| **House Bill 26**Senate AmendmentsSection-by-Section Analysis |
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| HOUSE VERSION | SENATE VERSION (CS) | CONFERENCE |
| ARTICLE 1. TRUSTEED PROGRAMS WITHIN OFFICE OF GOVERNOR | No equivalent provision. |  |
| SECTION 1.01. Section 481.078, Government Code, is amended by amending Subsections (c), (d-1), (e), (e-1), (f), and (k) and adding Subsections (e-2), (e-3), (m), and (n) to read as follows:(c) Except as provided by Subsections (d) and (d-1), the fund may be used only for:(1) economic development, infrastructure development, community development, job training programs, and business incentives; and(2) projects for commercialization of property derived from research developed at or through public or private institutions of higher education as provided by Section 481.081.(d-1) The fund may be used for the Texas homeless housing and services program administered by the Texas Department of Housing and Community Affairs under Section 2306.2585. The governor may transfer appropriations from the fund to the Texas Department of Housing and Community Affairs to fund the Texas homeless housing and services program. Subsections (e-2) [~~(e-1)~~], (f), (f-1), (f-2), (g), (h), (h-1), (i), and (j) and Section 481.080 do not apply to a grant awarded for a purpose specified by this subsection.(e) The administration of the fund is considered to be a trusteed program within the office of the governor. The governor may negotiate on behalf of the state regarding awarding, by grant, money appropriated from the fund.(e-1) The governor may award money appropriated from the fund only with the prior approval of the lieutenant governor and speaker of the house of representatives. For purposes of this subsection, an award of money appropriated from the fund is considered disapproved by the lieutenant governor or speaker of the house of representatives if that officer does not approve the proposal to award the grant before the 31st [~~91st~~] day after the date of receipt of the proposal from the governor. The lieutenant governor or the speaker of the house of representatives may extend the review deadline applicable to that officer for an additional 14 days by submitting a written notice to that effect to the governor before the expiration of the initial review period.(e-2) [~~(e-1)~~] To be eligible to receive a grant under this section, the entity must:(1) be in good standing under the laws of the state in which the entity was formed or organized, as evidenced by a certificate issued by the secretary of state or the state official having custody of the records pertaining to entities or other organizations formed under the laws of that state; and(2) owe no delinquent taxes to a taxing unit of this state.(e-3) An entity seeking a grant is ineligible to receive the grant if, during the period beginning on the 90th day before the date on which the entity applies for the grant and ending on the date the grant is to be awarded, the entity:(1) offers, confers, or agrees to confer a benefit, as defined by Section 36.01, Penal Code, with a value that exceeds $500 in a calendar year on an officer or employee with the authority to award the grant; or(2) makes political contributions, as defined by Section 251.001, Election Code, that in the aggregate exceed $500 in a calendar year to an officer or employee with the authority to award the grant.(f) Before awarding a grant from the fund [~~under this section~~], the governor shall enter into a written agreement with the entity to be awarded the grant money. If the entity is awarded a grant for a purpose described by Subsection (c)(1), the agreement must specify [~~specifying~~] that:(1) if the governor finds that the grant recipient has not met each of the performance targets specified in the agreement as of a date certain provided in the agreement:(A) the recipient shall repay the grant and any related interest to the state at the agreed rate and on the agreed terms;(B) the governor will not distribute to the recipient any grant money that remains to be awarded under the agreement; and(C) the governor may assess specified penalties for noncompliance against the recipient;(2) if all or any portion of the amount of the grant is used to build a capital improvement, the state may:(A) retain a lien or other interest in the capital improvement in proportion to the percentage of the grant amount used to pay for the capital improvement; and(B) require the recipient of the grant, if the capital improvement is sold, to:(i) repay to the state the grant money used to pay for the capital improvement, with interest at the rate and according to the other terms provided by the agreement; and(ii) share with the state a proportionate amount of any profit realized from the sale; and(3) if, as of a date certain provided in the agreement, the grant recipient has not used grant money awarded under this section for the purposes for which the grant was intended, the recipient shall repay that amount and any related interest to the state at the agreed rate and on the agreed terms.(k) To encourage the development and location of small businesses in this state, the governor shall make [~~consider making~~] grants from the fund:(1) to recipients that are small businesses in this state that commit to using the grants to create additional jobs;(2) to recipients that are small businesses from outside the state that commit to relocate to this state; or(3) for individual projects that create 100 or fewer additional jobs.(m) The office of the governor shall adopt rules for the operation of the trusteed program established under this section. The rules must include:(1) forms and procedures for applications for and the award of grants;(2) procedures for evaluating grant applications;(3) provisions governing the grant agreement process;(4) methods and procedures for monitoring grant recipients and projects or activities for which a grant is awarded from the fund to determine whether and to what extent the grant recipients comply with job creation performance targets, capital investment commitments, or other specified performance targets in the grant agreement, including requirements that grant recipients provide to the office periodic compliance updates;(5) document retention requirements for grant recipients that are consistent with applicable state law; and(6) conflict of interest provisions to ensure that persons involved in the operation of the program, including persons involved in evaluating applications for or awarding grants from the fund or in monitoring grant recipients or determining compliance with the terms of grant agreements, do not have a substantial interest in any grant recipient or grant awarded from the fund.(n) A grant recipient that, during the period beginning on the date the grant is awarded and ending on the 180th day after the date the grant is awarded, takes an action described by Subsection (e-3)(1) or (2) shall repay the grant to the state. | No equivalent provision. |  |
| SECTION 1.02. Section 481.079, Government Code, is amended by amending Subsections (a) and (a-1) and adding Subsection (d) to read as follows:(a) Before the beginning of each regular session of the legislature, the governor shall submit to the lieutenant governor, the speaker of the house of representatives, and each other member of the legislature a report on grants made under Section 481.078 that states:(1) the number of direct jobs each recipient committed to create in this state, categorized by region and qualified census tract;(2) the number of direct jobs each recipient created in this state, categorized by region and qualified census tract;(3) the median wage of the jobs each recipient created in this state, categorized by region and qualified census tract;(4) the amount of capital investment each recipient committed to expend or allocate per project in this state, categorized by region and qualified census tract;(5) the amount of capital investment each recipient expended or allocated per project in this state, categorized by region and qualified census tract;(6) the total amount of grants made to each recipient;(7) the average amount of money granted in this state for each job created in this state by grant recipients, categorized by region and qualified census tract;(8) the number of jobs created in this state by grant recipients in each sector of the North American Industry Classification System (NAICS); [~~and~~](9) of the number of direct jobs each recipient created in this state, the number of positions created that provide health benefits for employees, categorized by region and qualified census tract; and(10) the typical anticipated or actual duration of the jobs created by each grant recipient.(a-1) For grants awarded for a purpose specified by Section 481.078(d-1) or 481.081, the report must include only the amount and purpose of each grant.(d) In this section:(1) "Qualified census tract" has the meaning assigned by Section 143(j), Internal Revenue Code of 1986 (26 U.S.C. Section 143(j)).(2) "Region" means the central region, gulf coast and east region, lower south region, or north and northeast region of this state, as designated by the office. | No equivalent provision. |  |
| SECTION 1.03. Subchapter E, Chapter 481, Government Code, is amended by adding Section 481.081 to read as follows:Sec. 481.081. TEXAS ENTERPRISE FUND: GRANT FOR UNIVERSITY RESEARCH DEVELOPMENT WITH PRIVATE SPONSORSHIP. (a) In this section:(1) "Fund" means the Texas Enterprise Fund under Section 481.078.(2) "Public or private institution of higher education" means an institution of higher education or a private or independent institution of higher education as those terms are defined by Section 61.003, Education Code.(b) The governor may provide grants to public or private institutions of higher education from the fund to supplement other funding for projects involving the commercialization of intellectual property or other property derived from research developed at or through a public or private institution of higher education. To be eligible for a grant under this section, a project must be supported by funding provided by one or more private entities participating in the project, in addition to any funding provided by the public or private institution of higher education.(c) The amount of a grant awarded under this section may not exceed 50 percent of the total amount of investment in the project provided by the applicable public or private institution of higher education and the participating private entity or entities. | No equivalent provision. |  |
| No equivalent provision. | ARTICLE 1. GOVERNOR'S UNIVERSITY RESEARCH INITIATIVE; ABOLISHMENT OF TEXAS EMERGING TECHNOLOGY FUND |  |
| SECTION 1.04. Subchapter C, Chapter 490, Government Code, is amended by adding Section 490.104 to read as follows:Sec. 490.104. MANAGEMENT OF INVESTMENT PORTFOLIO; WINDING UP AND FINAL LIQUIDATION. (a) In this section, "state's emerging technology investment portfolio" means:(1) the equity positions in the form of stock or other security the governor took, on behalf of the state, in companies that received awards under the Texas emerging technology fund; and(2) any other investments made by the governor, on behalf of the state, in connection with an award made under the Texas emerging technology fund.(b) The Texas Treasury Safekeeping Trust Company shall manage and wind up the state's emerging technology investment portfolio. The trust company shall wind up the portfolio in a manner that, to the extent feasible, provides for the maximum return on the state's investment while also ensuring the return of the state's investment. In managing those investments through procedures and subject to restrictions that the trust company considers appropriate, the trust company may acquire, exchange, sell, supervise, manage, or retain any kind of investment that a prudent investor, exercising reasonable care, skill, and caution, would acquire or retain in light of the purposes, terms, distribution requirements, and other circumstances then prevailing pertinent to each investment. The trust company may recover its reasonable and necessary costs incurred in the management of the portfolio, including costs incurred in the retaining of professional or technical advisors, from the earnings on the investments in the portfolio.(c) Any realized proceeds or other earnings from the sale of stock or other investments in the state's emerging technology investment portfolio, less the amount permitted to be retained for payment of its costs for managing the portfolio as provided by Subsection (b), shall be remitted by the Texas Treasury Safekeeping Trust Company to the comptroller for deposit in the general revenue fund.(d) The Texas Treasury Safekeeping Trust Company has any power necessary to accomplish the purposes of this section.(e) On final liquidation of the state's emerging technology investment portfolio, the Texas Treasury Safekeeping Trust Company shall promptly notify the comptroller of that occurrence. As soon as practicable after receiving that notice, the comptroller shall verify that the final liquidation has been completed and, if the comptroller so verifies, shall certify to the governor that the final liquidation of the portfolio has been completed. The governor shall post notice of the certification on the office of the governor's Internet website. | SECTION 1.02. Subchapter C, Chapter 490, Government Code, is amended by adding Section 490.104 to read as follows:Sec. 490.104. MANAGEMENT OF INVESTMENT PORTFOLIO; WINDING UP AND FINAL LIQUIDATION. (a) In this section, "state's emerging technology investment portfolio" means:(1) the equity positions in the form of stock or other security the governor took, on behalf of the state, in companies that received awards under the Texas emerging technology fund; and(2) any other investments made by the governor, on behalf of the state, and associated assets in connection with an award made under the Texas emerging technology fund.(b) The Texas Treasury Safekeeping Trust Company shall manage and wind up the state's emerging technology investment portfolio. The trust company shall wind up the portfolio in a manner that, to the extent feasible, provides for the maximum return on the state's investment. In managing those investments and associated assets through procedures and subject to restrictions that the trust company considers appropriate, the trust company may acquire, exchange, sell, supervise, manage, or retain any kind of investment or associated assets that a prudent investor, exercising reasonable care, skill, and caution, would acquire or retain in light of the purposes, terms, distribution requirements, and other circumstances then prevailing pertinent to each investment or associated asset. The trust company may recover its reasonable and necessary costs incurred in the management of the portfolio from the earnings on the investments and associated assets in the portfolio.(c) Any realized proceeds or other earnings from the sale of stock or other investments or associated assets in the state's emerging technology investment portfolio, less the amount permitted to be retained for payment of its costs for managing the portfolio as provided by Subsection (b), shall be remitted by the Texas Treasury Safekeeping Trust Company to the comptroller for deposit in the governor's university initiative trust fund established under Subchapter H, Chapter 62, Education Code.(d) The Texas Treasury Safekeeping Trust Company has any power necessary to accomplish the purposes of this section.(e) On final liquidation of the state's emerging technology investment portfolio, the Texas Treasury Safekeeping Trust Company shall promptly notify the comptroller of that occurrence. As soon as practicable after receiving that notice, the comptroller shall verify that the final liquidation has been completed and, if the comptroller so verifies, shall certify to the governor that the final liquidation of the portfolio has been completed. The governor shall post notice of the certification on the office of the governor's Internet website.(f) Any balance remaining in the Texas emerging technology fund on final liquidation by the Texas Treasury Safekeeping Trust Company shall be remitted to the comptroller for transfer to the credit of the governor's university research initiative fund established under Subchapter H, Chapter 62, Education Code. |  |
| SECTION 1.05. Effective September 1, 2016, Subchapter C, Chapter 490, Government Code, is amended by adding Section 490.105 to read as follows:Sec. 490.105. VALUATION OF STATE'S INVESTMENT PORTFOLIO; BIENNIAL REPORT. (a) To the maximum extent practicable, the Texas Treasury Safekeeping Trust Company biennially shall perform a valuation of the equity positions the governor took, on behalf of the state, in companies that received awards under the Texas emerging technology fund and of other investments made by the governor, on behalf of the state, in connection with an award under that fund. The valuation must be based on a methodology that is consistent with generally accepted accounting principles.(b) Not later than January 31 of each odd-numbered year, the Texas Treasury Safekeeping Trust Company shall submit to the lieutenant governor, the speaker of the house of representatives, and the standing committee of each house of the legislature with primary jurisdiction over economic development matters and post on the trust company's Internet website a report of any valuation performed under this section during the preceding state fiscal year. | No equivalent provision. |  |
| SECTION 1.06. The heading to Chapter 490, Government Code, is amended to read as follows:CHAPTER 490. WINDING UP CONTRACTS AND STATE'S INVESTMENT PORTFOLIO IN CONNECTION WITH AWARDS FROM TEXAS [~~FUNDING FOR~~] EMERGING TECHNOLOGY FUND | No equivalent provision. |  |
| SECTION 1.07. Section 490.001(4), Government Code, is amended to read as follows:(4) "Award" means:(A) for purposes of former Subchapter D, an investment in the form of equity or a convertible note;(B) for purposes of former Subchapter E, an investment in the form of a debt instrument;(C) for purposes of former Subchapter F, a grant; or(D) other forms of contribution or investment as recommended by the former Texas Emerging Technology Advisory Committee [~~committee~~] and approved by the governor, lieutenant governor, and speaker of the house of representatives before amendment of this chapter by the 84th Legislature, Regular Session, 2015. | No equivalent provision. |  |
| SECTION 1.08. The heading to Section 490.005, Government Code, is amended to read as follows:Sec. 490.005. REPORT ON AWARDS FROM FUND [~~ANNUAL REPORT~~]. | No equivalent provision. |  |
