

GOVERNMENT CODE

TITLE 4. EXECUTIVE BRANCH

SUBTITLE E-1. EVENT REIMBURSEMENT PROGRAMS

CHAPTER 479. MOTOR SPORTS RACING TRUST FUND

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 479.0001. DEFINITIONS. In this chapter:

(1) "Endorsing county" means a county that contains a site selected by a site selection organization for a motor sports racing event.

(2) "Endorsing municipality" means a municipality that contains a site selected by a site selection organization for a motor sports racing event.

(3) "Event support contract" means a joinder undertaking, joinder agreement, or similar contract executed by a site selection organization and an endorsing municipality or endorsing county.

(4) "Motor sports racing event" means a specific automobile racing event sanctioned by the Automobile Competition Committee for the United States (ACCUS) and held at a temporary event venue. The term includes an event or activity held, sponsored, or endorsed by the site selection organization in conjunction with the racing event.

(5) "Trust fund" means the motor sports racing trust fund established by this chapter.

Added by Acts 2019, 86th Leg., R.S., Ch. 301 (H.B. [4174](#)), Sec. 1.01, eff. April 1, 2021.

Sec. 479.0002. CONSTRUCTION OF CHAPTER. This chapter may not be construed as creating or requiring a state guarantee of an obligation imposed on an endorsing municipality, an endorsing county, or this state under a motor sports racing event support contract or another agreement relating to hosting a motor sports racing event in this state.

Added by Acts 2019, 86th Leg., R.S., Ch. 301 (H.B. [4174](#)), Sec. 1.01, eff. April 1, 2021.

Sec. 479.0003. APPLICABILITY OF PROVISIONS RELATING TO GAMES. Any provision of this subtitle applicable to games as defined by Section 475.0001 also applies to a motor sports racing event.

Added by Acts 2019, 86th Leg., R.S., Ch. 301 (H.B. 4174), Sec. 1.01, eff. April 1, 2021.

SUBCHAPTER B. STATE ACTIONS RELATING TO MOTOR SPORTS RACING EVENTS

Sec. 479.0051. PREREQUISITES FOR OFFICE ACTION. The office may not undertake any duty imposed by this chapter unless:

(1) the municipality and county in which a motor sports racing event will be held submit a request; and

(2) the request is accompanied by documentation from a site selection organization selecting the site for the racing event.

Added by Acts 2019, 86th Leg., R.S., Ch. 301 (H.B. 4174), Sec. 1.01, eff. April 1, 2021.

Sec. 479.0052. DETERMINATION OF INCREMENTAL INCREASE IN CERTAIN TAX RECEIPTS. (a) After a site selection organization selects a site for a motor sports racing event in this state in accordance with an application by a local organizing committee, endorsing municipality, or endorsing county, the office shall determine the incremental increases in the following tax receipts that the office determines are directly attributable to the preparation for and presentation of the racing event for the 30-day period that ends at the end of the day after the date on which the racing event will be held:

(1) the receipts to this state from taxes imposed under Chapters 151, 152, 156, and 183, Tax Code, and under Title 5, Alcoholic Beverage Code, in the market areas designated under Section 479.0054;

(2) the receipts collected by this state for each endorsing municipality in the market area from the sales and use tax imposed by each endorsing municipality under Section 321.101(a),

Tax Code, and the mixed beverage tax revenue to be received by each endorsing municipality under Section 183.051(b), Tax Code;

(3) the receipts collected by this state for each endorsing county in the market area from the sales and use tax imposed by each endorsing county under Section 323.101(a), Tax Code, and the mixed beverage tax revenue to be received by each endorsing county under Section 183.051(b), Tax Code;

(4) the receipts collected by each endorsing municipality in the market area from the hotel occupancy tax imposed under Chapter 351, Tax Code; and

(5) the receipts collected by each endorsing county in the market area from the hotel occupancy tax imposed under Chapter 352, Tax Code.

(b) The office shall make the determination required by Subsection (a) in accordance with procedures the office develops. Added by Acts 2019, 86th Leg., R.S., Ch. 301 (H.B. 4174), Sec. 1.01, eff. April 1, 2021.

Sec. 479.0053. TIME FOR DETERMINATION. The office shall determine the incremental increase in tax receipts under Section 479.0052 not later than three months before the date of the motor sports racing event.

Added by Acts 2019, 86th Leg., R.S., Ch. 301 (H.B. 4174), Sec. 1.01, eff. April 1, 2021.

