

BILL ANALYSIS

C.S.H.B. 2718
By: Guillen
Culture, Recreation & Tourism
Committee Report (Substituted)

BACKGROUND AND PURPOSE

Art and culture play an integral role in the rich history of Texas as well as in the state's economic development. Recent reports indicate that the arts and culture industry accounts for billions of dollars in tourism spending, which benefits the Texas economy through increased sales tax revenues and increased job opportunities. Throughout Texas, communities have made efforts to cultivate areas dedicated to culture and art in order to generate economic development. To this end, the Texas Legislature enacted legislation providing for the creation of a cultural and fine arts district program by the Texas Commission on the Arts under which the commission would designate cultural districts across Texas. According to a recent report from the Select Committee on Economic Development which delved into this issue, these districts often become focal points for generating business development, attracting tourists, stimulating cultural development, and fostering civic pride in their communities.

Interested parties observe that the state has the opportunity to promote further growth in the arts and culture industry in Texas by investing in the cultural districts program. C.S.H.B. 2718 seeks to enable such investment by providing certain authority and assistance to cultural districts with respect to applications for state funding sources.

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. 2718 amends the Government Code to authorize a designated cultural and fine arts district or, if necessary to comply with federal eligibility requirements, a municipality or county in which a designated district is located on behalf of the district to apply for state incentives, funding, grants, and loans from state agencies, including the Department of Agriculture, the Texas Department of Transportation, and the office of the governor. The bill requires the Texas Commission on the Arts to assist designated districts, municipalities, and counties in applying for such incentives, funding, grants, and loans. The bill authorizes the commission to amend the boundaries of a designated district to include private sector development.

EFFECTIVE DATE

September 1, 2013.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 2718 may differ from the original in minor or nonsubstantive ways, the following comparison is organized and highlighted in a manner that indicates the substantial differences between the original and committee substitute versions of the bill.

INTRODUCED

SECTION 1. Section 444.031, Government Code, is amended by amending Subsection (b) and adding Subsections (c), (d), and (e) to read as follows:

(b) The commission shall develop:

- (1) eligibility criteria for a designation under this section; ~~and~~
- (2) procedures to administer the program created under this section;
- (3) a standardized tracking survey for visitors to each designated district in order to collect information, including visitor residence zip codes, for use by designated districts and the commission; and
- (4) annual performance measures for designated districts to be published on the commission's Internet website.

(c) The commission shall:

- (1) identify and advise districts of available state incentives and opportunities, including programs of the:

- (A) Department of Agriculture;
- (B) Texas Department of Transportation;
- and
- (C) office of the governor; and

- (2) assist districts in applying for the incentives and opportunities.

(d) A designated district shall meet performance measures developed under Subsection (b) in order to maintain a designation under this section.

(e) The commission may amend the boundaries of a district to include private sector development.

SECTION 2. This Act takes effect September 1, 2013.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 444.031, Government Code, is amended by adding Subsections (c), (d), and (e) to read as follows:

(c) A designated district or, if necessary to comply with federal eligibility requirements, a municipality or county in which a designated district is located on behalf of the district may apply for state incentives, funding, grants, and loans from state agencies, including the:

- (1) Department of Agriculture;
- (2) Texas Department of Transportation;
- and
- (3) office of the governor.

(d) The commission shall assist designated districts, municipalities, and counties in applying under Subsection (c).

(e) The commission may amend the boundaries of a designated district to include private sector development.

SECTION 2. Same as introduced version.