| SECTION 1.09. Section 490.005, Government Code, is amended by amending Subsections (a) and (b) and adding Subsection (d) to read as follows:(a) Not later than January 31, 2016 [~~of each year~~], the governor shall submit to the lieutenant governor, the speaker of the house of representatives, and the standing committee of each house of the legislature with primary jurisdiction over economic development matters and post on the office of the governor's Internet website a report that includes for each preceding state fiscal year the following information regarding awards made under the fund [~~during each preceding state fiscal year~~]:(1) the total number and amount of awards made;(2) the number and amount of awards made under former Subchapters D, E, and F;(3) the aggregate total of private sector investment, federal government funding, and contributions from other sources obtained in connection with awards made under each of the subchapters listed in Subdivision (2);(4) the name of each award recipient and the amount of the award made to the recipient; and(5) a brief description of the equity position that the governor, on behalf of the state, has taken [~~may take~~] in companies that received [~~receiving~~] awards and the names of the companies in which the state has taken an equity position.(b) The [~~annual~~] report must also contain:(1) the total number of jobs actually created by each project that received an award from the fund [~~receiving funding under this chapter~~];(2) an analysis of the number of jobs actually created by each project that received an award from the fund [~~receiving funding under this chapter~~]; and(3) a brief description regarding:(A) the methodology used to determine the information provided under Subdivisions (1) and (2), which may be developed in consultation with the comptroller's office;(B) the intended outcomes of projects funded under former Subchapter D [~~during each preceding state fiscal year~~]; and(C) the actual outcomes of all projects funded under former Subchapter D [~~during each preceding state fiscal year~~], including any financial impact on the state resulting from a liquidity event involving a company whose project was funded under that subchapter.(d) This section expires September 1, 2017. | No equivalent provision. |  |
| SECTION 1.10. Effective September 1, 2016, Subchapter A, Chapter 490, Government Code, is amended by adding Section 490.0051 to read as follows:Sec. 490.0051. ANNUAL REPORT ON PROJECTS FUNDED; JOB CREATION AND OUTCOMES. (a) Not later than January 31 of each year, the governor shall submit to the lieutenant governor, the speaker of the house of representatives, and the standing committee of each house of the legislature with primary jurisdiction over economic development matters and post on the office of the governor's Internet website a report that contains for each preceding state fiscal year the following information regarding awards made under the fund:(1) the total number of jobs actually created by each project that received an award from the fund;(2) an analysis of the number of jobs actually created by each project that received an award from the fund; and(3) a brief description regarding:(A) the methodology used to determine the information provided under Subdivisions (1) and (2), which may be developed in consultation with the comptroller's office;(B) the intended outcomes of all projects funded under former Subchapter D; and(C) the actual outcomes of all projects funded under former Subchapter D, including any financial impact on the state resulting from a liquidity event involving a company whose project was funded under that subchapter.(b) The governor shall exclude from the report information that is made confidential by law.(c) This section expires September 1, 2030. | No equivalent provision. |  |
| SECTION 1.11. Section 490.006, Government Code, is amended to read as follows:Sec. 490.006. VALUATION OF INVESTMENTS; [~~INCLUSION IN~~] ANNUAL REPORT. (a) To the maximum extent practicable, the office of the governor shall annually perform a valuation of the equity positions taken by the governor, on behalf of the state, in companies that received [~~receiving~~] awards under the fund and of other investments made by the governor, on behalf of the state, in connection with an award under the fund. The valuation must[~~:~~[~~(1)~~] be based on a methodology that:(1) [~~(A)~~] may be developed in consultation with the comptroller's office; and(2) [~~(B)~~] is consistent with generally accepted accounting principles[~~; and~~[~~(2) be included with the annual report required under Section 490.005~~].(b) Except as provided by Subsection (c), not later than January 31, 2016, the governor shall submit to the lieutenant governor, the speaker of the house of representatives, and the standing committee of each house of the legislature with primary jurisdiction over economic development matters and post on the office of the governor's Internet website a report of any valuation performed under this section during the preceding state fiscal year.(c) A valuation performed for the state fiscal year ending August 31, 2015, must be included with the report required under Section 490.005.(d) This section expires September 1, 2016. | No equivalent provision. |  |
| SECTION 1.12. The heading to Subchapter B, Chapter 490, Government Code, is amended to read as follows:SUBCHAPTER B. MISCELLANEOUS PROVISIONS [~~TEXAS EMERGING TECHNOLOGY ADVISORY COMMITTEE~~] | No equivalent provision. |  |
| SECTION 1.13. Section 490.057, Government Code, is amended to read as follows:Sec. 490.057. CONFIDENTIALITY. (a) Except as provided by Subsection (b), information collected by the governor's office, the former Texas Emerging Technology Advisory Committee [~~committee~~], or the committee's advisory panels concerning the identity, background, finance, marketing plans, trade secrets, or other commercially or academically sensitive information of an individual or entity that was [~~being~~] considered for or [~~, receiving, or having~~] received an award from the fund is confidential unless the individual or entity consents to disclosure of the information.(b) The following information collected by the governor's office, the former Texas Emerging Technology Advisory Committee [~~committee~~], or the committee's advisory panels under this chapter is public information and may be disclosed under Chapter 552:(1) the name and address of an individual or entity that [~~receiving or having~~] received an award from the fund;(2) the amount of funding received by an award recipient;(3) a brief description of the project [~~that is~~] funded under this chapter;(4) if applicable, a brief description of the equity position that the governor, on behalf of the state, has taken in an entity that [~~has~~] received an award from the fund; and(5) any other information designated by the committee with the consent of:(A) the individual or entity that [~~receiving or having~~] received an award from the fund[~~, as applicable~~];(B) the governor;(C) the lieutenant governor; and(D) the speaker of the house of representatives. | No equivalent provision. |  |
| SECTION 1.14. Section 490.101, Government Code, is amended by adding Subsection (b-1) to read as follows:(b-1) The fund may be used only for the purposes described by Section 490.104. | SECTION 1.03. Section 490.101, Government Code, is amended by adding Subsections (b-1) and (b-2) to read as follows:(b-1) Notwithstanding Subsection (b), benefits realized from a project undertaken with money from the fund, as provided by a contract entered into under former Section 490.103 before September 1, 2015, shall be deposited to the credit of the governor's university research initiative fund established under Subchapter H, Chapter 62, Education Code.(b-2) The fund may be used only for the purposes described by Section 490.104. |  |
| SECTION 1.15. The following laws are repealed:(1) Sections 490.001(1), (3), and (5), Government Code;(2) Sections 490.002 and 490.003, Government Code;(3) Sections 490.051, 490.052, 490.0521, 490.053, 490.054, 490.055, and 490.056, Government Code;(4) Sections 490.101(c), (d), (e), (f), (f-1), (g), (h), and (i), Government Code;(5) Section 490.102, Government Code; and(6) Subchapters D, E, F, and G, Chapter 490, Government Code.No equivalent provision.***(But see SECTION 1.16 below.)*** | SECTION 1.04. (a) The following laws are repealed:(1) Sections 490.101(c), (d), (e), (f), (f-1), (g), (h), and (i), Government Code;(2) Sections 490.102 and 490.103, Government Code; and(3) Subchapters A, B, D, E, F, and G, Chapter 490, Government Code.(b) The Texas emerging technology fund is continued solely for the purposes of winding up the contracts governing awards from that fund and the state's portfolio of equity positions and other investments and associated assets in connection with awards from that fund in accordance with Section 490.104, Government Code, as added by this Act. The Texas emerging technology fund is abolished and Sections 490.101(a), (b), (b-1), and (b-2), Government Code, are repealed when the comptroller certifies to the governor as provided by Section 490.104, Government Code, as added by this Act, that the final liquidation of the state's portfolio of equity positions and other investments and associated assets by the Texas Treasury Safekeeping Trust Company has been completed.(c) The abolishment by this Act of the Texas emerging technology fund and the repeal of provisions of Chapter 490, Government Code, relating to that fund do not affect the validity of an agreement between the governor and the recipient of an award awarded under Chapter 490, or a person to be awarded money under that chapter, that is executed before September 1, 2015. Those agreements shall be performed as provided by Section 62.166, Education Code, as added by this Act.(d) A regional center of innovation and commercialization established under Section 490.152, Government Code, is abolished on the effective date of this Act. Each center shall transfer to the office of the governor a copy of any meeting minutes required to be retained under Section 490.1521, Government Code, as that section existed immediately before that section's repeal by this Act, and the office shall retain the minutes for the period prescribed by that section.(e) On the effective date of this Act, the comptroller of public accounts shall transfer the unexpended balance of the Texas emerging technology fund, less an amount equal to 10 percent of the net cash balance of that fund on August 31, 2014, as follows:(1) 50 percent of the transferred amount to the credit of the Texas Enterprise Fund under Section 481.078, Government Code; and(2) 50 percent of the transferred amount to the credit of the governor's university research initiative fund established under Subchapter H, Chapter 62, Education Code, as added by this Act.(f) After the comptroller makes the transfers required by Subsection (e) of this section, the remaining amount of the unexpended balance of the Texas emerging technology fund may be used only by the Texas Treasury Safekeeping Trust Company for the purposes of meeting the state's fiduciary obligations in winding up the state's portfolio of equity positions and other investments and associated assets in connection with awards from the Texas emerging technology fund in accordance with Section 490.104, Government Code, as added by this Act.(f-1) On the effective date of this Act, the comptroller of public accounts shall transfer the encumbered balance of the Texas emerging technology fund to the credit of the governor's university research initiative fund established under Subchapter H, Chapter 62, Education Code, as added by this Act, for the purposes of Section 62.166, Education Code, as added by this Act.(g) Except as provided by this Act, on September 1, 2015, the following powers, duties, functions, and activities performed by the office of the governor immediately before that date are transferred to the Texas Treasury Safekeeping Trust Company:(1) all powers, duties, functions, and activities related to equity positions in the form of stock or other security the governor has taken, on behalf of the state, in companies that received awards under the Texas emerging technology fund before September 1, 2015; and(2) all powers, duties, functions, and activities related to other investments made by the governor, on behalf of the state, and associated assets in connection with an award made under the Texas emerging technology fund before September 1, 2015.(h) Notwithstanding the repeal by this Act of provisions of Chapter 490, Government Code, those provisions of Chapter 490 are continued in effect for the limited purpose of winding up contracts governing awards from the Texas emerging technology fund in accordance with Section 62.166, Education Code, as added by this Act, and of winding up the state's portfolio of equity positions and other investments and associated assets in connection with awards from that fund in accordance with Section 490.104, Government Code, as added by this Act. |  |
| SECTION 1.16. (a) The Texas emerging technology fund is continued solely for the purposes of winding up the contracts governing awards from that fund and the state's portfolio of equity positions and other investments in connection with awards from that fund in accordance with Section 490.104, Government Code, as added by this Act. The Texas emerging technology fund is abolished and Sections 490.101(a), (b), and (b-1), Government Code, are repealed when the comptroller certifies to the governor as provided by Section 490.104, Government Code, as added by this Act, that the final liquidation of the state's portfolio of equity positions and other investments by the Texas Treasury Safekeeping Trust Company has been completed. Any unencumbered fund balance remaining when the Texas emerging technology fund is abolished may be appropriated in accordance with Subsection (a-1) of this section.(a-1) Any unencumbered balance of the Texas emerging technology fund may be appropriated only to one or more of the following:(1) the Texas Research Incentive Program (TRIP) under Subchapter F, Chapter 62, Education Code;(2) the Texas research university fund, subject to Subsection (b) of this section;(3) the governor's university research initiative fund established under Subchapter H, Chapter 62, Education Code, as added by this Act;(4) the Texas Enterprise Fund established under Section 481.078, Government Code; and(5) the comptroller for the purposes of expenses incurred in managing the state's portfolio of equity positions and other investments in connection with awards from the Texas emerging technology fund in accordance with Section 490.104, Government Code, as added by this article.(b) The authority of the Texas research university fund to receive the appropriation described by Subsection (a-1) of this section is contingent on passage and enactment of H.B. 1000, or similar legislation relating to state support for general academic teaching institutions in this state by the 84th Legislature, Regular Session, 2015, that renames the existing Texas competitive knowledge fund and changes the purposes for which the fund can be used.(c) The abolishment by this article of the Texas emerging technology fund and the repeal of provisions of Chapter 490, Government Code, relating to that fund do not affect the validity of an agreement between the governor and an award recipient or a person to be awarded money that is entered into under Chapter 490 before September 1, 2015.(d) Money that was deposited in the Texas emerging technology fund as a gift, grant, or donation under Chapter 490, Government Code, and that is encumbered by the specific terms of the gift, grant, or donation may be spent only in accordance with the terms of the gift, grant, or donation.(e) Money from the Texas emerging technology fund that is encumbered because the money is awarded or otherwise obligated by agreement before September 1, 2015, but under the terms of the award or agreement will not be distributed until a later date shall be distributed in accordance with the terms of the award or agreement. If the governor determines that the money will not be distributed in accordance with the terms of the award or agreement, the governor shall certify that fact to the comptroller. On that certification, the comptroller shall make that money available in the general revenue fund to be used in accordance with legislative appropriation.(f) On or after the effective date of this Act, the following payments or other amounts shall be sent to the comptroller for deposit to the Texas emerging technology fund to be used solely for the purposes of winding down the state's portfolio of equity positions and other investments as provided by Sections 490.101(b-1) and 490.104, Government Code, as added by this Act:(1) any royalties, revenues, and other financial benefits realized from a project undertaken with money from the Texas emerging technology fund, as provided by a contract described by Section 490.103, Government Code;(2) any interest or proceeds received as a result of a transaction authorized by former Section 490.101(h), Government Code;(3) any money returned or repaid to the state by an award recipient pursuant to an agreement entered into under former Section 490.101(g), Government Code;(4) any money derived from an interest the state retained in a capital improvement pursuant to an agreement entered into under former Section 490.101(g), Government Code; and(5) any fund money returned by an entity that fails to perform an action guaranteed by a contract entered into under former Section 490.154 or 490.203, Government Code. | No equivalent provision.***(But see SECTION 1.04 above.)***  |  |
| SECTION 1.17. A regional center of innovation and commercialization established under Section 490.152, Government Code, is abolished on the effective date of this Act. Each center shall transfer to the office of the governor a copy of any meeting minutes required to be retained under Section 490.1521, Government Code, as that section existed immediately before that section's repeal by this article, and the office shall retain the minutes for the period prescribed by that section. | No equivalent provision.***(But see SECTION 1.04 above.)*** |  |
| SECTION 1.18. On September 1, 2015, the Texas Emerging Technology Advisory Committee established under Subchapter B, Chapter 490, Government Code, is abolished. | No equivalent provision.***(But see SECTION 1.04 above.)*** |  |
| SECTION 1.19. Except as provided by this Act, on September 1, 2015, the following powers, duties, functions, and activities performed by the office of the governor immediately before that date are transferred to the Texas Treasury Safekeeping Trust Company:(1) all powers, duties, functions, and activities related to equity positions in the form of stock or other security the governor has taken, on behalf of the state, in companies that received awards under the Texas emerging technology fund before September 1, 2015; and(2) all powers, duties, functions, and activities related to other investments made by the governor, on behalf of the state, in connection with an award made under the Texas emerging technology fund before September 1, 2015. | No equivalent provision.***(But see SECTION 1.04 above.)*** |  |
| SECTION 1.20. If a conflict exists between this Act and another Act of the 84th Legislature, Regular Session, 2015, that relates to the Texas emerging technology fund, this Act controls without regard to the relative dates of enactment. | No equivalent provision. |  |
| ARTICLE 2. ECONOMIC INCENTIVE OVERSIGHT BOARD | No equivalent provision. |  |