Sec. 479.0054. DESIGNATION OF MARKET AREA. (a) For purposes of Section 479.0052(a)(1), the office shall designate as a market area for a motor sports racing event each area in which the office determines there is a reasonable likelihood of measurable economic impact directly attributable to the preparation for and presentation of the racing event. The office shall include areas likely to provide venues, accommodations, and services in connection with the racing event based on a proposal or other information a local organizing committee, endorsing municipality, or endorsing county provides to the office.

(b) The office shall determine the geographic boundaries of each market area.

(c) An endorsing municipality or endorsing county selected as the site for the motor sports racing event must be included in a market area for the racing event.

Added by Acts 2019, 86th Leg., R.S., Ch. 301 (H.B. 4174), Sec. 1.01, eff. April 1, 2021.

Sec. 479.0055. ESTIMATE OF TAX REVENUE CREDITED TO TRUST FUND. (a) Not later than three months before the date of a motor sports racing event, the office shall provide an estimate of the total amount of tax revenue that would be transferred or deposited to the trust fund under this chapter in connection with that racing event if the racing event were held in this state at a site selected in accordance with an application by a local organizing committee, endorsing municipality, or endorsing county.

(b) The office shall provide the estimate on request to a local organizing committee, endorsing municipality, or endorsing county.

(c) A local organizing committee, endorsing municipality, or endorsing county may submit the office's estimate to a site selection organization.

Added by Acts 2019, 86th Leg., R.S., Ch. 301 (H.B. 4174), Sec. 1.01, eff. April 1, 2021.

SUBCHAPTER C. TRUST FUND ESTABLISHMENT AND CONTRIBUTIONS

Sec. 479.0101. MOTOR SPORTS RACING TRUST FUND. The motor sports racing trust fund is established outside the state treasury and is held in trust by the comptroller for administration of this chapter.

Added by Acts 2019, 86th Leg., R.S., Ch. 301 (H.B. 4174), Sec. 1.01, eff. April 1, 2021.

Sec. 479.0102. DEPOSIT OF MUNICIPAL AND COUNTY TAX REVENUE. (a) Each endorsing municipality or endorsing county shall remit to the comptroller and the comptroller shall deposit into a trust fund created by the comptroller, at the direction of the office, and designated as the motor sports racing trust fund for the motor

sports racing event the amount of the municipality's or county's hotel occupancy tax revenue determined under Section 479.0052(a)(4) or (5), less any amount of the revenue that the municipality or county determines is necessary to meet the obligations of the municipality or county.

(b) The comptroller, at the direction of the office, shall retain the amount of sales and use tax revenue and mixed beverage tax revenue determined under Section 479.0052(a)(2) or (3) from the amounts otherwise required to be sent to the municipality under Sections 321.502 and 183.051(b), Tax Code, or to the county under Sections 323.502 and 183.051(b), Tax Code, less any amount of the revenue that the municipality or county determines is necessary to meet the obligations of the municipality or county, and shall deposit the retained tax revenue to the trust fund.

(c) The comptroller shall begin retaining and depositing the municipal and county tax revenue with the first distribution of that tax revenue that occurs after the first day of the period described by Section 479.0052(a).

(d) The comptroller shall discontinue retaining the municipal and county tax revenue when the amount of the applicable tax revenue determined under Section 479.0052(a)(2) or (3) has been retained.

Added by Acts 2019, 86th Leg., R.S., Ch. 301 (H.B. 4174), Sec. 1.01, eff. April 1, 2021.

Sec. 479.0103. STATE TAX REVENUE. The comptroller, at the direction of the office, shall transfer to the trust fund a portion of the state tax revenue determined under Section 479.0052(a)(1) in an amount equal to 6.25 multiplied by the amount of the municipal and county sales and use tax revenue and mixed beverage tax revenue retained and the hotel occupancy tax revenue remitted by an endorsing municipality or endorsing county under Section 479.0102. Added by Acts 2019, 86th Leg., R.S., Ch. 301 (H.B. 4174), Sec. 1.01, eff. April 1, 2021.

SUBCHAPTER D. DISBURSEMENTS FROM TRUST FUND

Sec. 479.0151. DISBURSEMENT WITHOUT APPROPRIATION. Money in the trust fund may be disbursed by the office without appropriation only as provided by this chapter. Added by Acts 2019, 86th Leg., R.S., Ch. 301 (H.B. 4174), Sec. 1.01, eff. April 1, 2021.

