

BILL ANALYSIS

Senate Research Center

S.B. 1158
By: Whitmire
Natural Resources & Economic Development
5/23/2023
Enrolled

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

In 2003, the Other Events Trust Fund was created as a way to help communities offset the direct expense of hosting a major event. The fund was later renamed the Major Events Reimbursement Program (MERP).

After an event, and after the state accepts a prepared economic impact analysis, a portion of taxes from one or more sources can be sent back to the local community to cover related eligible expenses, such as infrastructure investments and enhanced event security. Through this reimbursement system, local communities are better able to compete with other states to host national and international events that in turn help generate local and state revenue, create jobs, and that promote the overall state economy.

Texas has the good fortune of having two cities (Dallas and Houston) that will host soccer matches for the 2026 Men's World Cup tournament. However, when the World Cup was previously added to the list of eligible events under MERP it was not written in a manner that would clarify how a MERP application would be processed wherein multiple cities would host soccer matches during the same tournament.

To ensure that sports tourism continues to be a major driver of positive economic impact for the state, it is necessary to clarify in statute that there can be more than one entity that can apply for reimbursement after hosting World Cup matches that are part of one tournament. The language would be similar to current law that allows MERP applications from multiple cities that host presidential debates that are part of a series of presidential debates before a general election.

S.B. 1158 would clarify in statute that each series of World Cup soccer tournament games held in a market area would be considered as a separate, single event from a series held in another market area.

S.B. 1158 amends current law relating to single event classification for eligibility under the major events reimbursement program.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 478.0052, Government Code, as follows:

Sec. 478.0052. SINGLE EVENT CLASSIFICATION FOR ELIGIBILITY PURPOSES.
Provides that for the purposes of Section 478.0051 (Events Eligible for Funding):

- (1) creates this subdivision from existing text and makes nonsubstantive changes;
and
- (2) each series of the games for the World Cup soccer tournament held in a market area designated for that series is considered a separate, single event.

SECTION 2. Effective date: September 1, 2023.