| SECTION 2.01. Subtitle F, Title 4, Government Code, is amended by adding Chapter 490G to read as follows:CHAPTER 490G. ECONOMIC INCENTIVE OVERSIGHT BOARDSec. 490G.001. DEFINITIONS. In this chapter:(1) "Board" means the Economic Incentive Oversight Board.(2) "Monetary incentive" means a grant, loan, or other form of monetary incentive paid from state revenues, including a state trust fund, that a business entity or other person may receive in exchange for or as a result of conducting an activity with an economic development purpose.(2-a) "Rural county" means a county with a population of less than 60,000.(3) "Tax incentive" means any exemption, deduction, credit, exclusion, waiver, rebate, discount, deferral, or other abatement or reduction of state tax liability of a business entity or other person that the person may receive in exchange for or as a result of conducting an activity with an economic development purpose.Sec. 490G.002. ESTABLISHMENT AND COMPOSITION. (a) The Economic Incentive Oversight Board is an advisory body composed of eight members as follows:(1) two public members appointed by the speaker of the house of representatives, one of whom must be from a rural county;(2) two public members appointed by the lieutenant governor, one of whom must be from a rural county;(3) two public members appointed by the comptroller; and(4) two public members appointed by the governor.(b) In appointing members of the board, each appointing officer shall appoint one member who has expertise in the area of economic development.(b-1) An individual is ineligible to serve on the board if during the 120-day period preceding the date of appointment the individual made a political contribution to the governor, the comptroller, the lieutenant governor, or the speaker of the house of representatives or to a candidate for election or selection to any of those offices.(c) A member of the board serves at the pleasure of the appointing officer.(d) The board members are entitled to reimbursement for actual and necessary expenses incurred by the members in serving on the board as provided by Chapter 660 and the General Appropriations Act.(e) The office of the governor shall provide administrative support and staff to the board.Sec. 490G.003. PRESIDING OFFICER. The governor shall appoint the presiding officer of the board.Sec. 490G.004. MEETINGS. (a) The board shall meet at least quarterly at the call of the presiding officer.(b) The board may hold a meeting by telephone conference call or videoconference.(c) A board meeting held under Subsection (b) is subject to the requirements of Subchapter F, Chapter 551, Government Code, except that a quorum of the board is not required to be physically present at one location of the meeting.Sec. 490G.005. REVIEW OF CERTAIN STATE INCENTIVE PROGRAMS; PERFORMANCE MATRIX. (a) The board shall examine the effectiveness and efficiency of programs and funds administered by the office of the governor, the comptroller, or the Department of Agriculture that award to business entities and other persons state monetary or tax incentives for which the governor, comptroller, or department has discretion in determining whether or not to award the incentives.(b) The board shall develop a performance matrix that clearly establishes the economic performance indicators, measures, and metrics that will guide the board's evaluations of those programs and funds.(c) In developing the performance matrix, the board shall consider whether the performance matrix should address the following factors in relation to each business entity or other person that receives a state monetary or tax incentive under a program or from a fund described by Subsection (a):(1) economic factors, including:(A) the investment made by the business entity or other person in the economic development activity associated with the receipt of the incentive;(B) the economic output produced by the associated economic development activity, including:(i) direct project gains from economic output, including contractor, supplier, and employee spending and construction and event expenditures; and(ii) ancillary or indirect benefits from contractor, supplier, and employee spending and construction and event expenditures; and(C) the jobs created by the associated economic development activity and:(i) the wages and benefits paid for those jobs; and(ii) the general locations at which the persons hired for those jobs resided at the time the persons were hired, disaggregated by country, state, and county;(2) fiscal factors, including:(A) the amount of state monetary and tax incentives received by the business entity or other person;(B) the additional taxes and other revenue paid to this state and to local governments because of the associated economic development activity; and(C) the public service and infrastructure costs of the associated economic development activity; and(3) intangible factors the board considers appropriate.Sec. 490G.006. SCHEDULE OF REVIEW; RECOMMENDATION TO LEGISLATIVE AUDIT COMMITTEE. (a) The board shall develop a schedule for the periodic review of each state incentive program or fund described by Section 490G.005 for the purposes of making recommendations on whether to continue the program or fund or whether to improve program or fund effectiveness and efficiency. The board shall review and make recommendations to the legislature regarding each program or fund according to the review schedule.(b) After conducting a review of a state incentive program or fund under this chapter, the board may recommend to the legislative audit committee that an audit of the program or fund be included in the audit plan under Section 321.013.Sec. 490G.007. ANNUAL REPORT. Not later than January 1 of each year, the board shall submit to the lieutenant governor, the speaker of the house of representatives, and each standing committee of the senate and house of representatives with primary jurisdiction over economic development a report containing findings and recommendations resulting from each review of state incentive programs and funds conducted by the board under this chapter during the preceding calendar year.Sec. 490G.008. CONFLICTS OF INTEREST. (a) A member of the board who has a substantial interest in a business entity or other person that previously applied for or received a state monetary or tax incentive from a program or fund subject to review by the board shall disclose that interest in writing to the board and the Texas Ethics Commission.(b) A board member who has a business, commercial, or other relationship, other than an interest described by Subsection (a), that could reasonably be expected to diminish the person's independence of judgment in the performance of the person's responsibilities in relation to the board shall disclose the relationship in writing to the board and the Texas Ethics Commission.(c) A member of the board may not make a political contribution to the governor, the comptroller, the lieutenant governor, or the speaker of the house of representatives or to a candidate for election or selection to any of those offices.Sec. 490G.009. CONFIDENTIALITY OF INFORMATION. The provision of information that is confidential by law to the board does not affect the confidentiality of the information. | No equivalent provision. |  |
| SECTION 2.02. (a) As soon as practicable after the effective date of this Act, the appointing officials shall appoint members to the Economic Incentive Oversight Board established under Chapter 490G, Government Code, as added by this article.(b) Notwithstanding Section 490G.007, Government Code, as added by this article, the Economic Incentive Oversight Board shall submit the report required by that section beginning with the report due on January 1, 2017. | No equivalent provision. |  |
| ARTICLE 3. ONLINE INFORMATION AND APPLICATION SYSTEM FOR STATE INCENTIVES | No equivalent provision. |  |
| SECTION 3.01. Subtitle G, Title 10, Government Code, is amended by adding Chapter 2301 to read as follows:CHAPTER 2301. ELECTRONIC ECONOMIC DEVELOPMENT INCENTIVES INFORMATION AND APPLICATION SYSTEMSec. 2301.001. DEFINITIONS. In this chapter:(1) "Department," "electronic government project," and "state electronic Internet portal" have the meanings assigned by Section 2054.003.(2) "Monetary incentive" means a grant, loan, or other form of monetary incentive paid from state revenues, including a state trust fund, that a business entity or other person may receive in exchange for or as a result of conducting an activity with an economic development purpose.(3) "State agency" means a department, commission, board, office, council, authority, or other state agency in the executive branch of state government.(4) "Tax incentive" means any exemption, deduction, credit, exclusion, waiver, rebate, discount, deferral, or other abatement or reduction of state tax liability of a business entity or other person that the person may receive in exchange for or as a result of conducting an activity with an economic development purpose.Sec. 2301.002. ESTABLISHMENT OF PROJECT. The department shall establish an electronic government project to develop an Internet website accessible through the state electronic Internet portal that:(1) provides a single location that a business entity considering relocating to or expanding in this state may use to receive information relating to state monetary and tax incentives for which the entity may be qualified;(2) includes an interactive tool that allows a business entity to determine whether the entity may be eligible for any state monetary or tax incentive in this state;(3) allows, when feasible, the business entity to fill out one application for all:(A) state monetary incentives for which the entity may be eligible; and(B) state tax incentives for which the entity may be eligible, other than a tax incentive for which the entity, or a transaction involving the entity, qualifies for by operation of law; and(4) allows, when feasible, for the application to be submitted to each state agency that offers the monetary or tax incentive described by Subdivision (3).Sec. 2301.003. ESTABLISHING AND OPERATING PROJECT; COORDINATION. In establishing and operating the electronic government project under this chapter, the department, in coordination with the Texas Economic Development and Tourism Office and the comptroller, shall direct, coordinate, and assist state agencies in establishing and using:(1) a common electronic application and reporting system, including:(A) a standard format for announcing monetary and tax incentive opportunities;(B) standard data elements for use in creating monetary and tax incentive opportunity announcement summaries, including existing monetary and tax incentives and search functions; and(C) a common application form for a person to use in applying for the following from multiple state agencies:(i) all state monetary incentives for which the entity may be eligible; and(ii) all state tax incentives for which the entity may be eligible, other than a tax incentive for which the entity, or a transaction involving the entity, qualifies for by operation of law; and(2) a process for:(A) improving interagency coordination of information collection and sharing of data relating to monetary and tax incentives; and(B) improving the timeliness, completeness, and quality of applications received by a state agency for monetary and tax incentives described by Subdivision (1). | No equivalent provision. |  |
| ARTICLE 4. PROGRAMS ADMINISTERED BY TEXAS ECONOMIC DEVELOPMENT BANK | No equivalent provision. |  |
| SECTION 4.01. The following laws are repealed:(1) Subchapter N, Chapter 481, Government Code; and(2) Chapter 503, Local Government Code. | No equivalent provision. |  |
| SECTION 4.02. Section 447.013(i), Government Code, is amended to read as follows:(i) A recipient of a grant or loan under this section is encouraged to purchase goods and services from small businesses and historically underutilized businesses, as those terms are defined by former Section 481.191, as that section existed on January 1, 2015 [~~Government Code~~]. | No equivalent provision. |  |
| SECTION 4.03. Section 489.108, Government Code, is amended to read as follows:Sec. 489.108. PROGRAMS, SERVICES, AND FUNDS UNDER BANK'S DIRECTION. Notwithstanding any other law, the bank shall perform the duties and functions of the office with respect to the following programs, services, and funds:(1) [~~the Texas Small Business Industrial Development Corporation established under Chapter 503, Local Government Code;~~[~~(2)~~] the capital access program established under Section 481.405;(2) [~~(3)~~] the Texas leverage fund;(3) [~~(4) the linked deposit program established under Section 481.193;~~[~~(5)~~] the enterprise zone program established under Chapter 2303;(4) [~~(6)~~] the industrial revenue bond program;(5) [~~(7)~~] the defense economic readjustment zone program established under Chapter 2310;(6) [~~(8)~~] the Empowerment Zone and Enterprise Community grant program established under Section 481.025; and(7) [~~(9)~~] the renewal community program. | No equivalent provision. |  |
| SECTION 4.04. Section 39.909(a), Utilities Code, is amended to read as follows:(a) In this section, "small business" and "historically underutilized business" have the meanings assigned by former Section 481.191, Government Code, as that section existed on January 1, 2015. | No equivalent provision. |  |
| SECTION 4.05. Section 52.256(a), Utilities Code, is amended to read as follows:(a) In this section, "small business" and "historically underutilized business" have the meanings assigned by former Section 481.191, Government Code, as that section existed on January 1, 2015. | No equivalent provision. |  |
| SECTION 4.06. (a) The Texas Economic Development Bank shall reject any application for a linked deposit loan submitted to the bank before the effective date of this Act for which a linked deposit has not been made in accordance with Subchapter N, Chapter 481, Government Code, as that subchapter existed immediately before being repealed by this article.(b) Notwithstanding the repeal by this article of Subchapter N, Chapter 481, Government Code, Subchapter N is continued in effect for the limited purpose of allowing the Texas Economic Development Bank to administer linked deposits made before the effective date of this Act and to pursue the bank's remedies under that subchapter if:(1) a recipient of a loan to which a deposit is linked defaults on the loan; or(2) a lending institution that makes a loan for which a linked deposit is made fails to comply with that subchapter. | No equivalent provision. |  |
| SECTION 4.07. As soon as practicable after the effective date of this Act, the Texas Economic Development Bank shall send to the comptroller for deposit in the general revenue fund any revenue or other money of the Texas Small Business Industrial Development Corporation held in financial institutions as provided by Section 503.055, Local Government Code, as that section existed immediately before that section's repeal by this article. | No equivalent provision. |  |
| ARTICLE 5. GOVERNOR'S UNIVERSITY RESEARCH INITIATIVE | No equivalent provision. |  |
| SECTION 5.01. Chapter 62, Education Code, is amended by adding Subchapter H to read as follows:SUBCHAPTER H. GOVERNOR'S UNIVERSITY RESEARCH INITIATIVESec. 62.161. DEFINITIONS. In this subchapter:(1) "Advisory board" means the governor's university research initiative advisory board.(2) "Distinguished researcher" means a researcher who is:(A) a Nobel laureate or the recipient of an equivalent honor; or(B) a member of a national honorific society, such as the National Academy of Sciences, the National Academy of Engineering, or the Institute of Medicine, or an equivalent honorific organization.(3) "Eligible institution" means a general academic teaching institution or health-related institution.(4) "Fund" means the governor's university research initiative fund established under this subchapter.(5) "General academic teaching institution" has the meaning assigned by Section 61.003.(6) "Governing board" has the meaning assigned by Section 61.003.(7) "Health-related institution" means a medical and dental unit as defined by Section 61.003 and any other public health science center, public medical school, or public dental school established by statute or in accordance with Chapter 61.(8) "Office" means the Texas Economic Development and Tourism Office within the office of the governor.(9) "Private or independent institution of higher education" has the meaning assigned by Section 61.003.Sec. 62.162. ADMINISTRATION OF INITIATIVE. (a) The governor's university research initiative is administered by the Texas Economic Development and Tourism Office within the office of the governor.(b) From the governor's university research initiative fund, the office shall award matching grants to assist eligible institutions in recruiting distinguished researchers.(c) The office may adopt any rules the office considers necessary to administer this subchapter.Sec. 62.163. MATCHING GRANTS. (a) An eligible institution may apply to the office for a matching grant from the fund. Before approval or disapproval of a grant application, the office shall consider the recommendation of the advisory board regarding the grant proposal. If the office approves a grant application, the office shall award to the applicant institution a grant amount equal to the amount committed by the institution for the recruitment of a distinguished researcher, except as provided by Subsection (c)(2).(b) A grant application must identify the source and amount of the eligible institution's matching funds and must demonstrate that the proposed use of the grant has the support of the institution's president and of the institution's governing board, the chair of the institution's governing board, or the chancellor of the university system, if the institution is a component of a university system. An applicant eligible institution may commit for matching purposes any funds of the institution available for that purpose other than appropriated general revenue.(c) The office may set a deadline for grant applications for each state fiscal year. After fully funding approved grant applications received during an application period for a state fiscal year, the office may reopen applications for that year and:(1) award the full amount of matching funds from the fund for new applications; or(2) approve previously disapproved applications submitted before the original application deadline for receipt of a reduced grant amount.(d) A matching grant received by an eligible institution under this subchapter may not be considered as a basis to reduce, directly or indirectly, the amount of money otherwise appropriated to the institution.(e) A matching grant may not be used by an eligible institution to recruit a distinguished researcher or other employee from:(1) another eligible institution; or(2) a private or independent institution of higher education.(f) The office shall require an application and all supporting documentation to be submitted to the office electronically in the manner prescribed by the office.Sec. 62.164. GRANT AWARD CRITERIA; PRIORITIES. (a) The office may award grants only to grant proposals that involve the recruitment of distinguished researchers in the fields of science, technology, engineering, mathematics, and medicine. The office shall give priority to proposals that:(1) demonstrate a reasonable probability of enhancing Texas' national and global economic competitiveness;(2) demonstrate a reasonable probability of creating a nationally or internationally recognized locus of research superiority or a unique locus of research;(3) are matched with a significant amount of funding from a federal or private source that may be transferred to the eligible institution;(4) are interdisciplinary and collaborative; or(5) include a strategic plan for intellectual property development and commercialization of technology.(b) The office may award a grant to a proposal that:(1) supports the recruitment of a distinguished researcher distinguished in, or to be engaged in, basic, translational, or applied research; or(2) proposes the recruitment of a distinguished researcher for new research capabilities of the eligible institution or to expand the institution's existing research capabilities.