

## **BILL ANALYSIS**

Senate Research Center

S.B. 2325  
By: Zaffirini  
Natural Resources & Economic Development  
6/19/2023  
Enrolled

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Major Events Reimbursement Program (MERP) allows local governments and organizing committees to apply for state financial assistance to cover costs associated with conducting major events. Formula One's current definition in MERP guidelines, however, is vague and could lead to the Circuit of the Americas (COTA) not being able to access funds.

S.B. 2325 would change the "Formula One automobile race" title to "The Formula One United States Grand Prix" to ensure COTA is eligible for MERP funding.

S.B. 2325 amends current law relating to the eligibility of certain events for funding 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. Reenacts Section 478.0001(3), Government Code, as amended by Chapters 10 (H.B. 1472), 102 (S.B. 1265), 605 (S.B. 1155), and 915 (H.B. 3607), Acts of the 87th Legislature, Regular Session, 2021, and amends it to redefine "event" and make nonsubstantive changes.

SECTION 2. Renacts Section 478.0001(7), Government Code, as amended by Chapters 10 (H.B. 1472), 102 (S.B. 1265), and 915 (H.B. 3607), Acts of the 87th Legislature, Regular Session, 2021, and amends it to redefine "site selection organization" and make nonsubstantive changes.

SECTION 3. Amends Section 478.0051, Government Code, by adding Subsection (c), as follows:

(c) Authorizes an event described by Section 478.0001(3)(GG) (relating to providing that the term "event" includes certain events and any activity related to or associated with those events, including a series of cricket matches or competitions within the T20 World Cup), notwithstanding Subsection (b) (relating to authorizing an event listed in Section 478.001(3) to receive funding through the major events reimbursement program only if certain criteria are met), to receive funding through the program if a portion of the event is held at one or more sites located in another state or country.

SECTION 4. Amends Section 478.0052, Government Code, as follows:

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

(1) creates this subdivision from existing text; and

(2) each series of games for the World Cup soccer tournament held in a market area designated for that series is considered a separate, single event.

SECTION 5. Amends Subchapter B, Chapter 478, Government Code, by adding Section 478.00525, as follows:

Sec. 478.00525. SINGLE YEAR CLASSIFICATION FOR ELIGIBILITY PURPOSES FOR CERTAIN SPORTING EVENTS. Provides that a sporting event listed in Section 478.0001(3), for purposes of Sections 478.0051(b)(1) (relating to authorizing an event listed in Section 478.001(3) to receive funding through the major events reimbursement program only if certain criteria are met, including a site selection organization, after considering through a highly competitive selection process one or more sites not in this state, selects a site in this state for the event to be held) and (3) (relating to authorizing an event listed in Section 478.001(3) to receive funding through the major events reimbursement program only if certain criteria are met, including if the event is held not more than one time in any year), is considered to be held one time in each year if the event is held only one time in any annual season for that sport.

SECTION 6. Amends Section 478.0053, Government Code, as follows:

Sec. 478.0053. EXEMPTION FROM CERTAIN ELIGIBILITY REQUIREMENT FOR CERTAIN LARGE VENUES. Provides that Section 478.0051(b)(1) does not apply to an event described by Section 478.0001(3)(N) (relating to providing that the term "event" includes certain events and any activity related to or associated with those events, including 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 at least 125,000 on September 1, 2021), rather than Section 478.0001(3)(H) (relating to providing that the term "event" includes certain events and any activity related to or associated with those events, including the Confederation of North, Central America and Caribbean Association Football (Concacaf) Gold Cup). Makes a conforming change.

SECTION 7. Amends Subchapter B, Chapter 480, Government Code, by adding Section 480.00515, as follows:

Sec. 480.00515. SINGLE YEAR CLASSIFICATION FOR ELIGIBILITY PURPOSES FOR CERTAIN SPORTING EVENTS. Provides that a sporting event, for purposes of Sections 480.0051(1) (relating to providing that an event is eligible for funding under Chapter 480 (Events Trust Fund) only if certain criteria are met, including if a site selection organization, after considering through a highly competitive selection process one or more sites not in this state, selects a site in this state for the event to be held at certain times) and (3) (relating to providing that an event is eligible for funding under Chapter 480 only if certain criteria are met, including if a site selection organization selects a site in this state as the sole site for the event or the sole site for the event in a region composed of certain areas), a sporting event is considered to be held one time in each year if the event is held only one time in any annual season for that sport.

SECTION 8. Provides that this Act, to the extent of any conflict, prevails over another Act of the 88th Legislature, Regular Session, 2023, relating to nonsubstantive additions to and corrections in enacted codes.

SECTION 9. Effective date: September 1, 2023.