Sec. 479.0152. DISBURSEMENT FROM TRUST FUND. (a) After approval of each contributing endorsing municipality and endorsing county, the office may make a disbursement from the trust fund for a purpose for which an endorsing municipality, an endorsing county, or this state is obligated under a motor sports racing event support contract or event support contract.

(b) If the office makes a disbursement from the trust fund, the office shall satisfy the obligation proportionately from the municipal, county, and state revenue in the trust fund. Added by Acts 2019, 86th Leg., R.S., Ch. 301 (H.B. 4174), Sec. 1.01, eff. April 1, 2021.

Sec. 479.0153. ALLOWABLE EXPENSES. (a) Money in the trust fund may be used to:

(1) pay the principal of and interest on notes issued under Section 479.0202; and

(2) fulfill obligations of an endorsing municipality, an endorsing county, or this state to a site selection organization under a motor sports racing event support contract or event support contract.

(b) The obligations described by Subsection (a)(2) may include the payment of:

(1) the costs relating to the preparations necessary or desirable for conducting the motor sports racing event; and

(2) the costs of conducting the racing event, including costs of a temporary improvement or temporary renovation to an existing facility specific to the racing event.

Added by Acts 2019, 86th Leg., R.S., Ch. 301 (H.B. 4174), Sec. 1.01, eff. April 1, 2021.

Sec. 479.0154. PROHIBITED DISBURSEMENT. The office may not

make a disbursement from the trust fund that the office determines would be used to solicit the relocation of a professional sports franchise located in this state.

Added by Acts 2019, 86th Leg., R.S., Ch. 301 (H.B. 4174), Sec. 1.01, eff. April 1, 2021.

Sec. 479.0155. REMITTANCE OF REMAINING TRUST FUND MONEY. On payment of all municipal, county, or state obligations under a motor sports racing event support contract or event support contract related to the location of a motor sports racing event in this state, the office shall remit to each endorsing entity, in proportion to the amount contributed by the entity, any money remaining in the trust fund.

Added by Acts 2019, 86th Leg., R.S., Ch. 301 (H.B. 4174), Sec. 1.01, eff. April 1, 2021.

SUBCHAPTER E. LOCAL POWERS AND DUTIES RELATING TO MOTOR SPORTS
RACING EVENTS

Sec. 479.0201. REQUIRED INFORMATION. (a) A local organizing committee, endorsing municipality, or endorsing county shall provide information required by the office to fulfill the office's duties under this chapter, including:

(1) annual audited statements of any financial records required by a site selection organization; and

(2) data obtained by the local organizing committee, an endorsing municipality, or an endorsing county relating to:

(A) attendance at the motor sports racing event; and

(B) the economic impact of the racing event.

(b) A local organizing committee, endorsing municipality, or endorsing county must provide any annual audited financial statement required by the office not later than the end of the fourth month after the last day of the period covered by the financial statement.

Added by Acts 2019, 86th Leg., R.S., Ch. 301 (H.B. 4174), Sec. 1.01, eff. April 1, 2021.

Sec. 479.0202. ISSUANCE OF NOTES. (a) To meet its obligations under a motor sports racing event support contract or event support contract to improve, renovate, or acquire facilities or to acquire equipment, an endorsing municipality by ordinance or an endorsing county by order may authorize the issuance of notes.

(b) An endorsing municipality or endorsing county may provide that the notes be paid from and secured by:

(1) amounts on deposit or amounts to be transferred or deposited to the trust fund; or

(2) surcharges from user fees charged in connection with the motor sports racing event, including parking or ticket fees.

(c) A note issued must mature not later than the seventh anniversary of the date of issuance.

Added by Acts 2019, 86th Leg., R.S., Ch. 301 (H.B. 4174), Sec. 1.01, eff. April 1, 2021.

Sec. 479.0203. PLEDGE OF SURCHARGES TO GUARANTEE OBLIGATIONS. An endorsing municipality or endorsing county may guarantee its obligations under a motor sports racing event support contract and this chapter by pledging, in addition to the tax revenue deposited under Section 479.0102, surcharges from user fees charged in connection with the motor sports racing event, including parking or ticket fees.

Added by Acts 2019, 86th Leg., R.S., Ch. 301 (H.B. 4174), Sec. 1.01, eff. April 1, 2021.