(c) A grant proposal should identify a specific distinguished researcher being recruited. In addition to the factors considered in evaluating proposals considered a priority under Subsection (a), the office may consider:(1) the likelihood that the researcher being recruited will not accept a research position with the applicant eligible institution without the institution's receipt of a matching grant under this subchapter;(2) the extent to which the subject matter of the researcher's research offers the opportunity for interdisciplinary and collaborative research at the applicant eligible institution and with other eligible institutions; and(3) any commercialization track record of the researcher being recruited.Sec. 62.165. CONFIDENTIALITY. Information collected or obtained by the office or the advisory board concerning the identity of a particular distinguished researcher who is the subject of a grant proposal under this subchapter is confidential unless the researcher and the applicant eligible institution consent to disclosure of the information. The information remains confidential until the date, if any, on which the researcher enters into an employment relationship with the recruiting institution as contemplated in the grant proposal.Sec. 62.166. ADVISORY BOARD. (a) The governor's university research initiative advisory board is established to assist the office with the review and evaluation of applications for funding of grant proposals under this subchapter. The advisory board shall make recommendations to the office for approval or disapproval of those applications.(b) The advisory board must be composed of at least nine members appointed by the governor. Of the members of the board:(1) one-third of the members, as nearly as possible, must have a background in finance;(2) one-third of the members, as nearly as possible, must have an academic background in science, technology, engineering, or mathematics; and(3) one-third of the members, as nearly as possible, must be public members.(c) Chapter 2110, Government Code, does not apply to the size, composition, or duration of the advisory board.(d) A member of the advisory board who is or has been employed by, is or has been a party to a contract for any purpose with, or is a student or former student of an applicant eligible institution may not be involved in the review, evaluation, or recommendation of a grant proposal made by that institution.(e) An advisory board member is not required to be a resident of this state.(f) Appointments to the advisory board shall be made without regard to the race, color, disability, sex, religion, age, or national origin of the appointees.(g) Members of the advisory board serve without compensation but are entitled to reimbursement for actual and necessary expenses in attending meetings of the board or performing other official duties authorized by the office.Sec. 62.167. TIMELY ACTION ON APPLICATIONS. (a) The advisory board shall meet in person or by teleconference to consider grant applications under this subchapter and shall strive to present to the office the board's recommendation for approval or disapproval of an application not later than the 14th day after the date the board receives the application.(b) The office shall make a final decision regarding approval of a grant application not later than the 14th day after the date the office receives the advisory board's recommendation.Sec. 62.168. GOVERNOR'S UNIVERSITY RESEARCH INITIATIVE FUND. (a) The governor's university research initiative fund is a dedicated account in the general revenue fund.(b) The fund consists of:(1) amounts appropriated or otherwise allocated or transferred by law to the fund; and(2) gifts, grants, and other donations received for the fund.(c) Sections 403.095 and 404.071, Government Code, do not apply to the fund.(d) The fund may be used by the office only for the purposes of this subchapter, including for necessary expenses incurred in the administration of the fund and this subchapter.No equivalent provision. No equivalent provision.No equivalent provision. | SECTION 1.01. Chapter 62, Education Code, is amended by adding Subchapter H to read as follows:SUBCHAPTER H. GOVERNOR'S UNIVERSITY RESEARCH INITIATIVESec. 62.161. DEFINITIONS. In this subchapter:(1) "Distinguished researcher" means a researcher who is:(A) a Nobel laureate; or(B) a member of the National Academy of Sciences, the National Academy of Engineering, or the Institute of Medicine.(2) "Eligible institution" means a general academic teaching institution or medical and dental unit.(3) "Fund" means the governor's university research initiative fund established under this subchapter.(4) "General academic teaching institution" has the meaning assigned by Section 61.003.(5) "Medical and dental unit" has the meaning assigned by Section 61.003.(6) "Office" means the Texas Economic Development and Tourism Office within the office of the governor.(7) "Private or independent institution of higher education" has the meaning assigned by Section 61.003.Sec. 62.162. ADMINISTRATION OF INITIATIVE. (a) The governor's university research initiative is administered by the Texas Economic Development and Tourism Office within the office of the governor.(b) The office may adopt any rules the office considers necessary to administer this subchapter.Sec. 62.163. MATCHING GRANTS TO RECRUIT DISTINGUISHED RESEARCHERS. (a) From the governor's university research initiative fund, the office shall award matching grants to assist eligible institutions in recruiting distinguished researchers.(b) An eligible institution may apply to the office for a matching grant from the fund. If the office approves a grant application, the office shall award to the applicant institution a grant amount equal to the amount committed by the institution for the recruitment of a distinguished researcher.(c) A grant application must identify the source and amount of the eligible institution's matching funds and must demonstrate that the proposed use of the grant has the support of the institution's president and of the institution's governing board, the chair of the institution's governing board, or the chancellor of the university system, if the institution is a component of a university system. An applicant eligible institution may commit for matching purposes any funds of the institution available for that purpose other than appropriated general revenue.(d) A matching grant may not be used by an eligible institution to recruit a distinguished researcher from:(1) another eligible institution; or(2) a private or independent institution of higher education.Sec. 62.164. GRANT AWARD CRITERIA; PRIORITIES. (a) In awarding grants, the office shall give priority to grant proposals that involve the recruitment of distinguished researchers in the fields of science, technology, engineering, mathematics, and medicine. With respect to proposals involving those fields, the office shall give priority to proposals that demonstrate a reasonable likelihood of contributing substantially to this state's national and global economic competitiveness.(b) A grant proposal should identify a specific distinguished researcher being recruited.No equivalent provision. No equivalent provision. No equivalent provision. Sec. 62.165. GOVERNOR'S UNIVERSITY RESEARCH INITIATIVE FUND. (a) The governor's university research initiative fund is a dedicated account in the general revenue fund.(b) The fund consists of:(1) amounts appropriated or otherwise allocated or transferred by law to the fund;(2) money deposited to the fund under Section 62.166 of this subchapter or under Section 490.101(b-1) or 490.104, Government Code; and(3) gifts, grants, and other donations received for the fund.(c) The fund may be used by the office only for the purposes of this subchapter, including for necessary expenses incurred in the administration of the fund and this subchapter.Sec. 62.166. WINDING UP OF CONTRACTS AND AWARDS IN CONNECTION WITH TEXAS EMERGING TECHNOLOGY FUND. (a) The governor's university research initiative is the successor to the Texas emerging technology fund. Awards from the Texas emerging technology fund shall be wound up in accordance with this section and Section 490.104, Government Code, and contracts governing awards from that fund shall be wound up in accordance with this section.(b) If a contract governing an award from the Texas emerging technology fund provides for the distribution of royalties, revenue, or other financial benefits to the state, including royalties, revenue, or other financial benefits realized from the commercialization of intellectual or real property developed from an award from the fund, those royalties, revenues, or other financial benefits shall continue to be distributed in accordance with the terms of the contract unless the award recipient and the governor agree otherwise. Unless otherwise required by law, royalties, revenue, or other financial benefits accruing to the state under a contract described by this subsection, including any money returned or repaid to the state by an award recipient, shall be credited to the governor's university research initiative fund.(c) If money awarded from the Texas emerging technology fund is encumbered by a contract executed before September 1, 2015, but has not been distributed before that date, the money shall be distributed from the governor's university research initiative fund in accordance with the terms of the contract, unless the award recipient and the governor agree otherwise.(d) Except for an obligation regarding the distribution of royalties, revenue, or other financial benefits to the state as provided by Subsection (b), if money awarded from the Texas emerging technology fund under a contract executed before September 1, 2015, has been fully distributed and the entity that received the award has fully performed all specific actions under the terms of the contract governing the award, the entity is considered to have fully satisfied the entity's obligations under the contract. The entity shall file with the office a final report showing the purposes for which the award money has been spent and, if award money remains unspent, the purposes for which the recipient will spend the remaining money.Sec. 62.167. CONFIDENTIALITY OF INFORMATION CONCERNING AWARDS FROM TEXAS EMERGING TECHNOLOGY FUND. (a) Except as provided by Subsection (b), information collected under former provisions of Chapter 490, Government Code, concerning the identity, background, finance, marketing plans, trade secrets, or other commercially or academically sensitive information of an individual or entity that was considered for or received an award from the Texas emerging technology fund is confidential unless the individual or entity consents to disclosure of the information.(b) The following information collected in connection with the Texas emerging technology fund is public information and may be disclosed under Chapter 552, Government Code:(1) the name and address of an individual or entity that received an award from that fund;(2) the amount of funding received by an award recipient;(3) a brief description of the project funded under former provisions of Chapter 490, Government Code;(4) if applicable, a brief description of the equity position that the governor, on behalf of the state, has taken in an entity that received an award from that fund; and(5) any other information with the consent of:(A) the governor;(B) the lieutenant governor;(C) the speaker of the house of representatives; and(D) the individual or entity that received an award from that fund, if the information relates to that individual or entity.Sec. 62.168. REPORTING REQUIREMENT. (a) Before the beginning of each regular session of the legislature the governor shall submit to the lieutenant governor, the speaker of the house of representatives, and the standing committees of each house of the legislature with primary jurisdiction over economic development and higher education matters and post on the office of the governor's Internet website a report on matching grants made to eligible institutions from the fund that states:(1) the total amount of matching funds granted by the office;(2) the total amount of matching funds granted to each recipient institution;(3) a brief description of each distinguished researcher recruited by each recipient institution, including any amount of external research funding that followed the distinguished researcher to the institution;(4) a brief description of the expenditures made from the matching grant funds for each distinguished researcher; and(5) when available, a brief description of each distinguished researcher's contribution to the state's economic competitiveness, including:(A) any patents issued to the distinguished researcher after accepting employment by the recipient institution; and(B) any external research funding, public or private, obtained by the distinguished researcher after accepting employment by the recipient institution.(a-1) The report may not include information that is made confidential by law.(b) The governor may require an eligible institution that receives a matching grant under this subchapter to submit, on a form the governor provides, information required to complete the report. |  |
| ARTICLE 6. RENAMING OF MAJOR EVENTS TRUST FUND | No equivalent provision. |  |
| SECTION 6.01. The heading to Section 5A, Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), is amended to read as follows:Sec. 5A. PAYMENT OF STATE AND MUNICIPAL OR COUNTY OBLIGATIONS UNDER[~~;~~] MAJOR EVENTS REIMBURSEMENT PROGRAM [~~TRUST FUND~~]. | No equivalent provision.***(But see SECTION 2.06 below.)*** |  |
| SECTION 6.02. Sections 5A(a-1), (d), (d-1), (e), (f), (g), (h), (j), (k), (l), (m), (w), and (y), Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), are amended to read as follows:(a-1) An event not listed in Subsection (a)(4) of this section is ineligible for funding under this section. A listed event may receive funding through the Major Events Reimbursement Program under this section only if:(1) a site selection organization selects a site located in this state for the event to be held one time or, for an event scheduled to be held each year for a period of years under an event contract, or an event support contract, one time each year for the period of years, after considering, through a highly competitive selection process, one or more sites that are not located in this state;(2) a site selection organization selects a site in this state as:(A) the sole site for the event; or(B) the sole site for the event in a region composed of this state and one or more adjoining states;(3) the event is held not more than one time in any year; and(4) the amount of the incremental increase in tax receipts determined by the comptroller under Subsection (b) of this section equals or exceeds $1 million, provided that for an event scheduled to be held each year for a period of years under an event contract or event support contract, the incremental increase in tax receipts shall be calculated as if the event did not occur in the prior year.(d) Each endorsing municipality or endorsing county participating in the Major Events Reimbursement Program shall remit to the comptroller and the comptroller shall deposit into a trust fund created by the comptroller and designated as the Major Events reimbursement program [~~trust~~] fund the amount of the municipality's or county's hotel occupancy tax revenue determined under Subsection (b)(4) or (b)(5) of this section, less any amount of the revenue that the municipality or county determines is necessary to meet the obligations of the municipality or county. The comptroller shall retain the amount of sales and use tax revenue and mixed beverage tax revenue determined under Subsection (b)(2) or (b)(3) of this section from the amounts otherwise required to be sent to the municipality under Sections 321.502 and 183.051(b), Tax Code, or to the county under Sections 323.502 and 183.051(b), Tax Code, and deposit into the [~~trust~~] fund the tax revenues, less any amount of the revenue that the municipality or county determines is necessary to meet the obligations of the municipality or county. The comptroller shall begin retaining and depositing the local tax revenues with the first distribution of that tax revenue that occurs after the first day of the one-year period described by Subsection (b) of this section or at a time otherwise determined to be practicable by the comptroller and shall discontinue retaining the local tax revenues under this subsection when the amount of the applicable tax revenue determined under Subsection (b)(2) or (b)(3) of this section has been retained. The Major Events reimbursement program [~~trust~~] fund is established outside the state treasury and is held in trust by the comptroller for administration of this Act. Money in the [~~trust~~] fund may be disbursed by the comptroller without appropriation only as provided by this section.(d-1) Not later than the 90th day after the last day of an event eligible for funding under the Major Events Reimbursement Program and in lieu of the local tax revenues remitted to or retained by the comptroller under Subsection (d) of this section, a municipality or county may remit to the comptroller for deposit in the Major Events reimbursement program [~~trust~~] fund other local funds in an amount equal to the total amount of local tax revenue determined under Subsections (b)(2) through (5) of this section. The amount deposited by the comptroller into the Major Events reimbursement program [~~trust~~] fund under this subsection is subject to Subsection (f) of this section.(e) In addition to the tax revenue deposited in the Major Events reimbursement program [~~trust~~] fund under Subsection (d) of this section, an endorsing municipality or endorsing county may guarantee its obligations under an event support contract and this section by pledging surcharges from user fees, including parking or ticket fees, charged in connection with the event. An endorsing municipality or endorsing county may collect and remit to the comptroller surcharges and user fees attributable to the event for deposit into the Major Events reimbursement program [~~trust~~] fund.(f) The comptroller shall deposit into the Major Events reimbursement program [~~trust~~] fund a portion of the state tax revenue not to exceed the amount determined under Subsection (b)(1) of this section in an amount equal to the prevailing state sales tax rate [~~6.25~~] times the amount of the local revenue retained or remitted under this section, including:(1) local sales and use tax revenue;(2) mixed beverage tax revenue;(3) hotel occupancy tax revenue; and(4) surcharge and user fee revenue.(g) To meet its obligations under a game support contract or event support contract to improve, construct, renovate, or acquire facilities or to acquire equipment, an endorsing municipality by ordinance or an endorsing county by order may authorize the issuance of notes. An endorsing municipality or endorsing county may provide that the notes be paid from and secured by amounts on deposit or amounts to be deposited into the Major Events reimbursement program [~~trust~~] fund or surcharges from user fees, including parking or ticket fees, charged in connection with the event. Any note issued must mature not later than seven years from its date of issuance.(h) The funds in the Major Events reimbursement program [~~trust~~] fund may be used to pay the principal of and interest on notes issued by an endorsing municipality or endorsing county under Subsection (g) of this section and to fulfill obligations of the state or an endorsing municipality or endorsing county to a site selection organization under a game support contract or event support contract. Subject to Subsection (k) of this section, the obligations may include the payment of costs relating to the preparations necessary or desirable for the conduct of the event and the payment of costs of conducting the event, including improvements or renovations to existing facilities or other facilities and costs of acquisition or construction of new facilities or other facilities.