BILL ANALYSIS

Senate Research Center 83R17426 VOO-F H.B. 3674 By: Muñoz, Jr. et al. (Hinojosa) Government Organization 5/10/2013 Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Historical Commission maintains the historic courthouse preservation program that awards grants to counties for the restoration of historic courthouses. There are concerns that this program is limited to counties. Observers note that there are certain municipalities that also wish to take steps to preserve local history and legacy through courthouse renovation and that such restoration projects are often modest but have a significant impact because of the projects' potential to generate jobs and income.

H.B. 3674 extends eligibility for the historic courthouse preservation and maintenance program to municipalities in an effort to expand the program's benefits to local communities.

H.B. 3674 amends current law relating to eligibility of municipalities to participate in the historic courthouse preservation and maintenance programs administered by the Texas Historical Commission.

RULEMAKING AUTHORITY

Rulemaking authority previously granted to the Texas Historical Commission is modified in SECTION 2 (Section 442.0081, Government Code), SECTION 3 (Section 442.0082, Government Code), and SECTION 4 of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 442.001(1), Government Code, to redefine "historic courthouse" for this section.

SECTION 2. Amends Sections 442.0081(b), (c), (d), (e), (f), and (g-1), Government Code, as follows:

(b) Authorizes a county or municipality that owns a historic courthouse to apply to the Texas Historical Commission (THC) for a grant or loan for a historic courthouse project. Requires that the application:

(1)-(2) Makes no change to these subdivisions;

(3) state the amount of money or in-kind contributions that the county or municipality promises to contribute to the project;

(4) Makes no change to this subdivision;

(5) include any plans, including a master preservation plan, that the county or municipality may have for the project; and

(6) Makes no change to this subdivision.

(c) Authorizes THC to grant or loan money to a county or municipality that owns a historic courthouse, for the purpose of preserving or restoring the courthouse, if the

county's or municipality's application meets the standards of the historic courthouse preservation program.

(d) Requires THC, in considering whether to grant an application, to give preference to:

(1) Makes no change to this subdivision; and

(2) a county or municipality that will provide or has provided at least 15 percent of the project's costs, including certain contributions.

(e) Requires THC, in considering whether to grant an application, to also consider the following factors:

(1) the amount of money available for a grant or loan and the percentage of the costs that the county or municipality will contribute;

(2) whether the county or municipality will contribute any in-kind contribution such as labor or materials;

(3)-(5) Makes no change to these subdivisions;

(6) the county's or municipality's master preservation plan; and

(7) Makes no change to this subdivision.

(f) Requires THC to adopt rules regarding the way in which it will consider certain factors in analyzing a county's or municipality's contribution to project costs under Subsection (d)(2).

(g-1) Requires THC, to help protect courthouses that have benefited from the historic courthouse preservation program, to develop and implement a maintenance program to assist counties and municipalities receiving money under the preservation program in continuing to maintain, repair, and preserve the courthouses. Authorizes the maintenance program to include offering to periodically inspect the courthouses and offering counties and municipalities technical assistance and information on best practices in maintaining the courthouses.

SECTION 3. Amends Section 442.0082, Government Code, as follows:

(a) Requires a county or municipality, before incurring any expenses payable from funds received from THC under the historic courthouse preservation program, to have a master preservation plan for its historic courthouse project. Requires THC by rule to prescribe the minimum standards for a master preservation plan.

(b) Requires a county or municipality that receives money under the historic courthouse preservation program to use recognized preservation standards for work on a historic courthouse project. Requires THC by rule to establish standards regarding the quality of the work performed on a historic courthouse project.

(c) Authorizes a county or municipality that receives money under the historic courthouse preservation program for a historic courthouse project to use the money only for eligible preservation and restoration expenses that THC by rule is required to prescribe. Authorizes eligible expenses to include costs for:

(1) structural, mechanical, electrical, and plumbing systems and weather protection and emergency public safety issues not covered by insurance;

(2) code and environmental compliance, including complying with the federal Americans with Disabilities Act of 1990 and its subsequent amendments, Chapter 469 (Elimination of Architectural Barriers), rather than Article 9102, Revised Statutes, and other state laws relating to accessibility standards, hazardous materials mitigation rules, and other similar concerns; and

(3)-(5) Makes no change to these subdivisions.

(d) Provides that a county's or municipality's expenditure of money received under this chapter for a historic courthouse project is subject to audit by the state auditor in accordance with Chapter 321 (State Auditor).

(e) Requires THC by rule to provide for oversight procedures on a project. Requires that these rules provide for reasonable inspections by THC as well as periodic reports by a county or municipality on a project's progress.

SECTION 4. Amends Section 442.0083(b), Government Code, to authorize THC, except as otherwise provided by Subsection (c) (relating to authorizing THC to use money in the historic courthouse preservation fund account to provide a loan under the historic courthouse preservation program only to the extent that the legislature provides in the General Appropriations Act that money is used for the appropriate purpose), to use money in the historic courthouse preservation fund account to provide a grant or loan to a county or municipality that owns a historic courthouse for a historic courthouse project. Authorizes the grant or loan to be in the amount and according to the terms that THC by rule is required to determine.

SECTION 5. Effective date: upon passage or September 1, 2013.