

By: Otto

H.B. No. 2558

Substitute the following for H.B. No. 2558:

By: Bonnen

C.S.H.B. No. 2558

A BILL TO BE ENTITLED

1

AN ACT

2 relating to managing the assets of the Texas preservation trust  
3 fund account.

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

5 SECTION 1. Section 442.015, Government Code, is amended by  
6 amending Subsections (a), (b), and (f) and adding Subsections (h),  
7 (i), (j), (k), and (l) to read as follows:

8 (a) Notwithstanding Sections 403.094 and 403.095, the Texas  
9 preservation trust fund account is a separate account in the  
10 general revenue fund. The account consists of transfers made to the  
11 account, loan repayments, grants and donations made for the  
12 purposes of this program, proceeds of sales, earnings [~~income~~  
13 ~~earned~~] on [~~money in~~] the account, and any other money received  
14 under this section. Distributions from [~~Money in~~] the account may  
15 be used only for the purposes of this section and may not be used to  
16 pay operating expenses of the commission. Money allocated to the  
17 commission's historic preservation grant program shall be  
18 deposited to the credit of the account. Earnings [~~Income earned~~] on  
19 [~~money in~~] the account shall be deposited to the credit of the  
20 account.

21 (b) The commission may use distributions from [~~money in~~] the  
22 Texas preservation trust fund account to provide financial  
23 assistance to public or private entities for the acquisition,  
24 survey, restoration, or preservation, or for planning and

1 educational activities leading to the preservation, of historic  
2 property in the state that is listed in the National Register of  
3 Historic Places or designated as a State Archeological Landmark or  
4 Recorded Texas Historic Landmark, or that the commission determines  
5 is eligible for such listing or designation. The financial  
6 assistance may be in the amount and form and according to the terms  
7 that the commission by rule determines. The commission shall give  
8 priority to property the commission determines to be endangered by  
9 demolition, neglect, underuse, looting, vandalism, or other threat  
10 to the property. Gifts and grants [~~Money~~] deposited to the credit  
11 of the account specifically for any eligible projects may be used  
12 only for the type of projects specified. If such a specification is  
13 not made, the gift or grant [~~money~~] shall be unencumbered and accrue  
14 to the benefit of the Texas preservation trust fund account. If such  
15 a specification is made, the entire amount of the gift or grant may  
16 be used during any period for the project or type of project  
17 specified.

18 (f) The advisory board shall recommend to the commission  
19 rules for administering Subsections (a)-(e) [~~this section~~].

20 (h) The comptroller shall manage the assets of the account.  
21 In managing the assets of the account, the comptroller may acquire,  
22 exchange, sell, supervise, manage, or retain, through procedures  
23 and subject to restrictions the comptroller considers appropriate,  
24 any kind of investment that a prudent investor, exercising  
25 reasonable care, skill, and caution, would acquire or retain in  
26 light of the purposes, terms, distribution requirements, and other  
27 circumstances of the account then prevailing, taking into

1 consideration the investment of all the assets of the account  
2 rather than a single investment.

3 (i) The amount of a distribution shall be determined by the  
4 comptroller in a manner intended to provide a stable and  
5 predictable stream of annual distributions and to maintain over  
6 time the purchasing power of account investments and annual  
7 distributions from the account. If the purchasing power of account  
8 investments for any 10-year period is not preserved, the  
9 comptroller may not increase annual distributions from the account  
10 until the purchasing power of account investments is restored.

11 (j) An annual distribution made by the comptroller from the  
12 account during a fiscal year may not exceed an amount equal to seven  
13 percent of the average net fair market value of the investment  
14 assets of the account as determined by the comptroller.

15 (k) The expenses of managing account investments shall be  
16 paid from the account.

17 (l) On request, the comptroller shall fully disclose all  
18 details concerning the investments of the account.

19 SECTION 2. This Act takes effect immediately if it receives  
20 a vote of two-thirds of all the members elected to each house, as  
21 provided by Section 39, Article III, Texas Constitution. If this  
22 Act does not receive the vote necessary for immediate effect, this  
23 Act takes effect September 1, 2007.