(j) Not later than the 30th day after the date a request of a local organizing committee, endorsing municipality, or endorsing county is submitted to the comptroller under Subsection (b-1) of this section, the comptroller shall provide an estimate of the total amount of tax revenue that would be deposited in the Major Events reimbursement program [~~trust~~] fund under this section in connection with that event, if the event were to be held in this state at a site selected pursuant to an application by a local organizing committee, endorsing municipality, or endorsing county. A local organizing committee, endorsing municipality, or endorsing county may submit the comptroller's estimate to a site selection organization.(k) The comptroller may make a disbursement from the Major Events reimbursement program [~~trust~~] fund on the prior approval of each contributing endorsing municipality or endorsing county for a purpose for which a local organizing committee, an endorsing municipality, or an endorsing county or the state is obligated under a game support contract or event support contract. If an obligation is incurred under a games support contract or event support contract to make a structural improvement to the site or to add a fixture to the site for purposes of an event and that improvement or fixture is expected to derive most of its value in subsequent uses of the site for future events, a disbursement from the [~~trust~~] fund made for purposes of that obligation is limited to five percent of the cost of the improvement or fixture and the remainder of the obligation is not eligible for a disbursement from the [~~trust~~] fund, unless the improvement or fixture is for a publicly owned facility. In considering whether to make a disbursement from the [~~trust~~] fund, the comptroller may not consider a contingency clause in an event support contract as relieving a local organizing committee's, endorsing municipality's, or endorsing county's obligation to pay a cost under the contract. A disbursement may not be made from the [~~trust~~] fund that the comptroller determines would be used for the purpose of soliciting the relocation of a professional sports franchise located in this state.(l) If a disbursement is made from the Major Events reimbursement program [~~trust~~] fund under Subsection (k), the obligation shall be satisfied proportionately from the state and local revenue in the [~~trust~~] fund.(m) On payment of all state, municipal, or county obligations under a game support contract or event support contract related to the location of any particular event in the state, the comptroller shall remit to each endorsing entity, in proportion to the amount contributed by the entity, any money remaining in the [~~trust~~] fund.(w) Not later than 10 months after the last day of an event eligible for disbursements from the Major Events reimbursement program [~~trust~~] fund for costs associated with the event, the comptroller using existing resources shall complete a study in the market area of the event on the measurable economic impact directly attributable to the preparation for and presentation of the event and related activities. The comptroller shall post on the comptroller's Internet website:(1) the results of the study conducted under this subsection, including any source documentation or other information relied on by the comptroller for the study;(2) the amount of incremental increase in tax receipts for the event determined under Subsection (b) of this section;(3) the site selection organization documentation described in Subsection (p)(3) of this section;(4) any source documentation or information described under Subsection (i) of this section that was relied on by the comptroller in making the determination of the amount of incremental increase in tax receipts under Subsection (b) of this section; and(5) documentation verifying that:(A) a request submitted by a local organizing committee, endorsing municipality, or endorsing county under Subsection (p) of this section is complete and certified as such by the comptroller;(B) the determination on the amount of incremental increases in tax receipts under Subsection (b) of this section considered the information submitted by a local organizing committee, endorsing municipality, or endorsing county as required under Subsection (b-1) of this section; and(C) each deadline established under this section was timely met.(y) After the conclusion of an event, the comptroller shall compare information on the actual attendance figures provided to the comptroller under Subsection (i) of this section with the estimated attendance numbers used to determine the incremental increase in tax receipts under Subsection (b) of this section. If the actual attendance figures are significantly lower than the estimated attendance numbers, the comptroller may reduce the amount of a disbursement for an endorsing entity under the Major Events reimbursement program [~~trust~~] fund in proportion to the discrepancy between the actual and estimated attendance and in proportion to the amount contributed to the fund by the entity. The comptroller by rule shall define "significantly lower" for purposes of this subsection and provide the manner in which a disbursement may be proportionately reduced. This subsection does not affect the remittance of any money remaining in the fund in accordance with Subsection (m) of this section. | No equivalent provision.***(But see SECTION 2.07 below.)*** |  |
| No equivalent provision. | ARTICLE 2. CERTAIN EVENTS FUNDS |  |
| No equivalent provision. | SECTION 2.01. The heading to Section 4, Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), is amended to read as follows:Sec. 4. GUARANTEE OF STATE AND MUNICIPAL OBLIGATIONS; PAN AMERICAN GAMES REIMBURSEMENT [~~TRUST~~] FUND. |  |
| No equivalent provision. | SECTION 2.02. Sections 4(b), (c), (d), (f), (g), (h), (j), (k), and (m), Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), are amended to read as follows:(b) If a site selection organization selects a site for the games in this state pursuant to an application by a local organizing committee acting on behalf of an endorsing municipality, after the first occurrence of a measurable economic impact in this state as a result of the preparation for the games, as determined by the department [~~comptroller~~], but in no event later than one year before the scheduled opening event of the games, the department [~~comptroller~~] shall determine for each subsequent calendar quarter, in accordance with procedures developed by the department [~~comptroller~~]:(1) the incremental increase in the receipts to the state from the taxes imposed under Chapters 151, 152, 156, and 183, Tax Code, and under Title 5, Alcoholic Beverage Code, within the market areas designated under Subsection (c) of this section, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the games and related events;(2) the incremental increase in the receipts collected by the state on behalf of the endorsing municipality from the sales and use tax imposed by the endorsing municipality under Section 321.101(a), Tax Code, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the games and related events; and(3) the incremental increase in the receipts collected by the endorsing municipality from the municipality's hotel occupancy tax imposed under Chapter 351, Tax Code, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the games and related events.(c) For the purposes of Subsection (b)(1) of this section, the department [~~comptroller~~] shall designate as a market area for the games each area in which the department [~~comptroller~~] determines there is a reasonable likelihood of measurable economic impact directly attributable to the preparation for and presentation of the games and related events, including areas likely to provide venues, accommodations, and services in connection with the games based on the proposal provided by the local organizing committee under Section 7 of this Act. The department [~~comptroller~~] shall determine the geographic boundaries of each market area. The endorsing municipality that has been selected as the site for the games must be included in a market area for the games.(d) The comptroller, at the direction of the department, shall retain, for the purpose of guaranteeing the joint obligations of the state and the endorsing municipality under a games support contract and this Act, the amount of municipal sales and use tax revenue determined under Subsection (b)(2) of this section from the amounts otherwise required to be sent to the municipality under Section 321.502, Tax Code, beginning with the first distribution of that tax revenue that occurs after the date the department [~~comptroller~~] makes the determination of the amount of municipal sales and use tax revenue under Subsection (b)(2). The comptroller shall discontinue retaining municipal sales and use tax revenue under this subsection on the earlier of:(1) the end of the third calendar month following the month in which the closing event of the games occurs; or(2) the date the amount of municipal sales and use tax revenue and municipal hotel occupancy tax revenue in the Pan American Games reimbursement [~~trust~~] fund equals 14 percent of the maximum amount of state and municipal tax revenue that may be transferred to or deposited in the [~~trust~~] fund under Subsection (m) of this section.(f) Subject to Subsection (m) of this section, the comptroller, at the direction of the department, shall deposit into a [~~trust~~] fund designated as the Pan American Games reimbursement [~~trust~~] fund the amount of municipal sales and use tax revenue retained under Subsection (d) of this section and, at the same time, shall transfer to the fund a portion of the state tax revenue determined by the department under Subsection (b)(1) of this section in an amount equal to 6.25 times the amount of that municipal sales and use tax revenue. Subject to Subsection (m) of this section, the endorsing municipality shall deposit into the [~~trust~~] fund the amount of the endorsing municipality's hotel occupancy tax revenue determined by the department under Subsection (b)(3) of this section. The endorsing municipality shall deposit that hotel occupancy tax revenue into the [~~trust~~] fund at least quarterly. When the endorsing municipality makes a deposit of its hotel occupancy tax revenue, the comptroller, at the direction of the department, shall transfer to the fund [~~deposit~~] at the same time a portion of the state tax revenue determined under Subsection (b)(1) of this section in an amount equal to 6.25 times the amount of that municipal hotel occupancy tax revenue. The Pan American Games reimbursement [~~trust~~] fund is established outside the treasury but is held in trust by the comptroller for the administration of this Act. Money in the [~~trust~~] fund may be spent by the department without appropriation only as provided by this Act. The comptroller shall discontinue transferring [~~depositing~~] into the [~~trust~~] fund any state tax revenue determined by the department under Subsection (b)(1) of this section on the earlier of:(1) the end of the third calendar month following the month in which the closing event of the games occurs; or(2) the date on which the amount of state revenue in the Pan American Games reimbursement [~~trust~~] fund equals 86 percent of the maximum amount of state and municipal tax revenue that may be transferred to or deposited in the [~~trust~~] fund under Subsection (m) of this section.(g) The department may use the money [~~funds~~] in the Pan American Games reimbursement [~~trust~~] fund only to fulfill joint obligations of the state and the endorsing municipality to a site selection organization under a games support contract or any other agreement providing assurances from the department or the endorsing municipality to a site selection organization.(h) A local organizing committee shall provide information required by the department [~~comptroller~~] to enable the department [~~comptroller~~] to fulfill the department's [~~comptroller's~~] duties under this Act, including annual audited statements of the local organizing committee's financial records required by a site selection organization and data obtained by the local organizing committee relating to attendance at the games and to the economic impact of the games. A local organizing committee must provide an annual audited financial statement required by the department [~~comptroller~~] not later than the end of the fourth month after the date the period covered by the financial statement ends.(j) The department may not make a disbursement from the Pan American Games reimbursement [~~trust~~] fund unless the department [~~comptroller~~] certifies that the disbursement is for a purpose for which the state and the endorsing municipality are jointly obligated under a games support contract or other agreement described by Subsection (g) of this section.(k) If the department [~~comptroller~~] certifies under Subsection (j) of this section that a disbursement may be made from the Pan American Games reimbursement [~~trust~~] fund, the obligation shall be satisfied first out of municipal revenue deposited in the [~~trust~~] fund and any interest earned on that municipal revenue. If the municipal revenue is not sufficient to satisfy the entire deficit, state revenue transferred [~~deposited~~] into the [~~trust~~] fund and any interest earned on that state revenue shall be used to satisfy the portion of the deficit not covered by the municipal revenue.(m) In no event may:(1) the total amount of state and municipal tax revenue transferred to or deposited in the Pan American Games reimbursement [~~trust~~] fund exceed $20 million; or(2) the joint liability of the state and the endorsing municipality under a joinder agreement and any other games support contracts entered into pursuant to this Act exceed the lesser of:(A) $20 million; or(B) the total amount of revenue transferred to or deposited in the Pan American Games reimbursement [~~trust~~] fund and interest earned on the fund. |  |
| No equivalent provision. | SECTION 2.03. Sections 4(i) and (l), Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), as amended by Chapters 579 (H.B. 1675) and 814 (S.B. 275), Acts of the 78th Legislature, Regular Session, 2003, are reenacted and amended to read as follows:(i) The department [~~comptroller~~] shall provide an estimate not later than September [~~December~~] 1 [~~, 2003,~~] of the year that is eight years before the year in which the games would be held in this state of the total amount of state and municipal tax revenue that would be transferred to or deposited in the Pan American Games reimbursement [~~trust~~] fund before January 1 [~~, 2012,~~] of the year following the year in which the games would be held, if the games were to be held in this state at a site selected pursuant to an application by a local organizing committee. The department [~~comptroller~~] shall provide the estimate on request to a local organizing committee. A local organizing committee may submit the department's [~~comptroller's~~] estimate to a site selection organization.(l) On January 1 [~~, 2013,~~] of the second year following the year in which the games are held in this state, the comptroller, at the direction of the department, shall transfer to the general revenue fund any money remaining in the Pan American Games reimbursement [~~trust~~] fund, not to exceed the amount of state revenue remaining in the [~~trust~~] fund, plus any interest earned on that state revenue. The comptroller shall remit to the endorsing municipality any money remaining in the [~~trust~~] fund after the required amount is transferred to the general revenue fund. |  |
| No equivalent provision. | SECTION 2.04. The heading to Section 5, Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), is amended to read as follows:Sec. 5. GUARANTEE OF STATE AND MUNICIPAL OBLIGATIONS; OLYMPIC GAMES REIMBURSEMENT [~~TRUST~~] FUND. |  |
| No equivalent provision. | SECTION 2.05. Sections 5(b), (c), (d), (f), (g), (h), (i), (j), (k), (l), and (m), Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), are amended to read as follows:(b) If a site selection organization selects a site for the games in this state pursuant to an application by a local organizing committee, after the first occurrence of a measurable economic impact in this state as a result of the preparation for the games, as determined by the department [~~comptroller~~], but in no event later than one year before the scheduled opening event of the games, the department [~~comptroller~~] shall determine for each subsequent calendar quarter, in accordance with procedures developed by the department [~~comptroller~~]:(1) the incremental increase in the receipts to the state from the taxes imposed under Chapters 151, 152, 156, and 183, Tax Code, and under Title 5, Alcoholic Beverage Code, within the market areas designated under Subsection (c) of this section, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the games and related events;(2) the incremental increase in the receipts collected by the state on behalf of each endorsing municipality from the sales and use tax imposed by the endorsing municipality under Section 321.101(a), Tax Code, and the mixed beverage tax revenue to be received by the endorsing municipality under Section 183.051(b), Tax Code, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the games and related events;(3) the incremental increase in the receipts collected by the state on behalf of each endorsing county from the sales and use tax imposed by the county under Section 323.101(a), Tax Code, and the mixed beverage tax revenue to be received by the endorsing county under Section 183.051(b), Tax Code, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the games and related events;(4) the incremental increase in the receipts collected by each endorsing municipality from the hotel occupancy tax imposed under Chapter 351, Tax Code, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the games and related events; and(5) the incremental increase in the receipts collected by each endorsing county from the hotel occupancy tax imposed under Chapter 352, Tax Code, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the games and related events.(c) For the purposes of Subsection (b)(1) of this section, the department [~~comptroller~~] shall designate as a market area for the games each area in which the department [~~comptroller~~] determines there is a reasonable likelihood of measurable economic impact directly attributable to the preparation for and presentation of the games and related events, including areas likely to provide venues, accommodations, and services in connection with the games based on the proposal provided by the local organizing committee under Section 7 of this Act. The department [~~comptroller~~] shall determine the geographic boundaries of each market area. Each endorsing municipality or endorsing county that has been selected as the site for the games must be included in a market area for the games.