

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION**

**May 3, 2019**

**TO:** Honorable John Cyrier, Chair, House Committee on Culture, Recreation & Tourism

**FROM:** John McGeady, Assistant Director    Sarah Keyton, Assistant Director  
Legislative Budget Board

**IN RE:** **SB1270** by Watson (Relating to the eligibility of certain events to receive funding through the Major Events Reimbursement Program.), **Committee Report 2nd House, Substituted**

**Estimated Two-year Net Impact to General Revenue Related Funds** for SB1270, Committee Report 2nd House, Substituted: a negative impact of (\$21,913,677) through the biennium ending August 31, 2021.

The fiscal implications of the bill pertaining to expanded eligibility cannot be determined at this time. The fiscal impact would depend on the number and size of events covered under the bill.

**General Revenue-Related Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Net Positive/(Negative) Impact to General Revenue Related Funds</b>
2020	(\$21,913,677)
2021	\$0
2022	\$0
2023	\$0
2024	\$0

**All Funds, Five-Year Impact:**

<b>Fiscal Year</b>	<b>Probable Revenue Gain/(Loss) from General Revenue Fund</b>
	<b>1</b>
2020	(\$21,913,677)
2021	\$0
2022	\$0
2023	\$0
2024	\$0

## **Fiscal Analysis**

The bill would amend Vernon's Texas Civil Statutes relating to the eligibility of a world-renowned exhibition or festival chronicling the life of Nelson Mandela that is recognized by the International World Exhibition & Festival Organization to receive funding through the Major Events Reimbursement Program (MERP). The bill would also amend statute to add the International World Exhibition & Festival Organization to the list of site selection organizations.

The bill would further amend Section 5A and add Subsection (a-5) to allow an event previously determined to be ineligible to receive funding through the MERP to receive funding under certain situations. This change would apply to any event before, on, or after the effective date of this act.

The bill would take effect immediately upon receiving two-thirds majority vote in each house. Otherwise, the bill would take effect September 1, 2019.

## **Methodology**

The bill would expand the number of events eligible to receive funding through the MERP. The specific fiscal impact to the state pertaining to the expanded eligibility is unknown as the size and number of events that would become eligible and held in this state is unknown.

Modifications made to subsections 5A (a-1) and (a-5) would address a limited situation in which an event is determined to be ineligible to receive funds through the MERP due solely to a failure to timely submit a human trafficking plan to the division. According to information provided by the Office of the Governor and the Comptroller of Public Accounts, there is one event, previously determined to be ineligible, that would be eligible to receive funds in the amount of \$ 21,913,677 under the provisions of the bill. The event has already occurred and taxes credited to the event have been deposited to the General Revenue Fund.

## **Local Government Impact**

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

**Source Agencies:** 300 Trusted Programs Within the Office of the Governor, 304 Comptroller of Public Accounts

**LBB Staff:** WP, JSm, HL, EP, AN, SZ, NV