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SENATE BILL NO. 927

Senate Amendments in [] - January 23, 2025

A BILL to amend the Code of Virginia by adding a section numbered 2.2-2320.3, relating to Virginia Sports Tourism Fund; established.

Patron Prior to Engrossment—Senator Head

Referred to Committee on Finance and Appropriations

Be it enacted by the General Assembly of Virginia:**1. That the Code of Virginia is amended by adding a section numbered 2.2-2320.3 as follows:****§ 2.2-2320.3. Virginia Sports Tourism Fund.**

A. As used in this section:

"Fund" means the Virginia Sports Tourism Fund.

"Sports tourism activity" means a youth, collegiate, or other sporting event (i) that is competitively bid; (ii) that attracts a majority of its participating athletes from outside of the Commonwealth to a sports venue or other similar facility or location capable of hosting such event; and (iii) where such venue, facility, or location is located in the Commonwealth.

"Sports tourism activity sponsor" includes a convention and visitors bureau, chamber of commerce, sports and entertainment authority, sports commission, nonprofit sports support organization, or political subdivision of the Commonwealth, or any department thereof, that provides a venue for or hosts sports tourism activity. Such term does not include any sports tourism activity sponsors outside of the Commonwealth.

B. There is hereby created in the state treasury a special nonreverting fund to be known as the Virginia Sports Tourism Fund. The Fund shall be established on the books of the Comptroller. All funds appropriated for such purpose and any gifts, donations, grants, bequests, and other funds received on its behalf shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for (i) the purposes of providing grants to develop and attract sports tourism activities to the Commonwealth pursuant to subsection C and (ii) administrative expenses of the Fund as provided in the appropriation act or auditing services performed pursuant to subsection E. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the Executive Director of the Authority.

C. 1. [~~The~~ From such funds as are appropriated for this purpose, the] Authority shall award grants from the Fund exclusively to sports tourism activity sponsors to attract sports tourism activities to the Commonwealth.

2. As a condition of applying for a grant pursuant to this section, an applicant shall enter into a performance agreement with the Authority that shall include provisions for disbursement of the grant, use of the grant proceeds, reporting responsibilities, and repayment obligations in the event of a failure to satisfy the performance obligations of such agreement.

3. Any repayment of grant funds required by such performance agreement shall be paid into the state treasury and credited to the Fund.

D. The Authority shall establish guidelines, procedures, and objective criteria for the award and distribution of grants from the Fund. The preparation of the guidelines shall be exempt from the requirements of Article 2 (§ 2.2-4006 et seq.) of the Administrative Process Act. Such guidelines shall include requirements for a mandatory supplemental funding match in an amount equivalent to any grant awarded from the Fund.

E. The Authority shall report by November 1 of each year on any grant awards and expenditures from the Fund. The report shall include total appropriations made or transferred to the Fund, total grants awarded, total expenditures from the Fund, cash balances, and balances available for future commitments. The Authority shall prepare the report required by this subsection in conjunction with the reports required under § 2.2-2237.1. The Auditor of Public Accounts or his authorized representative shall audit the accounts of the Fund in accordance with generally accepted auditing standards as determined necessary by the Auditor of Public Accounts. The cost of such audit services shall be borne by the Fund.

2. That the Authority shall convene a work group of representatives from major sporting venues, local or regional sports and entertainment authorities or departments, and hotel and lodging, restaurant and retail, and other tourism stakeholders to develop recommended guidelines for grants from the Virginia Sports Tourism Fund (the Fund) pursuant to § 2.2-2320.3 of the Code of Virginia, as created by this act. The guidelines shall establish criteria for approving eligible major events, eligible sports tourism

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59 activity sponsors, eligible sports tourism activities, verifiable performance metrics, grant match
60 requirements, and eligible uses of the Fund. The group shall complete its work by October 31, 2025,
61 and shall provide a report on any recommended guidelines to the Chairs of the Senate Committee on
62 Finance and Appropriations and the House Committee on Appropriations.