

## **BILL ANALYSIS**

C.S.H.B. 3726  
By: Guillen  
Culture, Recreation & Tourism  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

Custodianship of the Alamo was granted to the Daughters of the Republic of Texas in 1905. Interested parties note that, in an effort to promote transparency in the organization's performance of certain duties, legislation should require the organization to provide an annual financial accountability and general transparency report to the Texas Historical Commission, the comptroller of public accounts, and the governor and should create an advisory board to promote, operate, and support the Alamo complex. C.S.H.B. 3726 seeks to address these and other issues relating to the private entity granted care and custody of the Alamo.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

C.S.H.B. 3726 amends the Government Code to require the custodian in whose care the state has placed the Alamo, not later than December 1 of each year, to prepare a financial accountability and general transparency report, to provide transparency in the performance of duties as custodian, that covers the custodian's previous fiscal year and to submit a copy of the report to the comptroller of public accounts, the governor, and the Texas Historical Commission. The bill requires the annual report to contain, at minimum, the following:

- copies of each independent audit or review of the financial activities of the custodian, including financial activities related to the Alamo and any recommendation, management letter, or report of the governing board of the custodian related to the audit or review;
- copies of the annual operating budget for the custodian and the Alamo;
- documents that identify all financial institution accounts held in the name of the custodian or in which funds from the Alamo complex and all other state-owned property managed by the custodian, including museums and other general operations of the custodian, are or have been held;
- documents that identify all accounts into which income from operation of the Alamo, including income from gift shop and vending machine sales and donations, are deposited;
- copies of the annual general ledgers for the custodian, the Alamo complex, and all other state-owned property managed by the custodian;
- copies of documents that describe the money spent on inspections of the Alamo, including inspections by engineers, architects, planners, and consultants;
- copies of all contracts and agreements between the custodian and any person relating to the operations, management, maintenance, and preservation of the Alamo complex and all other state-owned property managed by the custodian;
- copies of all documents relating to permits sought by the custodian from the Texas

Historical Commission, including applications for permits, permits issued, amendments or revisions to existing permits, and purchase orders and invoices for work performed on the Alamo;

- copies of all documents relating to any repair of \$2,000 or more made to the Alamo complex or other state-owned property managed by the custodian, for which a permit from the Texas Historical Commission was not obtained, including purchase orders and invoices for work performed;
- copies of all contracts by and between the custodian and professional fund-raisers, public relations companies, and marketing companies; and
- a copy of the custodian's master plan for the Alamo complex and any revisions to the plan, including an explanation of the reason for the revision.

C.S.H.B. 3726 requires the custodian to keep in its permanent records all receipts, purchase orders, invoices, expense reports, or other documents that support, describe, or explain the documents required and requires such information to, on request, be made available to the comptroller, governor, and Texas Historical Commission.

C.S.H.B. 3726 requires the custodian to establish the Alamo Preservation Advisory Board and provides for the composition of the board. The bill authorizes the board, subject to approval by the custodian, to include nonvoting members composed of individuals or representatives of institutions interested in the purposes and duties of the board and requires the president of the custodian to serve as presiding officer of the board. The bill authorizes the board to adopt procedures it considers advisable for the management, administration, and regulation of the business and affairs of the board and prohibits those procedures from being inconsistent with the custodian's articles of incorporation or bylaws or the laws of Texas.

C.S.H.B. 3726 requires the advisory board to promote, operate, and support the Alamo complex; provide the resources and support to advance the understanding and education of current and future generations about the historical significance and factual record of the Alamo complex; seek to inspire virtues of honor and pride in Texas; preserve the memory and achievement of those at the Alamo who paid the ultimate sacrifice for freedom and all the men and women of Texas who have served in the armed forces; promote and provide for the preservation, perpetuation, and appropriate publication and display of manuscripts, books, relics, pictures, oral histories, and all other items and information pertaining to the history of the Alamo complex and related history of Texas; and promote, counsel, and provide support to governmental and private organizations that are committed to the preceding objectives.

C.S.H.B. 3726 establishes that its provisions do not apply to a chapter or subsidiary of the custodian that is not involved in the daily operations of the Alamo complex or other state-owned property. The bill defines "advisory board" and "custodian."

#### **EFFECTIVE DATE**

September 1, 2011.

#### **COMPARISON OF ORIGINAL AND SUBSTITUTE**

C.S.H.B. 3726 contains a definition not included in the original for "advisory board."

C.S.H.B. 3726 contains a provision not included in the original establishing that the substitute's provisions do not apply to a chapter or subsidiary of the custodian of the Alamo that is not involved in the daily operations of the Alamo complex or other state-owned property.

C.S.H.B. 3726 differs from the original by specifying in the requirement that a financial accountability and general transparency report be filed by the custodian to cover the previous

fiscal year refers to the custodian's previous fiscal year, whereas the original specifies that the report covers the previous state fiscal year. The substitute contains a specification not included in the original, in the requirement that the custodian's annual report contain any recommendations, management letters, or reports of the governing board related to an audit or review, that the governing board is the governing board of the custodian.

C.S.H.B. 3726 differs from the original by requiring the custodian's annual report to contain documents that identify all financial institution accounts in which funds from all state-owned property managed by the custodian, in addition to the Alamo complex, are or have been held, whereas the original makes the requirement applicable to documents that identify such accounts in which funds all other property of the custodian, in addition to the Alamo, are or have been held. The substitute differs from the original by making the requirements that the report contain copies of annual general ledgers, certain contracts and agreements, and documents relating to specified repairs involving the Alamo complex applicable to such items for all other state-owned property managed by the custodian, in addition to the Alamo complex, whereas the original makes those requirements applicable to all other property of the custodian, in addition to the Alamo. The substitute differs from the original by requiring the report to contain a copy of the custodian's plan for the Alamo complex and any revisions to the plan, whereas the original makes the requirement applicable to the custodian's plan for the Alamo and any revisions to the plan.

C.S.H.B. 3726 omits a provision included in the original requiring the custodian's annual report to include documents that identify the donor, amount, and date of each cash or noncash donation of more than \$2,500 made to the custodian, the Alamo, or any other property of the custodian.

C.S.H.B. 3726 contains provisions not included in the original establishing the Alamo Preservation Advisory Board and providing for the board's composition, presiding officer, procedures, and duties.