(d) Subject to Section 6 of this Act, the comptroller, at the direction of the department, shall retain, for the purpose of guaranteeing the joint obligations of the state and an endorsing municipality or endorsing county under a games support contract and this Act, the amount of sales and use tax revenue and mixed beverage tax revenue determined under Subsection (b)(2) or (b)(3) of this section from the amounts otherwise required to be sent to the municipality under Section 183.051(b) or 321.502, Tax Code, or to the county under Section 183.051(b) or 323.502, Tax Code, beginning with the first distribution of that tax revenue that occurs after the date the department [~~comptroller~~] makes the determination of the amount of sales and use tax revenue and mixed beverage tax revenue under Subsection (b)(2) or (b)(3) of this section. The comptroller shall discontinue retaining sales and use tax revenue and mixed beverage tax revenue under this subsection on the earlier of:(1) the end of the third calendar month following the month in which the closing event of the games occurs; or(2) the date the amount of local sales and use tax revenue and mixed beverage tax revenue in the Olympic Games reimbursement [~~trust~~] fund equals 14 percent of the maximum amount of state and local tax revenue that may be transferred to or deposited in the [~~trust~~] fund under Subsection (m) of this section.(f) Subject to Subsection (m) of this section, each endorsing municipality or endorsing county shall remit to the comptroller and the comptroller, at the direction of the department, shall deposit into a trust fund designated as the Olympic Games reimbursement [~~trust~~] fund, on a quarterly basis, the amount of the municipality's or county's hotel occupancy tax revenue determined by the department under Subsection (b)(4) or (b)(5) of this section, as applicable. Subject to Section 6 of this Act and Subsection (m) of this section, the comptroller, at the direction of the department, shall deposit into the [~~trust~~] fund the amount of sales and use tax revenue and mixed beverage tax revenue retained under Subsection (d) of this section for the same calendar quarter and, at the same time, shall transfer to the fund the state tax revenue determined by the department under Subsection (b)(1) of this section for the quarter. The Olympic Games reimbursement [~~trust~~] fund is established outside the treasury but is held in trust by the comptroller for the administration of this Act. Money in the [~~trust~~] fund may be spent by the department without appropriation only as provided by this Act. The comptroller shall discontinue transfer [~~deposit~~] of the amount of state tax revenue determined by the department under Subsection (b)(1) of this section on the earlier of:(1) the end of the third calendar month following the month in which the closing event of the games occurs; or(2) the date the amount of state revenue in the Olympic Games reimbursement [~~trust~~] fund equals 86 percent of the maximum amount of state, municipal, and county tax revenue that may be transferred to or deposited in the [~~trust~~] fund under Subsection (m) of this section.(g) The department may use the money [~~funds~~] in the Olympic Games reimbursement [~~trust~~] fund only to fulfill joint obligations of the state and each endorsing municipality or endorsing county to a site selection organization under a games support contract or any other agreement providing assurances from the department or the municipality or county to a site selection organization.(h) A local organizing committee shall provide information required by the department [~~comptroller~~] to enable the department [~~comptroller~~] to fulfill the department's [~~comptroller's~~] duties under this Act, including annual audited statements of the local organizing committee's financial records required by a site selection organization and data obtained by the local organizing committee relating to attendance at the games and to the economic impact of the games. A local organizing committee must provide an annual audited financial statement required by the department [~~comptroller~~] not later than the end of the fourth month after the date the period covered by the financial statement ends.(i) The department [~~comptroller~~] shall provide an estimate before August 31 of the year that is 12 years before the year in which the games would be held in this state, or as soon as practical after that date, of the total amount of state, municipal, and county tax revenue that would be transferred to or deposited in the Olympic Games reimbursement [~~trust~~] fund if the games were to be held in this state at a site selected pursuant to an application by a local organizing committee. The department [~~comptroller~~] shall provide the estimate on request to a local organizing committee. A local organizing committee may submit the department's [~~comptroller's~~] estimate to a site selection organization.(j) The department may not make a disbursement from the Olympic Games reimbursement [~~trust~~] fund unless the department [~~comptroller~~] certifies that the disbursement is for a purpose for which the state and each endorsing municipality or endorsing county are jointly obligated under a games support contract or other agreement described by Subsection (g) of this section. A disbursement may not be made from the [~~trust~~] fund that the department determines would be used for the purpose of soliciting the relocation of a professional sports franchise located in this state.(k) If the department [~~comptroller~~] certifies under Subsection (j) of this section that a disbursement may be made from the Olympic Games reimbursement [~~trust~~] fund, the obligation shall be satisfied proportionately from the state and municipal or county revenue in the [~~trust~~] fund.(l) Two years after the closing event of the games, the department [~~comptroller~~] shall transfer to the general revenue fund any money remaining in the Olympic Games reimbursement [~~trust~~] fund, not to exceed the amount of state revenue remaining in the [~~trust~~] fund, plus any interest earned on that state revenue. The department [~~comptroller~~] shall remit to each endorsing entity in proportion to the amount contributed by the entity any money remaining in the [~~trust~~] fund after the required amount is transferred to the general revenue fund.(m) In no event may:(1) the total amount of state, municipal, and county tax revenue transferred to or deposited in the Olympic Games reimbursement [~~trust~~] fund exceed $100 million; or(2) the joint liability of the state and an endorsing municipality or county under a joinder agreement and any other games support contracts entered into pursuant to this Act exceed the lesser of:(A) $100 million; or(B) the total amount of revenue transferred to or deposited in the Olympic Games reimbursement [~~trust~~] fund and interest earned on the fund. |  |
| No equivalent provision.***(But see SECTION 6.01 above.)*** | SECTION 2.06. The heading to Section 5A, Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), is amended to read as follows:Sec. 5A. PAYMENT OF STATE AND MUNICIPAL OR COUNTY OBLIGATIONS; MAJOR EVENTS REIMBURSEMENT [~~TRUST~~] FUND. |  |
| No equivalent provision. | SECTION 2.07. Sections 5A(a)(1) and (2), Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), are amended to read as follows:(1) "Endorsing county" means:(A) a county that contains a site selected by a site selection organization for one or more events; or(B) a county that:(i) does not contain a site selected by a site selection organization for an event;(ii) is included in the market area for the event as designated by the department [~~comptroller~~]; and(iii) is a party to an event support contract.(2) "Endorsing municipality" means:(A) a municipality that contains a site selected by a site selection organization for one or more events; or(B) a municipality that:(i) does not contain a site selected by a site selection organization for an event;(ii) is included in the market area for the event as designated by the department [~~comptroller~~]; and(iii) is a party to an event support contract. |  |
| No equivalent provision.***(But see SECTION 6.02 above.)*** | SECTION 2.08. Sections 5A(a-1), (a-2), (b), (b-1), (c), (d), (d-1), (e), (f), (g), (i), (j), (k), (l), (m), (p), (v), (w), and (y), Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), are amended to read as follows:(a-1) An event not listed in Subsection (a)(4) of this section is ineligible for funding under this section. A listed event may receive funding under this section only if:(1) a site selection organization selects a site located in this state for the event to be held one time or, for an event scheduled to be held each year for a period of years under an event contract, or an event support contract, one time each year for the period of years, after considering, through a highly competitive selection process, one or more sites that are not located in this state;(2) a site selection organization selects a site in this state as:(A) the sole site for the event; or(B) the sole site for the event in a region composed of this state and one or more adjoining states;(3) the event is held not more than one time in any year; and(4) the amount of the incremental increase in tax receipts determined by the department [~~comptroller~~] under Subsection (b) of this section equals or exceeds $1 million, provided that for an event scheduled to be held each year for a period of years under an event contract or event support contract, the incremental increase in tax receipts shall be calculated as if the event did not occur in the prior year.(a-2) Subsection (a-1)(1) of this section does not apply to an event that is the largest event held each year at a sports entertainment venue in this state with a permanent seating capacity, including grandstand and premium seating, of not less than 125,000. If an endorsing municipality or endorsing county requests the department [~~comptroller~~] to make a determination under Subsection (b) of this section for an event described by this subsection, the provisions of this section apply to that event as if it satisfied the eligibility requirements for an event under Subsection (a-1)(1) of this section.(b) If a site selection organization selects a site for an event in this state pursuant to an application by a local organizing committee, endorsing municipality, or endorsing county, upon request of a local organizing committee, endorsing municipality, or endorsing county, the department [~~comptroller~~] shall determine for a one-year period that begins two months before the date on which the event will begin, in accordance with procedures developed by the department [~~comptroller~~]:(1) the incremental increase in the receipts to the state from taxes imposed under Chapters 151, 152, 156, and 183, Tax Code, and under Title 5, Alcoholic Beverage Code, within the market areas designated under Subsection (c) of this section, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the event and related activities;(2) the incremental increase in the receipts collected by the state on behalf of each endorsing municipality in the market area from the sales and use tax imposed by each endorsing municipality under Section 321.101(a), Tax Code, and the mixed beverage tax revenue to be received by each endorsing municipality under Section 183.051(b), Tax Code, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the event and related activities;(3) the incremental increase in the receipts collected by the state on behalf of each endorsing county in the market area from the sales and use tax imposed by each endorsing county under Section 323.101(a), Tax Code, and the mixed beverage tax revenue to be received by each endorsing county under Section 183.051(b), Tax Code, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the event and related activities;(4) the incremental increase in the receipts collected by each endorsing municipality in the market area from the hotel occupancy tax imposed under Chapter 351, Tax Code, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the event and related activities; and(5) the incremental increase in the receipts collected by each endorsing county in the market area from the hotel occupancy tax imposed under Chapter 352, Tax Code, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the event and related activities.(b-1) A request for a determination of the amount of incremental increase in tax receipts specified by Subsection (b) of this section must be submitted to the department [~~comptroller~~] not earlier than one year and not later than 45 days before the date the event begins. The department [~~comptroller~~] shall base the determination specified by Subsection (b) of this section on information submitted by the local organizing committee, endorsing municipality, or endorsing county, and must make the determination not later than the 30th day after the date the department [~~comptroller~~] receives the request and related information.(c) For the purposes of Subsection (b)(1) of this section, the department [~~comptroller~~] shall designate as a market area for the event each area in which the department [~~comptroller~~] determines there is a reasonable likelihood of measurable economic impact directly attributable to the preparation for and presentation of the event and related activities, including areas likely to provide venues, accommodations, and services in connection with the event based on the proposal provided by the local organizing committee to the department [~~comptroller~~]. The department [~~comptroller~~] shall determine the geographic boundaries of each market area. An endorsing municipality or endorsing county that has been selected as the site for the event must be included in a market area for the event.(d) Each endorsing municipality or endorsing county shall remit to the comptroller and the comptroller shall deposit into a [~~trust~~] fund created by the comptroller, at the direction of the department, and designated as the Major Events reimbursement [~~trust~~] fund the amount of the municipality's or county's hotel occupancy tax revenue determined by the department under Subsection (b)(4) or (b)(5) of this section, less any amount of the revenue that the municipality or county determines is necessary to meet the obligations of the municipality or county. The comptroller, at the direction of the department, shall retain the amount of sales and use tax revenue and mixed beverage tax revenue determined by the department under Subsection (b)(2) or (b)(3) of this section from the amounts otherwise required to be sent to the municipality under Sections 321.502 and 183.051(b), Tax Code, or to the county under Sections 323.502 and 183.051(b), Tax Code, and deposit into the [~~trust~~] fund the tax revenues, less any amount of the revenue that the municipality or county determines is necessary to meet the obligations of the municipality or county. The comptroller shall begin retaining and depositing the local tax revenues with the first distribution of that tax revenue that occurs after the first day of the one-year period described by Subsection (b) of this section or at a time otherwise determined to be practicable by the department [~~comptroller~~] and shall discontinue retaining the local tax revenues under this subsection when the amount of the applicable tax revenue determined by the department under Subsection (b)(2) or (b)(3) of this section has been retained. The Major Events reimbursement [~~trust~~] fund is established outside the state treasury and is held in trust by the comptroller for administration of this Act. Money in the [~~trust~~] fund may be disbursed by the department [~~comptroller~~] without appropriation only as provided by this section.(d-1) Not later than the 90th day after the last day of an event and in lieu of the local tax revenues remitted [~~to~~] or retained [~~by the comptroller~~] under Subsection (d) of this section, a municipality or county may remit to the department [~~comptroller~~] for deposit in the Major Events reimbursement [~~trust~~] fund other local funds in an amount equal to the total amount of local tax revenue determined by the department under Subsections (b)(2) through (5) of this section. The amount deposited by the department [~~comptroller~~] into the Major Events reimbursement [~~trust~~] fund under this subsection is subject to Subsection (f) of this section.(e) In addition to the tax revenue deposited in the Major Events reimbursement [~~trust~~] fund under Subsection (d) of this section, an endorsing municipality or endorsing county may guarantee its obligations under an event support contract and this section by pledging surcharges from user fees, including parking or ticket fees, charged in connection with the event. An endorsing municipality or endorsing county may collect and remit to the department [~~comptroller~~] surcharges and user fees attributable to the event for deposit into the Major Events reimbursement [~~trust~~] fund.(f) The comptroller, at the direction of the department, shall transfer [~~deposit~~] into the Major Events reimbursement [~~trust~~] fund a portion of the state tax revenue not to exceed the amount determined by the department under Subsection (b)(1) of this section in an amount equal to 6.25 times the amount of the local revenue retained or remitted under this section, including:(1) local sales and use tax revenue;(2) mixed beverage tax revenue;(3) hotel occupancy tax revenue; and(4) surcharge and user fee revenue.(g) To meet its obligations under a game support contract or event support contract to improve, construct, renovate, or acquire facilities or to acquire equipment, an endorsing municipality by ordinance or an endorsing county by order may authorize the issuance of notes. An endorsing municipality or endorsing county may provide that the notes be paid from and secured by amounts on deposit or amounts to be deposited into the Major Events reimbursement [~~trust~~] fund or surcharges from user fees, including parking or ticket fees, charged in connection with the event. Any note issued must mature not later than seven years from its date of issuance.(i) A local organizing committee, endorsing municipality, or endorsing county shall provide information required by the department [~~comptroller~~] to enable the department [~~comptroller~~] to fulfill the department's [~~comptroller's~~] duties under this section, including annual audited statements of any financial records required by a site selection organization and data obtained by the local organizing committee, an endorsing municipality, or an endorsing county relating to attendance at the event, including an estimate of the number of people expected to attend the event who are not residents of this state, and to the economic impact of the event. A local organizing committee, endorsing municipality, or endorsing county must provide an annual audited financial statement required by the department [~~comptroller~~], if any, not later than the end of the fourth month after the date the period covered by the financial statement ends. After the conclusion of an event and on the department's [~~comptroller's~~] request, a local organizing committee, endorsing municipality, or endorsing county must provide information relating to the event, such as attendance figures, including an estimate of the number of attendees at the event who are not residents of this state, financial information, or other public information held by the local organizing committee, endorsing municipality, or endorsing county that the department [~~comptroller~~] considers necessary.