

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 86TH LEGISLATIVE REGULAR SESSION

May 21, 2019

TO: Honorable Dan Patrick, Lieutenant Governor, Senate

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

IN RE: **SB2182** by Nelson (Relating to the eligibility of certain events for funding under the Major Events Reimbursement Program.), **As Passed 2nd House**

Estimated Two-year Net Impact to General Revenue Related Funds for SB2182, As Passed 2nd House: 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:

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

All Funds, Five-Year Impact:

Fiscal Year	Probable Savings/(Cost) from General Revenue Fund
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 certain organizations and venues eligible to receive funding through the Major Events Reimbursement Program (MERP). The bill would also amend statute to add certain groups 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 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 fiscal implication to units of local government is anticipated.

Source Agencies: 300 Trusteed Programs Within the Office of the Governor

LBB Staff: WP, JSm, SZ, NV