(1) the commissioner shall:

(A) withhold the entire amount of state revenue to which the district is entitled under Chapter 42 [Section 42.2516] for that year; and

(B) withhold the additional amount of the cost for the district to reduce the district's wealth per student to the equalized wealth level for that year from the state revenue to which the district is entitled under Chapter 42 [Section 42.2516] for a subsequent school year, or if the additional amount exceeds the amount of state revenue to which the district is entitled, add the difference to the cost of the attendance credits that the district must purchase in the subsequent year; and

(2) the district is not required to take any further action to reduce its wealth per student for that year.

SECTION 3. Subsection (a), Section 57.32, Chapter 4 (S.B. 1), Acts of the 82nd Legislature, 1st Called Session, 2011, is amended to read as follows:

(a) Effective September 1, 2017, the following provisions of the Education Code are repealed:

(1) [Section 41.004];

(2) Subsections (b), (b-1), (b-2), (e), (f), (f-1), (f-2), (f-3), and (i), Section 42.2516;

(3) (4) Subsection (c), Section 42.2523;

(4) (5) Subsection (g), Section 42.2524;

(5) (6) Subsection (e-1), Section 42.253; and

(6) (7) Section 42.261.

SECTION 4. This Act takes effect September 1, 2013.

Passed the Senate on April 25, 2013: Yeas 30, Nays 0; passed the House on May 22, 2013: Yeas 148, Nays 0, two present not voting.

Approved June 14, 2013.

Effective September 1, 2013.

CHAPTER 1371

S.B. No. 1678

AN ACT

relating to the events and expenses eligible for reporting requirements concerning disbursements from, and a study by the comptroller of the Major Events trust fund and the Events trust fund.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Subdivision (4), Subsection (a), 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:

(4) "Event" means a Super Bowl, a National Collegiate Athletic Association Final Four tournament game, the National Basketball Association All-Star Game, the X Games, the National Hockey League All-Star Game, the Major League Baseball All-Star Game, a National Collegiate Athletic Association Bowl Championship Series game, a World Cup Soccer game, the World Games, a national collegiate championship of an amateur sport sanctioned by the national governing body of the sport that is recognized by the United States Olympic Committee, an Olympic activity, including a Junior or Senior activity, training program, or feeder program sanctioned by the United States Olympic Committee's Community Olympic Development Program, a mixed martial arts championship, the Breeders' Cup World Championships, a Formula One automobile race, the Academy of Country Music Awards, the National Cutting Horse Association Triple Crown, [or a national political convention of the Republican National Committee or the Democratic National Committee, or]
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. The term includes any activities related to or associated with an event.

SECTION 2. 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 by amending Subsections (a-i), (b-I), (h), (i), (k), (p), and (w) and adding Subsections (a-2), (x), and (y) 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;

(B) the sole site for the event in a region composed of this state and one or more adjoining states; [and]

(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.

(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 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-i) 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 comptroller not earlier than one year and not later than 45 days before the date the event begins. The 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 comptroller receives the request and related information.

(h) The funds in the Major Events 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.

(i) A local organizing committee, endorsing municipality, or endorsing county shall provide information required by the comptroller to enable the comptroller to fulfill the 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 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 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 comptroller considers necessary.

(k) The comptroller may make a disbursement from the Major Events 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.

(p) The 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 must be accompanied by documentation from a site selection organization selecting the site for the event.

(w) Not later than 10 [48] months after the last day of an event eligible for disbursements from the Major Events trust fund for costs associated with the event, the comptroller shall:

[44] 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:

[42] 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
(C) each deadline established under this section was timely met [Subdivision (1) of this subsection].

(z) Subsection (w) of this section does not require disclosure of information that is confidential under Chapter 552, Government Code, or confidential or privileged under other law.

(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 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.

SECTION 3. 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 by amending Subsections (a–i), (h), (i), and (k) and adding Subsections (b–i), (k–i), (k–2), (r), (s), and (t) to read as follows:

(a–1) An event is eligible for funding under this section only if:

1. a site selection organization selects a site for the event located in this state 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 events 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 this state or an adjoining state in any year.

(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 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.

(h) The money in the Events 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 comptroller to enable the comptroller to fulfill the 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 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 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 comptroller considers necessary.

(k) The comptroller may make a disbursement from the Events 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 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 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.

(r) The comptroller may adopt a model event support contract and make the contract available on the comptroller's Internet website. The adoption by the 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.

(s) The comptroller may adopt rules necessary to implement this section.

(t) 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 Events 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.

SECTION 4. Subsections (r), (s), (t), and (u), Section 5A, Chapter 1507 (Senate Bill No. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), are repealed.

SECTION 5. (a) The comptroller of public accounts shall conduct a study to determine:

(1) the economic impact of the events that qualify for funding through an events trust fund; and
(2) whether the events would likely be held in this state in the absence of the incentives provided through the fund.

(b) The comptroller of public accounts shall prepare a report of the findings from the study conducted under Subsection (a) of this section. Not later than January 1, 2015, the comptroller shall electronically file a copy of the report with the lieutenant governor, the speaker of the house of representatives, and the presiding officer of each standing committee of the senate and house of representatives having primary jurisdiction over fiscal matters or matters related to tourism or recreation.

(c) This section expires September 1, 2015.

SECTION 6. The changes in law made by this Act apply only to a request submitted to the comptroller of public accounts by an endorsing municipality or endorsing county under Section 5A or 5C, Chapter 1507 (Senate Bill No. 456), Acts of the 76th Legislature, Regular Session, 1999 (Article 5190.14, Vernon's Texas Civil Statutes), on or after the effective date of this Act. A request submitted under Section 5A or 5C before that date is governed by the law in effect on the date the request is submitted, and that law is continued in effect for that purpose.

SECTION 7. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

Passed the Senate on April 25, 2013: Yeas 28, Nays 0; the Senate concurred in House amendments on May 25, 2013: Yeas 20, Nays 8; passed the House, with amendments, on May 20, 2013: Yeas 145, Nays 2, one present not voting.

Approved June 14, 2013.
Effective September 1, 2013.

CHAPTER 1372

S.B. No. 1747

AN ACT
relating to funding and donations for transportation projects, including projects of county energy transportation reinvestment zones.

Be it enacted by the Legislature of the State of Texas:

SECTION 1. Chapter 256, Transportation Code, is amended by adding Subchapter C to read as follows:

SUBCHAPTER C. TRANSPORTATION INFRASTRUCTURE FUND

Sec. 256.101. DEFINITIONS. In this subchapter:

(1) “Fund” means the transportation infrastructure fund established under this subchapter.

(2) “Transportation infrastructure project” means the planning for, construction of, reconstruction of, or maintenance of transportation infrastructure, including roads, bridges, and culverts, intended to alleviate degradation caused by the exploration, development, or production of oil or gas. The term includes the lease or rental of equipment used for road maintenance.

(3) “Weight tolerance permit” means a permit issued under Chapter 623 authorizing a vehicle to exceed maximum legal weight limitations.

(4) “Well completion” means the completion, reentry, or recompletion of an oil or gas well.