

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 80TH LEGISLATIVE REGULAR SESSION

May 15, 2007

TO: Honorable Harvey Hilderbran, Chair, House Committee on Culture, Recreation, & Tourism

FROM: John S. O'Brien, Director, Legislative Budget Board

IN RE: SB1933 by Watson (Relating to the creation of the Texas State Music Museum.),
Committee Report 2nd House, Substituted

No significant fiscal implication to the State is anticipated.

The bill creates the Texas State Music History Museum. The bill requires the Music, Film, Television, and Multimedia Office (office) within the Office of the Governor to establish a request for proposal process and develop criteria to select contractors for the construction and operation of the museum. The bill specifies that proposals must not require money appropriated by the state.

The bill permits the museum operator, selected by the office, to hire necessary personnel.

The bill permits the museum operator to develop and produce films and musical recordings and retain royalties or receive revenue from the production, distribution, exhibition, or sale of those films and recordings. The bill authorizes the museum operator to license and sell music from the museum's website, host live musical performances and establish a museum membership program. The bill permits the museum operator to operate a gift shop, food services, and ATMs as well as providing parking and tour services. The bill requires that all money and securities received by the museum be held outside the treasury in the Texas State Music History Museum fund, managed by the Comptroller of Public Accounts.

The bill requires the office to contract with the museum operator to construct the museum owned by the state and operated through a lease agreement, or construct the museum on private property owned or leased by the operator.

The bill requires that to the extent possible, costs of operating the museum are to be paid from revenues generated by the museum. The bill prohibits amounts from the General Revenue Fund from being appropriated for museum operations. Therefore, no significant fiscal impact to the state is anticipated.

The bill requires the state auditor, based on a risk assessment, to review the annual report on the fund, and report any findings or recommendations to the museum and the legislative audit committee. No significant fiscal impact is anticipated as these activities will be absorbed in the State Auditor's Office existing budget.

Local Government Impact

No fiscal implication to units of local government is anticipated.

Source Agencies: 301 Office of the Governor, 304 Comptroller of Public Accounts, 308 State Auditor's Office, 808 Historical Commission, 300 Trusteed Programs Within the Office of the Governor, 601 Department of Transportation, 809 Preservation Board, 813 Commission on the Arts

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