

GOVERNMENT CODE  
TITLE 4. EXECUTIVE BRANCH  
SUBTITLE E-1. EVENT REIMBURSEMENT PROGRAMS  
CHAPTER 480. EVENTS TRUST FUND

SUBCHAPTER A. GENERAL PROVISIONS

Sec. 480.0001. DEFINITIONS. In this chapter:

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

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

(3) "Event" means an event or related series of events to be held in this state for which a local organizing committee, endorsing municipality, or endorsing county seeks approval from a site selection organization to hold the event at a site in this state. The term includes any activity related to or associated with the event.

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

(5) "Site selection organization" means an entity that conducts or considers conducting in this state an event eligible under Section [480.0051](#).

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

Sec. 480.0002. RULES. The office may adopt rules necessary to implement this chapter.

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

Sec. 480.0003. 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 an event support contract or another agreement relating to hosting an event in this state.

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

#### SUBCHAPTER B. ELIGIBILITY

Sec. 480.0051. EVENTS ELIGIBLE FOR FUNDING. An event is eligible for funding under this chapter only if:

(1) 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:

(A) one time; or

(B) if the event is scheduled under an event contract or event support contract to be held each year for a period of years, one time in each year;

(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; and

(3) the event is held not more than one time in any year in this state or an adjoining state.

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

Sec. 480.00515. SINGLE YEAR CLASSIFICATION FOR ELIGIBILITY PURPOSES FOR CERTAIN SPORTING EVENTS. For purposes of Sections [480.0051](#)(1) and (3), 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.

Added by Acts 2023, 88th Leg., R.S., Ch. 974 (S.B. [2325](#)), Sec. 7, eff. September 1, 2023.

Sec. 480.0052. LIMITATIONS ON CERTAIN FUNDING REQUESTS.

(a) This section applies only to an event for which the office

determines under Section [480.0102](#) that the total incremental increase in tax receipts is less than \$200,000.

(b) Subject to Subsection (c), an endorsing municipality or endorsing county may during any 12-month period submit requests for funding under this chapter for not more than 10 events to which this section applies.

(c) Not more than three of the events described by Subsection (b) may be nonsporting events.

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

#### SUBCHAPTER C. STATE ACTIONS RELATING TO EVENTS

Sec. 480.0101. PREREQUISITES FOR OFFICE ACTION. The office may not undertake any duty imposed by this chapter unless:

(1) the municipality or county in which an event will be located submits a request; and

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

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

Sec. 480.0102. DETERMINATION OF INCREMENTAL INCREASE IN CERTAIN TAX RECEIPTS. (a) After a site selection organization selects a site for an 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 event for the 30-day period that ends at the end of the day after the date on which the event will be held or, if the event will be held on more than one day, after the last date on which the 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 [480.0104](#);

(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 and shall base that determination on information submitted by a local organizing committee, endorsing municipality, or endorsing county.

(c) In determining the amount of state revenue available under Subsection (a)(1), the office may consider whether:

(1) the event has been previously held in this state; and

(2) changes to the character of the event could affect the incremental increase in tax receipts collected and remitted to this state by an endorsing municipality or endorsing county under Subsection (a)(1).

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

Sec. 480.0103. TIME FOR DETERMINATION. The office shall determine the incremental increase in tax receipts under Section 480.0102 not later than the earlier of:

(1) the 30th day after the date the office receives the information for an event submitted by a local organizing committee,

endorsing municipality, or endorsing county on which the office bases the determination as provided by Section 480.0102(b); and

(2) three months before the date of the event.

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

Sec. 480.0104. DESIGNATION OF MARKET AREA. (a) For purposes of Section 480.0102(a)(1), the office shall designate as a market area for an 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 event. The office shall include areas likely to provide venues, accommodations, and services in connection with the event based on the proposal the local organizing committee 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 event must be included in a market area for the event.

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

Sec. 480.0105. ESTIMATE OF TAX REVENUE CREDITED TO FUND.

(a) Not later than three months before the date of an event, the office shall provide an estimate of the total amount of tax revenue that would be transferred or deposited to the events trust fund under this chapter in connection with that event if the 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.

Sec. 480.0106. MODEL EVENT SUPPORT CONTRACT. (a) The office may adopt a model event support contract and make the contract available on the office's Internet website.

(b) The office's adoption of a model event support contract under this section does not require use of the model event support contract for purposes of this chapter.

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

#### SUBCHAPTER D. FUND ESTABLISHMENT AND CONTRIBUTIONS

Sec. 480.0151. EVENTS TRUST FUND. The events 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. 480.0152. 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 events trust fund the amount of the municipality's or county's hotel occupancy tax revenue determined under Section [480.0102](#)(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 [480.0102](#)(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 events trust fund.

(c) The comptroller shall begin retaining and depositing the municipal and county tax revenue:

(1) with the first distribution of that tax revenue that occurs after the first day of the period described by Section [480.0102\(a\)](#); or

(2) at a time the office otherwise determines to be practicable.

(d) The comptroller shall discontinue retaining the municipal and county tax revenue when the amount of the applicable tax revenue determined under Section [480.0102\(a\)\(2\)](#) 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. 480.0153. OTHER LOCAL MONEY. (a) In lieu of the municipal and county tax revenues remitted or retained under Section [480.0152](#), an endorsing municipality or endorsing county may remit to the office for deposit to the events trust fund other local money in an amount equal to the total amount of municipal and county tax revenue determined under Sections [480.0102\(a\)\(2\)-\(5\)](#).

