

AN ACT

relating to the provision of funding to the Texas Historical Commission for state historic sites.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 442.0083(e), Government Code, is amended to read as follows:

(e) A grant for a historic courthouse project may not exceed the greater of \$10 million [~~\$6 million~~] or two percent of the amount appropriated for implementing the historic courthouse preservation program during the state fiscal biennium.

SECTION 2. Subchapter A, Chapter 442, Government Code, is amended by adding Section 442.0151 to read as follows:

Sec. 442.0151. HISTORIC INFRASTRUCTURE SUSTAINABILITY TRUST FUND. (a) In this section, "trust company" means the Texas Treasury Safekeeping Trust Company.

(b) The historic infrastructure sustainability trust fund is created as a trust fund outside the treasury held by the trust company and administered by the comptroller as trustee on behalf of the people of this state to generate earnings on money in the fund for the purpose of maintaining, preserving, rehabilitating, and restoring historic sites throughout the state.

(c) The fund consists of:

(1) money appropriated or transferred to the fund at the direction of the legislature;

1 (2) gifts, grants, and donations received by the
2 commission for a purpose for which money in the fund may be used
3 under this section; and

4 (3) any returns received from the investment of money
5 in the fund.

6 (d) The trust company shall hold, manage, and invest the
7 fund, and shall determine the amount available for distribution
8 from the fund each year in accordance with a distribution policy
9 adopted by the comptroller. The distribution policy must be
10 designed to preserve the purchasing power of the assets of the fund,
11 provide a stable and predictable series of annual distributions
12 from the fund, and meet the liquidity needs of the fund as
13 necessary. The expenses of managing the fund and its assets shall
14 be paid from the fund. Except as otherwise provided by this
15 section, money in the fund may not be used for any other purpose.

16 (e) In managing the assets of the fund, through procedures
17 and subject to restrictions the trust company considers
18 appropriate, the trust company may acquire, exchange, sell,
19 supervise, manage, or retain any kind of investment that a prudent
20 investor, exercising reasonable care, skill, and caution, would
21 acquire or retain in light of the purposes, terms, distribution
22 requirements, and other circumstances of the fund then prevailing,
23 taking into consideration the investment of all the assets of the
24 fund rather than a single investment. At the request of the trust
25 company, the commission shall provide the trust company with
26 information the trust company determines is necessary to ensure
27 that the trust company is able to achieve the objectives specified

1 by Subsection (d).

2 (f) The commission annually may request a distribution from
3 the fund in an amount that may not exceed the amount the trust
4 company determines is available for distribution in the applicable
5 year under Subsection (d). Money distributed from the fund to the
6 commission may be used only for the purpose of maintaining,
7 preserving, rehabilitating, and restoring state historic sites
8 under the control of the commission and for the historic courthouse
9 preservation program under Section 442.0081. The commission shall
10 allocate at least one-third of each annual distribution from the
11 fund under this subsection for the historic courthouse preservation
12 program. The commission may not use money received from an annual
13 distribution under this subsection to pay salaries, employee
14 benefits, costs associated with employee benefits, or
15 administration, operating, or program costs of the commission.

16 (g) Subject to Subsection (h) and not more frequently than
17 once each calendar year, the commission may request an additional
18 distribution from the fund in an amount that exceeds the amount the
19 trust company determines is available for distribution from the
20 fund in that year under Subsection (d). An additional distribution
21 under this subsection may be used for a purpose described by
22 Subsection (f). The trust company may not make an additional
23 distribution under this subsection if the distribution would
24 negatively affect the purchasing power of the assets of the fund as
25 determined by the terms of the distribution policy adopted by the
26 comptroller under Subsection (d).

27 (h) The commission may receive an additional distribution

1 from the fund under Subsection (g) only after the commission
2 certifies to the Legislative Budget Board that:

3 (1) the commission has reviewed and approved the use
4 of the money;

5 (2) all purchases made with the money will conform to
6 any applicable provision of law governing state procurement and
7 contracting; and

8 (3) the money will not be used to:

9 (A) pay salaries, employee benefits, costs
10 associated with employee benefits, or administration, operating,
11 or program costs of the commission or the state historic sites under
12 the control of the commission;

13 (B) acquire new historic sites or real property;
14 or

15 (C) purchase capital equipment that is not
16 related to the rehabilitation or restoration of a historic site
17 under the control of the commission or the historic courthouse
18 preservation program under Section 442.0081.

19 (i) All expenditures by the commission under this section
20 are subject to audit by the state auditor.

21 (j) The commission shall include in the strategic plan
22 submitted under Section 2056.002 a report on each project funded
23 using money in the fund during the two-year period preceding the
24 date on which the commission submits the plan and a list of each
25 project the commission anticipates will be funded using money in
26 the fund for the period covered by the plan.

27 SECTION 3. Section 442.073, Government Code, is amended by

1 amending Subsection (d) and adding Subsection (e) to read as
2 follows:

3 (d) Except as provided by Subsection (e), money [~~Money~~] in
4 the account may be used only to administer, operate, preserve,
5 repair, expand, or otherwise maintain a historic site or to acquire
6 a historical item appropriate to a historic site.

7 (e) The commission may make an expenditure from the account
8 for a historic site that is not described by Section 442.072(a).
9 The commission shall provide notice of an expenditure described by
10 this subsection to the Legislative Budget Board not later than the
11 30th day after the date the commission makes the expenditure. The
12 Legislative Budget Board may establish the procedure by which the
13 commission provides notice to the board under this subsection.

14 SECTION 4. This Act takes effect September 1, 2023.

S.B. No. 1332

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1332 passed the Senate on April 12, 2023, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1332 passed the House on May 4, 2023, by the following vote: Yeas 145, Nays 0, one present not voting.

Chief Clerk of the House

Approved:

Date

Governor