(j) Not later than the 30th day after the date a request of a local organizing committee, endorsing municipality, or endorsing county is submitted to the department [~~comptroller~~] under Subsection (b-1) of this section, the department [~~comptroller~~] shall provide an estimate of the total amount of tax revenue that would be deposited in the Major Events reimbursement [~~trust~~] fund under this section in connection with that event, if the event were to be held in this state at a site selected pursuant to an application by a local organizing committee, endorsing municipality, or endorsing county. A local organizing committee, endorsing municipality, or endorsing county may submit the department's [~~comptroller's~~] estimate to a site selection organization.(k) The department [~~comptroller~~] may make a disbursement from the Major Events reimbursement [~~trust~~] fund on the prior approval of each contributing endorsing municipality or endorsing county for a purpose for which a local organizing committee, an endorsing municipality, or an endorsing county or the state is obligated under a game support contract or event support contract. If an obligation is incurred under a games support contract or event support contract to make a structural improvement to the site or to add a fixture to the site for purposes of an event and that improvement or fixture is expected to derive most of its value in subsequent uses of the site for future events, a disbursement from the [~~trust~~] fund made for purposes of that obligation is limited to five percent of the cost of the improvement or fixture and the remainder of the obligation is not eligible for a disbursement from the [~~trust~~] fund, unless the improvement or fixture is for a publicly owned facility. In considering whether to make a disbursement from the [~~trust~~] fund, the department [~~comptroller~~] may not consider a contingency clause in an event support contract as relieving a local organizing committee's, endorsing municipality's, or endorsing county's obligation to pay a cost under the contract. A disbursement may not be made from the [~~trust~~] fund that the department [~~comptroller~~] determines would be used for the purpose of soliciting the relocation of a professional sports franchise located in this state.(l) If a disbursement is made from the Major Events reimbursement [~~trust~~] fund under Subsection (k) of this section, the obligation shall be satisfied proportionately from the state and local revenue in the [~~trust~~] fund.(m) On payment of all state, municipal, or county obligations under a game support contract or event support contract related to the location of any particular event in the state, the department [~~comptroller~~] shall remit to each endorsing entity, in proportion to the amount contributed by the entity, any money remaining in the [~~trust~~] fund.(p) The department [~~comptroller~~] may not undertake any of the responsibilities or duties set forth in this section unless:(1) a request is submitted by the municipality or the county in which the event will be located;(2) the event meets all the requirements for funding under this section, including Subsection (a-1) of this section; and(3) the request is accompanied by documentation from a site selection organization selecting the site for the event.(v) The department [~~comptroller~~] may adopt rules necessary to implement this section.(w) Not later than 10 months after the last day of an event eligible for disbursements from the Major Events reimbursement [~~trust~~] fund for costs associated with the event, the department [~~comptroller~~] using existing resources shall complete a study in the market area of the event on the measurable economic impact directly attributable to the preparation for and presentation of the event and related activities. The department [~~comptroller~~] shall post on the department's [~~comptroller's~~] Internet website:(1) the results of the study conducted under this subsection, including any source documentation or other information relied on by the department [~~comptroller~~] for the study;(2) the amount of incremental increase in tax receipts for the event determined by the department under Subsection (b) of this section;(3) the site selection organization documentation described in Subsection (p)(3) of this section;(4) any source documentation or information described under Subsection (i) of this section that was relied on by the department [~~comptroller~~] in making the determination of the amount of incremental increase in tax receipts under Subsection (b) of this section; and(5) documentation verifying that:(A) a request submitted by a local organizing committee, endorsing municipality, or endorsing county under Subsection (p) of this section is complete and certified as such by the department [~~comptroller~~];(B) the determination on the amount of incremental increases in tax receipts under Subsection (b) of this section considered the information submitted by a local organizing committee, endorsing municipality, or endorsing county as required under Subsection (b-1) of this section; and(C) each deadline established under this section was timely met.(y) After the conclusion of an event, the department [~~comptroller~~] shall compare information on the actual attendance figures provided to the department [~~comptroller~~] under Subsection (i) of this section with the estimated attendance numbers used to determine the incremental increase in tax receipts under Subsection (b) of this section. If the actual attendance figures are significantly lower than the estimated attendance numbers, the department [~~comptroller~~] may reduce the amount of a disbursement for an endorsing entity under the Major Events reimbursement [~~trust~~] fund in proportion to the discrepancy between the actual and estimated attendance and in proportion to the amount contributed to the fund by the entity. The department [~~comptroller~~] by rule shall define "significantly lower" for purposes of this subsection and provide the manner in which a disbursement may be proportionately reduced. This subsection does not affect the remittance of any money remaining in the fund in accordance with Subsection (m) of this section. |  |
| No equivalent provision. | SECTION 2.09. The heading to Section 5B, Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), is amended to read as follows:Sec. 5B. GUARANTEE OF STATE AND MUNICIPAL OR COUNTY OBLIGATIONS; MOTOR SPORTS RACING REIMBURSEMENT [~~TRUST~~] FUND. |  |
| No equivalent provision. | SECTION 2.10. Sections 5B(b), (c), (d), (e), (f), (g), (h), (i), (j), (k), (l), (m), and (o), Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), are amended to read as follows:(b) If a site selection organization selects a site for a motor sports racing event in this state pursuant to an application by a local organizing committee, endorsing municipality, or endorsing county, not later than three months before the date of the motor sports racing event, the department [~~comptroller~~] shall determine for the 30-day period that ends at the end of the day after the date on which the racing event will be held, in accordance with procedures developed by the department [~~comptroller~~]:(1) the incremental increase in the receipts to the state from taxes imposed under Chapters 151, 152, 156, and 183, Tax Code, and under Title 5, Alcoholic Beverage Code, within the market areas designated under Subsection (c) of this section, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the racing event;(2) the incremental increase in the receipts collected by the state on behalf of each endorsing municipality in the market area from the sales and use tax imposed by each endorsing municipality under Section 321.101(a), Tax Code, and the mixed beverage tax revenue to be received by each endorsing municipality under Section 183.051(b), Tax Code, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the racing event;(3) the incremental increase in the receipts collected by the state on behalf of each endorsing county in the market area from the sales and use tax imposed by each endorsing county under Section 323.101(a), Tax Code, and the mixed beverage tax revenue to be received by each endorsing county under Section 183.051(b), Tax Code, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the racing event;(4) the incremental increase in the receipts collected by each endorsing municipality in the market area from the hotel occupancy tax imposed under Chapter 351, Tax Code, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the racing event; and(5) the incremental increase in the receipts collected by each endorsing county in the market area from the hotel occupancy tax imposed under Chapter 352, Tax Code, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the racing event.(c) For the purposes of Subsection (b)(1) of this section, the department [~~comptroller~~] shall designate as a market area for the motor sports racing event each area in which the department [~~comptroller~~] determines there is a reasonable likelihood of measurable economic impact directly attributable to the preparation for and presentation of the racing event, including areas likely to provide venues, accommodations, and services in connection with the racing event based on a proposal or other information provided by an endorsing municipality, endorsing county, or local organizing committee to the department [~~comptroller~~]. The department [~~comptroller~~] shall determine the geographic boundaries of each market area. An endorsing municipality or endorsing county that has been selected as the site for the racing event must be included in a market area for the racing event.(d) Each endorsing municipality or endorsing county shall remit to the comptroller and the comptroller shall deposit into a [~~trust~~] fund created by the comptroller, at the direction of the department, and designated as the Motor Sports Racing reimbursement [~~trust~~] fund for the particular event the amount of the municipality's or county's hotel occupancy tax revenue determined by the department under Subsection (b)(4) or (5) of this section, less any amount of the revenue that the municipality or county determines is necessary to meet the obligations of the municipality or county. The comptroller, at the direction of the department, shall retain the amount of sales and use tax revenue and mixed beverage tax revenue determined by the department under Subsection (b)(2) or (3) of this section from the amounts otherwise required to be sent to the municipality under Sections 321.502 and 183.051(b), Tax Code, or to the county under Sections 323.502 and 183.051(b), Tax Code, and deposit into the [~~trust~~] fund the tax revenues, less any amount of the revenue that the municipality or county determines is necessary to meet the obligations of the municipality or county. The comptroller shall begin retaining and depositing the local tax revenues with the first distribution of that tax revenue that occurs after the first day of the 30-day period described by Subsection (b) of this section and shall discontinue retaining the local tax revenues under this subsection when the amount of the applicable tax revenue determined under Subsection (b)(2) or (3) of this section has been retained. The Motor Sports Racing reimbursement [~~trust~~] fund is established outside the state treasury and is held in trust by the comptroller for administration of this section. Money in the [~~trust~~] fund may be disbursed by the department [~~comptroller~~] without appropriation only as provided by this section.(e) In addition to the tax revenue deposited in the Motor Sports Racing reimbursement [~~trust~~] fund under Subsection (d) of this section, an endorsing municipality or endorsing county may guarantee its obligations under a motor sports racing event support contract and this section by pledging surcharges from user fees, including parking or ticket fees, charged in connection with the racing event.(f) The comptroller, at the direction of the department, shall transfer [~~deposit~~] a portion of the state tax revenue determined by the department under Subsection (b)(1) of this section in an amount equal to 6.25 times the amount of the local sales and use tax revenue and mixed beverage tax revenue retained and the hotel occupancy tax revenue remitted by an endorsing municipality or endorsing county under Subsection (d) of this section.(g) To meet its obligations under a motor sports racing event support contract or event support contract to improve, renovate, or acquire facilities or to acquire equipment, an endorsing municipality by ordinance or an endorsing county by order may authorize the issuance of notes. An endorsing municipality or endorsing county may provide that the notes be paid from and secured by amounts on deposit or amounts to be transferred or deposited into the Motor Sports Racing reimbursement [~~trust~~] fund or surcharges from user fees, including parking or ticket fees, charged in connection with the racing event. Any note issued must mature not later than seven years from its date of issuance.(h) The money [~~funds~~] in the Motor Sports Racing reimbursement [~~trust~~] fund may be used to pay the principal of and interest on notes issued by an endorsing municipality or endorsing county under Subsection (g) of this section and to fulfill obligations of the state or an endorsing municipality or endorsing county to a site selection organization under a motor sports racing event support contract or event support contract, which obligations may include the payment of costs relating to the preparations necessary or desirable for the conduct of the racing event and the payment of costs of conducting the racing event, including temporary improvements or temporary renovations to existing facilities or other facilities specific to the event.(i) A local organizing committee, endorsing municipality, or endorsing county shall provide information required by the department [~~comptroller~~] to enable the department [~~comptroller~~] to fulfill the department's [~~comptroller's~~] duties under this section, including annual audited statements of any financial records required by a site selection organization and data obtained by the local organizing committee, an endorsing municipality, or an endorsing county relating to attendance at the motor sports racing event and to the economic impact of the racing event. A local organizing committee, endorsing municipality, or endorsing county must provide an annual audited financial statement required by the department [~~comptroller~~], if any, not later than the end of the fourth month after the date the period covered by the financial statement ends.(j) The department [~~comptroller~~] shall provide an estimate not later than three months before the date of a motor sports racing event of the total amount of tax revenue that would be transferred to or deposited in the Motor Sports Racing reimbursement [~~trust~~] fund under this section in connection with that racing event, if the racing event were to be held in this state at a site selected pursuant to an application by a local organizing committee, endorsing municipality, or endorsing county. The department [~~comptroller~~] shall provide the estimate on request to a local organizing committee, endorsing municipality, or endorsing county. A local organizing committee, endorsing municipality, or endorsing county may submit the department's [~~comptroller's~~] estimate to a site selection organization.(k) The department [~~comptroller~~] may make a disbursement from the Motor Sports Racing reimbursement [~~trust~~] fund on the prior approval of each contributing endorsing municipality or endorsing county for a purpose for which an endorsing municipality or endorsing county or the state is obligated under a motor sports racing event support contract or event support contract. A disbursement may not be made from the [~~trust~~] fund that the department [~~comptroller~~] determines would be used for the purpose of soliciting the relocation of a professional sports franchise located in this state.(l) If a disbursement is made from the Motor Sports Racing reimbursement [~~trust~~] fund under Subsection (k) of this section, the obligation shall be satisfied proportionately from the state and local revenue in the [~~trust~~] fund.(m) On payment of all state, municipal, or county obligations under a motor sports racing support contract or event support contract related to the location of any particular racing event in the state, the department [~~comptroller~~] shall remit to each endorsing entity, in proportion to the amount contributed by the entity, any money remaining in the [~~trust~~] fund.(o) The department [~~comptroller~~] may not undertake any of the responsibilities or duties set forth in this section unless a request is submitted by the municipality and the county in which the motor sports racing event will be held. The request must be accompanied by documentation from a site selection organization selecting the site for the racing event. |  |
| No equivalent provision. | SECTION 2.11. The heading to Section 5C, Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), is amended to read as follows:Sec. 5C. EVENTS REIMBURSEMENT [~~TRUST~~] FUND FOR CERTAIN MUNICIPALITIES AND COUNTIES. |  |
