 [~~comptroller~~] shall compare information on the actual attendance  
18-19 figures provided to the department [~~comptroller~~] under Subsection  
18-20 (i) of this section with the estimated attendance numbers used to  
18-21 determine the incremental increase in tax receipts under Subsection  
18-22 (b) of this section. If the actual attendance figures are  
18-23 significantly lower than the estimated attendance numbers, the  
18-24 department [~~comptroller~~] may reduce the amount of a disbursement  
18-25 for an endorsing entity under the Events reimbursement [~~trust~~] fund  
18-26 in proportion to the discrepancy between the actual and estimated  
18-27 attendance and in proportion to the amount contributed to the fund  
18-28 by the entity. The department [~~comptroller~~] by rule shall define  
18-29 "significantly lower" for purposes of this subsection and provide  
18-30 the manner in which a disbursement may be proportionately reduced.  
18-31 This subsection does not affect the remittance of any money  
18-32 remaining in the fund in accordance with Subsection (m) of this  
18-33 section.

18-34 SECTION 13. Sections 6(a) and (b), Chapter 1507 (S.B. 456),  
18-35 Acts of the 76th Legislature, Regular Session, 1999 (Article  
18-36 5190.14, Vernon's Texas Civil Statutes), are amended to read as  
18-37 follows:

18-38 (a) Except as provided by Subsections (b) and (d) of this  
18-39 section, an endorsing municipality or endorsing county must hold an  
18-40 election in the municipality or county to determine whether the  
18-41 municipality or county may contribute a portion of its sales and use  
18-42 taxes to the Olympic Games reimbursement [~~trust~~] fund under Section  
18-43 5 of this Act. The election must be held on a uniform election date  
18-44 before the date a site selection organization requires the  
18-45 endorsing municipality or endorsing county and the state to enter  
18-46 into a joinder undertaking relating to the applicable games.

18-47 (b) If an endorsing municipality or endorsing county is  
18-48 required to hold an election under this section and the  
18-49 contribution of a portion of the municipality's or county's sales  
18-50 and use taxes to the Olympic Games reimbursement [~~trust~~] fund under  
18-51 Section 5 of this Act is not approved by a majority of the voters  
18-52 voting in the election:

18-53 (1) the comptroller may not establish the Olympic  
18-54 Games reimbursement [~~trust~~] fund under Section 5 of this Act, may  
18-55 not retain the municipality's or county's tax revenue under Section  
18-56 5(d) of this Act from amounts otherwise required to be sent to that  
18-57 municipality or county, and may not transfer [~~deposit~~] any state  
18-58 tax revenue into the [~~trust~~] fund;

18-59 (2) the department [~~comptroller~~] is not required to  
18-60 determine the incremental increase in state, county, or municipal  
18-61 tax revenue under Section 5(b) of this Act; and

18-62 (3) the department may not enter into a games support  
18-63 contract relating to the games for which the municipality or county  
18-64 has authorized a bid on its behalf.

18-65 SECTION 14. Section 7(f), Chapter 1507 (S.B. 456), Acts of  
18-66 the 76th Legislature, Regular Session, 1999 (Article 5190.14,  
18-67 Vernon's Texas Civil Statutes), is amended to read as follows:

18-68 (f) The department may agree to execute a joinder  
18-69 undertaking, a joinder agreement, or other games support contract

19-1 only if:

19-2 (1) the department determines that:

19-3 (A) the state's assurances and obligations under  
19-4 the undertaking, agreement, or contract are reasonable; and

19-5 (B) any financial commitments of the state will  
19-6 be satisfied exclusively by recourse to the Pan American Games  
19-7 reimbursement [~~trust~~] fund or the Olympic Games reimbursement  
19-8 [~~trust~~] fund, as applicable; and

19-9 (2) the endorsing municipality or endorsing county has  
19-10 executed an agreement with a site selection organization that  
19-11 contains substantially similar terms.

19-12 SECTION 15. The following laws are repealed:

19-13 (1) Section 5C(s), Chapter 1507 (S.B. 456), Acts of  
19-14 the 76th Legislature, Regular Session, 1999 (Article [5190.14](#),  
19-15 Vernon's Texas Civil Statutes); and

19-16 (2) Chapter 398, Local Government Code.

19-17 SECTION 16. As soon as is practicable after the effective  
19-18 date of this Act, but not later than September 10, 2015, the office  
19-19 of the governor and the comptroller of public accounts shall  
19-20 develop and adopt a memorandum of understanding that:

19-21 (1) identifies in detail the applicable powers and  
19-22 duties of the comptroller that are being transferred to the office  
19-23 of the governor as a result of this Act; and

19-24 (2) establishes a plan for the identification and  
19-25 transfer of records, property, and unspent appropriations of the  
19-26 comptroller that are used for purposes of managing the funds  
19-27 transferred to the office of the governor.

19-28 SECTION 17. (a) Not later than September 10, 2015:

19-29 (1) the administration of the Pan American Games  
19-30 reimbursement fund, Olympic Games reimbursement fund, Major Events  
19-31 reimbursement fund, Motor Sports Racing reimbursement fund, and  
19-32 Events reimbursement fund for sporting and non-sporting events  
19-33 shall be transferred from the comptroller of public accounts to the  
19-34 Texas Economic Development and Tourism Office;

19-35 (2) all rules, forms, policies, procedures, or  
19-36 decisions of the comptroller that are related to the Pan American  
19-37 Games reimbursement fund, Olympic Games reimbursement fund, Major  
19-38 Events reimbursement fund, Motor Sports Racing reimbursement fund,  
19-39 and Events reimbursement fund for sporting and non-sporting events  
19-40 are continued in effect as rules, forms, policies, procedures, or  
19-41 decisions of the Economic Development and Tourism Division, Office  
19-42 of the Governor, until superseded by a rule or other appropriate act  
19-43 of the Texas Economic Development and Tourism Office; and

19-44 (3) a reference in law or administrative rule to the  
19-45 comptroller relating to the decisions for and administration of the  
19-46 Pan American Games reimbursement fund, Olympic Games reimbursement  
19-47 fund, Major Events reimbursement fund, Motor Sports Racing  
19-48 reimbursement fund, and Events reimbursement fund for sporting and  
19-49 non-sporting events, other than a duty typically performed by the  
19-50 comptroller related to a state fund, means the Texas Economic  
19-51 Development and Tourism Office.

19-52 (b) Before the transfer of the administration of the Pan  
19-53 American Games reimbursement fund, Olympic Games reimbursement  
19-54 fund, Major Events reimbursement fund, Motor Sports Racing  
19-55 reimbursement fund, and Events reimbursement fund for sporting and  
19-56 non-sporting events, the comptroller of public accounts and the  
19-57 Texas Economic Development and Tourism Office shall coordinate the  
19-58 transfer of powers and duties, including records and other items,  
19-59 in accordance with the memorandum of understanding adopted under  
19-60 Section 16 of this Act, to ensure a smooth transition.

19-61 SECTION 18. Notwithstanding the repeal by this Act of  
19-62 Chapter 398, Local Government Code, a special event plan approved  
19-63 under former Chapter 398 of that code before September 1, 2015, is  
19-64 governed by the law as it existed immediately before the effective  
19-65 date of this Act, and that law is continued in effect for that  
19-66 purpose.

19-67 SECTION 19. This Act takes effect September 1, 2015.

19-68 \* \* \* \* \*