2025-2026 General Assembly

HOUSE BILL 268: 2026 Budget Technical Corrections - II, Sec. 5.3: Sports Championship Events Incentive

Analysis of: S.L. 2026-61, Sec. 5.3

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Prepared by: Legislative Analysis Division Staff

Section 5.3 of S.L. 2026-61 (House Bill 268) provides that the Piedmont Triad Charitable Foundation (Foundation) will receive $10 million in nonrecurring funds for the 2026-2027 fiscal year as a directed grant from the Department of Commerce (Department) if the Foundation enters into (i) an agreement with the Department that meets certain requirements and (ii) an agreement with PGA TOUR, Inc. (PGA). The Department will receive funds from the Economic Development Project Reserve for the directed grant to the Foundation for securing the required qualifying events.

A "qualifying event" means a PGA Tour Championship Series Event that is held for the highest tier ranking of professional golfers who qualify through PGA qualifications from the previous year, that is held in the City of Greensboro, and that is in addition to any event meeting the same criteria held in the same year in the State.

The Department and the Foundation must enter into a binding agreement, which constitutes a continuing contractual obligation of the State and the Foundation, for hosting at least four annual, consecutive qualifying events. The PGA must also enter into a binding agreement with the Foundation requiring the PGA to hold at least four annual, consecutive qualifying events. All qualifying events must be held after January 1, 2028, and before December 31, 2031.

The agreement between the Department and Foundation must do the following:

- Include the performance criteria, remedies, and other safeguards required by the Department to secure the State's benefit derived from holding the required qualifying events.
- Require the Foundation to repay a proportionate amount of the directed grant if the Foundation fails to meet and maintain the applicable performance criteria on which the directed grant was based.

If the requirements of the agreement continue to be met, the section states that it is the intent of the General Assembly to appropriate additional funds in future acts of the General Assembly in the amount of $30 million over an additional three fiscal years to continue holding qualifying events.

The Foundation must report to the Department annually on June 1 of each year following the year the agreement is entered into on the qualifying events that have been fulfilled. This report can cease in the year after the year in which the Foundation reports all such qualifying event requirements have been fulfilled.

On September 1 of each year that requirements set forth in the agreement remain unfulfilled, the Department must report to the committees or subcommittees responsible for appropriations for natural and economic resources in both the House of Representatives and the Senate, to the Joint Legislative Economic Development and Global Engagement Oversight Committee, and to the Fiscal Research Division. The report must include an executive summary of the performance criteria, remedies, and

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safeguards required by the Department, a description of the current status of the project, the amount of grant paid under the agreement, and the number and classification of events required and held in this State.

This section became effective July 1, 2026.