| No equivalent provision. | SECTION 2.12. Sections 5C(b), (b-1), (c), (c-1), (d), (d-1), (e), (f), (g), (h), (i), (j), (k), (k-1), (k-2), (l), (m), (o), (p), (q), (r), and (t), Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), are amended to read as follows:(b) If a site selection organization selects a site for an event in this state pursuant to an application by a local organizing committee, endorsing municipality, or endorsing county, not later than three months before the date of the event, the department [~~comptroller~~] shall determine for the 30-day period that ends at the end of the day after the date on which the event will be held or, if the event occurs on more than one day, after the last date on which the event will be held, in accordance with procedures developed by the department [~~comptroller~~]:(1) the incremental increase in the receipts to this state from taxes imposed under Chapters 151, 152, 156, and 183, Tax Code, and under Title 5, Alcoholic Beverage Code, within the market areas designated under Subsection (c) of this section, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the event and related activities;(2) the incremental increase in the receipts collected by this state on behalf of each endorsing municipality in the market area from the sales and use tax imposed by each endorsing municipality under Section 321.101(a), Tax Code, and the mixed beverage tax revenue to be received by each endorsing municipality under Section 183.051(b), Tax Code, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the event and related activities;(3) the incremental increase in the receipts collected by this state on behalf of each endorsing county in the market area from the sales and use tax imposed by each endorsing county under Section 323.101(a), Tax Code, and the mixed beverage tax revenue to be received by each endorsing county under Section 183.051(b), Tax Code, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the event and related activities;(4) the incremental increase in the receipts collected by each endorsing municipality in the market area from the hotel occupancy tax imposed under Chapter 351, Tax Code, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the event and related activities; and(5) the incremental increase in the receipts collected by each endorsing county in the market area from the hotel occupancy tax imposed under Chapter 352, Tax Code, that is directly attributable, as determined by the department [~~comptroller~~], to the preparation for and presentation of the event and related activities.(b-1) The number of requests for funding under this section that may be submitted by an endorsing county or endorsing municipality during any 12-month period for an event for which the department [~~comptroller~~] determines that the total amount of the incremental increase in tax receipts under Subsection (b) of this section is less than $200,000 is limited to, during any 12-month period, not more than 10 events, only three of which may be nonsporting events.(c) For the purposes of Subsection (b)(1) of this section, the department [~~comptroller~~] shall designate as a market area for the event each area in which the department [~~comptroller~~] determines there is a reasonable likelihood of measurable economic impact directly attributable to the preparation for and presentation of the event and related activities, including areas likely to provide venues, accommodations, and services in connection with the event based on the proposal provided by the local organizing committee to the department [~~comptroller~~]. The department [~~comptroller~~] shall determine the geographic boundaries of each market area. An endorsing municipality or endorsing county that has been selected as the site for the event must be included in a market area for the event.(c-1) The department [~~comptroller~~] shall base the determination specified by Subsection (b) of this section on information submitted by the local organizing committee, endorsing municipality, or endorsing county, and must make the determination not later than the 30th day after the date the department [~~comptroller~~] receives the information.(d) Each endorsing municipality or endorsing county shall remit to the comptroller and the comptroller shall deposit into a [~~trust~~] fund created by the comptroller, at the direction of the department, and designated as the Events reimbursement [~~trust~~] fund the amount of the municipality's or county's hotel occupancy tax revenue determined by the department under Subsection (b)(4) or (5) of this section, less any amount of the revenue that the municipality or county determines is necessary to meet the obligations of the municipality or county. The comptroller, at the direction of the department, shall retain the amount of sales and use tax revenue and mixed beverage tax revenue determined by the department under Subsection (b)(2) or (3) of this section from the amounts otherwise required to be sent to the municipality under Sections 321.502 and 183.051(b), Tax Code, or to the county under Sections 323.502 and 183.051(b), Tax Code, and deposit into the [~~trust~~] fund the tax revenues, less any amount of the revenue that the municipality or county determines is necessary to meet the obligations of the municipality or county. The comptroller shall begin retaining and depositing the local tax revenues with the first distribution of that tax revenue that occurs after the first day of the period described by Subsection (b) of this section or at a time otherwise determined to be practicable by the department [~~comptroller~~] and shall discontinue retaining the local tax revenues under this subsection when the amount of the applicable tax revenue determined by the department under Subsection (b)(2) or (3) of this section has been retained. The Events reimbursement [~~trust~~] fund is established outside the state treasury and is held in trust by the comptroller for administration of this section. Money in the [~~trust~~] fund may be disbursed by the department [~~comptroller~~] without appropriation only as provided by this section.(d-1) Not later than the 90th day after the last day of an event and in lieu of the local tax revenues remitted [~~to~~] or retained [~~by the comptroller~~] under Subsection (d) of this section, a municipality or county may remit to the department [~~comptroller~~] for deposit in the Events reimbursement [~~trust~~] fund other local funds in an amount equal to the total amount of local tax revenue determined by the department under Subsections (b)(2) through (5) of this section. The amount deposited by the department [~~comptroller~~] into the Events reimbursement [~~trust~~] fund under this subsection is subject to Subsection (f) of this section.(e) In addition to the tax revenue deposited in the Events reimbursement [~~trust~~] fund under Subsection (d) of this section, an endorsing municipality or endorsing county may guarantee its obligations under an event support contract and this section by pledging surcharges from user fees, including parking or ticket fees, charged in connection with the event. An endorsing municipality or endorsing county may collect and remit to the department [~~comptroller~~] surcharges and user fees attributable to the event for deposit into the Events reimbursement [~~trust~~] fund.(f) The comptroller, at the direction of the department, shall transfer [~~deposit~~] into the Events reimbursement [~~trust~~] fund a portion of the state tax revenue not to exceed the amount determined by the department under Subsection (b)(1) of this section in an amount equal to 6.25 times the amount of the local tax revenue retained or remitted under this section, including:(1) local sales and use tax revenue;(2) mixed beverage tax revenue;(3) hotel occupancy tax revenue; and(4) surcharge and user fee revenue.(g) To meet its obligations under an event support contract to improve, construct, renovate, or acquire facilities or to acquire equipment, an endorsing municipality by ordinance or an endorsing county by order may authorize the issuance of notes. An endorsing municipality or endorsing county may provide that the notes be paid from and secured by amounts on deposit or amounts to be transferred or deposited into the Events reimbursement [~~trust~~] fund or surcharges from user fees, including parking or ticket fees, charged in connection with the event. Any note issued must mature not later than seven years from its date of issuance.(h) The money in the Events reimbursement [~~trust~~] fund may be used to pay the principal of and interest on notes issued by an endorsing municipality or endorsing county under Subsection (g) of this section and to fulfill obligations of this state or an endorsing municipality or endorsing county to a site selection organization under an event support contract. Subject to Subsection (k) of this section, the obligations may include the payment of costs relating to the preparations necessary for the conduct of the event and the payment of costs of conducting the event, including improvements or renovations to existing facilities or other facilities and costs of acquisition or construction of new facilities or other facilities.(i) A local organizing committee, endorsing municipality, or endorsing county shall provide information required by the department [~~comptroller~~] to enable the department [~~comptroller~~] to fulfill the department's [~~comptroller's~~] duties under this section, including annual audited statements of any financial records required by a site selection organization and data obtained by the local organizing committee, an endorsing municipality, or an endorsing county relating to attendance at the event, including an estimate of the number of people expected to attend the event who are not residents of this state, and to the economic impact of the event. A local organizing committee, endorsing municipality, or endorsing county must provide an annual audited financial statement required by the department [~~comptroller~~], if any, not later than the end of the fourth month after the date the period covered by the financial statement ends. After the conclusion of an event and on the department's [~~comptroller's~~] request, a local organizing committee, endorsing municipality, or endorsing county must provide information relating to the event, such as attendance figures, including an estimate of the number of people who are not residents of this state who attended the event, financial information, or other public information held by the local organizing committee, endorsing municipality, or endorsing county that the department [~~comptroller~~] considers necessary.(j) The department [~~comptroller~~] shall provide an estimate not later than three months before the date of an event of the total amount of tax revenue that would be transferred into or deposited in the Events reimbursement [~~trust~~] fund under this section in connection with that event, if the event were to be held in this state at a site selected pursuant to an application by a local organizing committee, endorsing municipality, or endorsing county. The department [~~comptroller~~] shall provide the estimate on request to a local organizing committee, endorsing municipality, or endorsing county. A local organizing committee, endorsing municipality, or endorsing county may submit the department's [~~comptroller's~~] estimate to a site selection organization.(k) The department [~~comptroller~~] may make a disbursement from the Events reimbursement [~~trust~~] fund on the prior approval of each contributing endorsing municipality or endorsing county for a purpose for which a local organizing committee, an endorsing municipality, or an endorsing county or this state is obligated under an event support contract, including an obligation to pay costs incurred in the conduct of the event and costs incurred in making preparations necessary for the event. If an obligation is incurred under an event support contract to make a structural improvement to the site or to add a fixture to the site for purposes of an event and that improvement or fixture is expected to derive most of its value in subsequent uses of the site for future events, a disbursement from the [~~trust~~] fund made for purposes of that obligation is limited to five percent of the cost of the improvement or fixture and the remainder of the obligation is not eligible for a disbursement from the [~~trust~~] fund, unless the improvement or fixture is for a publicly owned facility. In considering whether to make a disbursement from the [~~trust~~] fund, the department [~~comptroller~~] may not consider a contingency clause in an event support contract as relieving a local organizing committee's, endorsing municipality's, or endorsing county's obligation to pay a cost under the contract.(k-1) A disbursement may not be made from the trust fund that the department [~~comptroller~~] determines would be used for the purpose of:(1) soliciting the relocation of a professional sports franchise located in this state;(2) constructing an arena, stadium, or convention center; or(3) conducting usual and customary maintenance of a facility.(k-2) Subsection (k-1) of this section does not prohibit:(1) a disbursement from the [~~trust~~] fund for the construction of temporary structures within an arena, stadium, or convention, if those temporary structures are necessary for the conduct of the event; or(2) temporary maintenance of a facility that is necessary for the preparation for or conduct of the event.(l) If a disbursement is made from the Events reimbursement [~~trust~~] fund under Subsection (k) of this section, the obligation shall be satisfied proportionately from the state and local revenue in the [~~trust~~] fund.(m) On payment of all state, municipal, or county obligations under an event support contract related to the location of any particular event in this state, the department [~~comptroller~~] shall remit to each endorsing entity, in proportion to the amount contributed by the entity, any money remaining in the Events reimbursement [~~trust~~] fund.(o) The department [~~comptroller~~] may not undertake any of the responsibilities or duties set forth in this section unless a request is submitted by the municipality or the county in which the event will be located. The request must be accompanied by documentation from a site selection organization selecting the site for the event.(p) The department [~~comptroller~~] may adopt rules necessary to implement this section.(q) In determining the amount of state revenue available under Subsection (b)(1) of this section, the department [~~comptroller~~] may consider whether:(1) the event has been held in this state on previous occasions; and(2) changes to the character of the event could affect the incremental increase in receipts collected and remitted to the state by an endorsing county or endorsing municipality under that subsection.(r) The department [~~comptroller~~] may adopt a model event support contract and make the contract available on the department's [~~comptroller's~~] Internet website. The adoption by the department [~~comptroller~~] of a model event support contract under this subsection does not require use of the model event support contract for purposes of this section.(t) After the conclusion of an event, the department [~~comptroller~~] shall compare information on the actual attendance figures provided to the department [~~comptroller~~] under Subsection (i) of this section with the estimated attendance numbers used to determine the incremental increase in tax receipts under Subsection (b) of this section. If the actual attendance figures are significantly lower than the estimated attendance numbers, the department [~~comptroller~~] may reduce the amount of a disbursement for an endorsing entity under the Events reimbursement [~~trust~~] fund in proportion to the discrepancy between the actual and estimated attendance and in proportion to the amount contributed to the fund by the entity. The department [~~comptroller~~] by rule shall define "significantly lower" for purposes of this subsection and provide the manner in which a disbursement may be proportionately reduced. This subsection does not affect the remittance of any money remaining in the fund in accordance with Subsection (m) of this section. |  |
| No equivalent provision. | SECTION 2.13. Sections 6(a) and (b), Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), are amended to read as follows:(a) Except as provided by Subsections (b) and (d) of this section, an endorsing municipality or endorsing county must hold an election in the municipality or county to determine whether the municipality or county may contribute a portion of its sales and use taxes to the Olympic Games reimbursement [~~trust~~] fund under Section 5 of this Act. The election must be held on a uniform election date before the date a site selection organization requires the endorsing municipality or endorsing county and the state to enter into a joinder undertaking relating to the applicable games.(b) If an endorsing municipality or endorsing county is required to hold an election under this section and the contribution of a portion of the municipality's or county's sales and use taxes to the Olympic Games reimbursement [~~trust~~] fund under Section 5 of this Act is not approved by a majority of the voters voting in the election:(1) the comptroller may not establish the Olympic Games reimbursement [~~trust~~] fund under Section 5 of this Act, may not retain the municipality's or county's tax revenue under Section 5(d) of this Act from amounts otherwise required to be sent to that municipality or county, and may not transfer [~~deposit~~] any state tax revenue into the trust fund;(2) the department [~~comptroller~~] is not required to determine the incremental increase in state, county, or municipal tax revenue under Section 5(b) of this Act; and(3) the department may not enter into a games support contract relating to the games for which the municipality or county has authorized a bid on its behalf. |  |
| No equivalent provision. | SECTION 2.14. Section 7(f), Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), is amended to read as follows:(f) The department may agree to execute a joinder undertaking, a joinder agreement, or other games support contract only if:(1) the department determines that:(A) the state's assurances and obligations under the undertaking, agreement, or contract are reasonable; and(B) any financial commitments of the state will be satisfied exclusively by recourse to the Pan American Games reimbursement [~~trust~~] fund or the Olympic Games reimbursement [~~trust~~] fund, as applicable; and(2) the endorsing municipality or endorsing county has executed an agreement with a site selection organization that contains substantially similar terms. |  |
| No equivalent provision. | SECTION 2.15. The following laws are repealed:(1) Section 5C(s), Chapter 1507 (S.B. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes); and(2) Chapter 398, Local Government Code. |  |
| No equivalent provision. | SECTION 2.16. As soon as is practicable after the effective date of this Act, but not later than September 10, 2015, the office of the governor and the comptroller of public accounts shall develop and adopt a memorandum of understanding that:(1) identifies in detail the applicable powers and duties of the comptroller that are being transferred to the office of the governor as a result of this Act; and(2) establishes a plan for the identification and transfer of records, property, and unspent appropriations of the comptroller that are used for purposes of managing the funds transferred to the office of the governor. |  |
| No equivalent provision. | SECTION 2.17. (a) Not later than September 10, 2015:(1) the administration of the Pan American Games reimbursement fund, Olympic Games reimbursement fund, Major Events reimbursement fund, Motor Sports Racing reimbursement fund, and Events reimbursement fund for sporting and non-sporting events shall be transferred from the comptroller of public accounts to the Texas Economic Development and Tourism Office;(2) all rules, forms, policies, procedures, or decisions of the comptroller that are related to the Pan American Games reimbursement fund, Olympic Games reimbursement fund, Major Events reimbursement fund, Motor Sports Racing reimbursement fund, and Events reimbursement fund for sporting and non-sporting events are continued in effect as rules, forms, policies, procedures, or decisions of the economic development and tourism division, office of the governor, until superseded by a rule or other appropriate act of the Texas Economic Development and Tourism Office; and(3) a reference in law or administrative rule to the comptroller relating to the decisions for and administration of the Pan American Games reimbursement fund, Olympic Games reimbursement fund, Major Events reimbursement fund, Motor Sports Racing reimbursement fund, and Events reimbursement fund for sporting and non-sporting events, other than a duty typically performed by the comptroller related to a state fund, means the Texas Economic Development and Tourism Office.(b) Before the transfer of the administration of the Pan American Games reimbursement fund, Olympic Games reimbursement fund, Major Events reimbursement fund, Motor Sports Racing reimbursement fund, and Events reimbursement fund for sporting and non-sporting events, the comptroller and the Texas Economic Development and Tourism Office shall coordinate the transfer of powers and duties, including records and other items, in accordance with the memorandum of understanding adopted under Section 16 of this Act, to ensure a smooth transition. |  |
| No equivalent provision. | SECTION 2.18. Notwithstanding the repeal by this Act of Chapter 398, Local Government Code, a special event plan approved under former Chapter 398 of that code before September 1, 2015, is governed by the law as it existed immediately before the effective date of this Act, and that law is continued in effect for that purpose. |  |
| ARTICLE 7. EFFECTIVE DATE | ARTICLE 3. Same as House version. |  |
| SECTION 7.01. Except as otherwise provided by this Act, this Act takes effect September 1, 2015. | SECTION 3.01. This Act takes effect September 1, 2015. |  |