(b) An endorsing municipality or endorsing county must remit the other local money not later than the 90th day after the last day of an event.

(c) For purposes of Section [480.0155](#), the amount deposited under this section is considered remitted municipal and county tax revenue.

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

Sec. 480.0154. SURCHARGES AND USER FEES. An endorsing municipality or endorsing county may collect and remit to the office surcharges and user fees attributable to an event for deposit to the events trust fund.

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

Sec. 480.0155. STATE TAX REVENUE. (a) The comptroller, at the direction of the office, shall transfer to the events trust fund a portion of the state tax revenue in an amount equal to 6.25 multiplied by the amount of the municipal and county tax revenue retained or remitted under this chapter, including:

- (1) local sales and use tax revenue;
- (2) mixed beverage tax revenue;
- (3) hotel occupancy tax revenue; and
- (4) surcharge and user fee revenue.

(b) The amount transferred under Subsection (a) may not exceed the incremental increase in tax receipts determined under Section 480.0102(a)(1).

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

#### SUBCHAPTER E. DISBURSEMENTS FROM FUND

Sec. 480.0201. DISBURSEMENT WITHOUT APPROPRIATION. Money in the events 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. 480.0202. DISBURSEMENT FROM FUND. (a) After approval of each contributing endorsing municipality and endorsing county, the office may make a disbursement from the events trust fund for a purpose for which a local organizing committee, an endorsing municipality, an endorsing county, or this state is obligated under an event support contract, including an obligation to pay costs incurred in making preparations necessary for the event and conducting the event.

(b) In considering whether to make a disbursement from the events trust fund, the office 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.

(c) If the office makes a disbursement from the events trust



fund, the office shall satisfy the obligation proportionately from the local and state revenue in the fund.

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

Sec. 480.0203. REDUCTION OF DISBURSEMENT AMOUNT.

(a) After the conclusion of an event, the office shall compare information on the actual attendance figures provided under Section 480.0251 with the estimated attendance numbers used to determine the incremental increase in tax receipts under Section 480.0102. If the actual attendance figures are significantly lower than the estimated attendance numbers, the office may reduce the amount of a disbursement from the events trust fund for an endorsing entity:

(1) in proportion to the discrepancy between the actual and estimated attendance; and

(2) in proportion to the amount the entity contributed to the fund.

(b) The office by rule shall:

(1) define "significantly lower" for purposes of this section; and

(2) provide the manner in which the office may proportionately reduce a disbursement.

(c) This section does not affect the remittance under Section 480.0207 of any money remaining in the events trust fund.

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

Sec. 480.0204. ALLOWABLE EXPENSES. (a) Money in the events trust fund may be used to:

(1) pay the principal of and interest on notes issued under Section 480.0252; and

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

(b) Subject to Sections 480.0202 and 480.0205, the obligations described by Subsection (a)(2) may include the payment

of:

(1) the costs relating to the preparations necessary for conducting the event; and

(2) the costs of conducting the event, including costs of an improvement or renovation to an existing facility and costs of acquisition or construction of a new facility or other facility.

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

Sec. 480.0205. LIMITATION ON CERTAIN DISBURSEMENTS. (a) A disbursement from the events trust fund is limited to five percent of the cost of a structural improvement or a fixture if:

(1) an obligation is incurred under an event support contract to make the improvement or add the fixture to a site for an event; and

(2) the improvement or fixture is expected to derive most of its value in subsequent uses of the site for future events.

(b) The remainder of an obligation described by Subsection (a) is not eligible for a disbursement from the events trust fund, unless the obligation is for an improvement or fixture for a publicly owned facility.

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

Sec. 480.0206. PROHIBITED DISBURSEMENTS. (a) Subject to Subsection (b), the office may not make a disbursement from the events trust fund that the office determines would be used to:

(1) solicit the relocation of a professional sports franchise located in this state;

(2) construct an arena, stadium, or convention center;  
or

(3) conduct usual and customary maintenance of a facility.

(b) Subsection (a) does not prohibit a disbursement from the events trust fund for the construction of temporary structures within an arena, stadium, or convention center that are necessary for the conduct of an event or temporary maintenance of a facility

that is necessary for the preparation for or conduct of an event.  
Added by Acts 2019, 86th Leg., R.S., Ch. 301 (H.B. 4174), Sec. 1.01,  
eff. April 1, 2021.

Sec. 480.0207. REMITTANCE OF REMAINING FUND MONEY. On payment of all municipal, county, or state obligations under an event support contract related to the location of an 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 events trust fund.

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

#### SUBCHAPTER F. LOCAL POWERS AND DUTIES RELATING TO EVENTS

Sec. 480.0251. 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 event, including an estimate of the number of people expected to attend the event who are not residents of this state; and

(B) the economic impact of the 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.

(c) After the conclusion of an event and on the office's request, a local organizing committee, endorsing municipality, or endorsing county must provide information about the event, such as attendance figures, including an estimate of the number of people who attended the event who are not residents of this state,

financial information, or other public information held by the committee, municipality, or county that the office considers necessary.

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

Sec. 480.0252. ISSUANCE OF NOTES. (a) To meet its obligations under an event support contract to improve, construct, 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 events trust fund; or

(2) surcharges from user fees charged in connection with the 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. 480.0253. PLEDGE OF SURCHARGES TO GUARANTEE OBLIGATIONS. An endorsing municipality or endorsing county may guarantee its obligations under an event support contract and this chapter by pledging, in addition to the tax revenue deposited under Section [480.0152](#), surcharges from user fees charged in connection with the 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.