

BILL ANALYSIS

C.S.H.B. 3674
By: Muñoz, Jr.
Culture, Recreation & Tourism
Committee Report (Substituted)

BACKGROUND AND PURPOSE

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.

C.S.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.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the Texas Historical Commission in SECTIONS 2, 3, and 4 of this bill.

ANALYSIS

C.S.H.B. 3674 amends the Government Code to make a municipality that owns a historic courthouse eligible for a grant or a loan under the historic courthouse preservation and maintenance programs administered by the Texas Historical Commission. The bill clarifies that for such purposes, "historic courthouse" includes a structure that previously functioned as the official county courthouse of the county in which it is located and is owned by a municipality. The bill applies statutory provisions relating to a county's participation in the program to a municipality, including provisions relating to certain commission rulemaking authority.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2013.

COMPARISON OF ORIGINAL AND SUBSTITUTE

While C.S.H.B. 3674 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 introduced and committee substitute versions of the bill.

INTRODUCED

No equivalent provision.

HOUSE COMMITTEE SUBSTITUTE

SECTION 1. Section 442.001(1), Government Code, is amended to read as follows:

(1) "Historic courthouse" means a county courthouse that is at least 50 years old. The term includes a structure that:

- (A) previously functioned as the official county courthouse of the county in which it is located; and
- (B) is owned by a municipality.

SECTION 1. Section 442.0081 of the Government Code is amended to read as follows:

Sec. 442.0081. HISTORIC COURTHOUSE PRESERVATION AND MAINTENANCE PROGRAMS; GRANTS AND LOANS.

- (a) The commission shall administer a historic courthouse preservation program.
- (b) A county or municipality that owns a historic courthouse may apply to the commission for a grant or loan for a historic courthouse project. The application must:
 - (1) state the location of the courthouse;
 - (2) state whether the courthouse is or is likely to become a historic structure;
 - (3) state the amount of money or in-kind contributions that the county promises to contribute to the project;
 - (4) state whether the courthouse is currently functioning as a courthouse;
 - (5) include any plans, including a master preservation plan, that the county may have for the project; and
 - (6) include any other information that the commission by rule may require.
- (c) The commission may 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. In considering whether to grant an application, the commission shall consider the preferences and factors listed in this section as well as any other factors that it may provide by rule.
- (d) In considering whether to grant an application, the commission shall give preference to:
 - (1) a proposed project to preserve or restore a courthouse:
 - (A) that is or is likely to become a historic structure; and
 - (B) that:
 - (i) is still functioning as a courthouse;
 - (ii) was built before 1875; or
 - (iii) is subject to a conservation easement held by the commission; and
 - (2) a county or municipality that will

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

- (b) A county or municipality that owns a historic courthouse may apply to the commission for a grant or loan for a historic courthouse project. The application must:
 - (1) state the location of the courthouse;
 - (2) state whether the courthouse is or is likely to become a historic structure;
 - (3) state the amount of money or in-kind contributions that the county or municipality promises to contribute to the project;
 - (4) state whether the courthouse is currently functioning as a courthouse;
 - (5) include any plans, including a master preservation plan, that the county or municipality may have for the project; and
 - (6) include any other information that the commission by rule may require.
- (c) The commission may 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. In considering whether to grant an application, the commission shall consider the preferences and factors listed in this section as well as any other factors that it may provide by rule.
- (d) In considering whether to grant an application, the commission shall give preference to:
 - (1) a proposed project to preserve or restore a courthouse:
 - (A) that is or is likely to become a historic structure; and
 - (B) that:
 - (i) is still functioning as a courthouse;
 - (ii) was built before 1875; or
 - (iii) is subject to a conservation easement held by the commission; and
 - (2) a county or municipality that will

provide or has provided at least 15 percent of the project's costs, including:

- (A) in-kind contributions; and
- (B) previous expenditures for master planning and renovations on the courthouse that are the subject of the application.

(e) In considering whether to grant an application, the commission shall 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) the cost to preserve or restore the courthouse;
- (4) the architectural style of the courthouse;
- (5) the historic significance of the courthouse;
- (6) the county's or municipality's master preservation plan; and
- (7) any other factors that the commission by rule may provide.

(f) The commission shall adopt rules regarding the way in which it will consider the following factors in analyzing a county's or municipality's contribution to project costs under Subsection (d)(2):

- (1) the period during which past expenditures can be considered;
- (2) the amount of past expenditures that can be considered; and
- (3) the amount and type of in-kind contributions that can be considered.

(g) The commission shall appoint a Texas Courthouse Preservation Program Advisory Committee. The committee shall assist the commission on matters relating to the historic courthouse preservation program. The commission may reimburse a committee member's travel expenses and provide a per diem for other expenses from funds appropriated to the commission, but not from funds in the historic courthouse preservation fund account created by this chapter. Chapter 2110 applies to the committee, but the committee must include:

- (1) members from the different geographical areas of the state;
- (2) an equal number of members from counties with a population of:
 - (A) 24,999 or less;
 - (B) 25,000 to 75,000; and
 - (C) 75,001 or more; and

provide or has provided at least 15 percent of the project's costs, including:

- (A) in-kind contributions; and
- (B) previous expenditures for master planning and renovations on the courthouse that are the subject of the application.

(e) In considering whether to grant an application, the commission shall 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) the cost to preserve or restore the courthouse;
- (4) the architectural style of the courthouse;
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- (1) the period during which past expenditures can be considered;
- (2) the amount of past expenditures that can be considered; and
- (3) the amount and type of in-kind contributions that can be considered.

- (3) at least the following members:
 - (A) one or more elected county officials;
 - (B) one or more members of historical organizations or persons with knowledge of and experience in preservation who are not elected county officials; and
 - (C) one or more members of the general public who do not meet the requirements of Paragraph (A) or (B).

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

(h) The commission shall adopt rules necessary to implement the historic courthouse preservation and maintenance programs.

SECTION 2. Section 442.0082 of the Government Code is amended to read as follows:

Sec. 442.0082. HISTORIC COURTHOUSE PROJECT;

REQUIREMENTS. (a) Before incurring any expenses payable from funds received from the commission under the historic courthouse preservation program, a county or municipality must have a master preservation plan for its historic courthouse project. The commission by rule shall prescribe the minimum standards for a master preservation plan.

(b) A county or municipality that receives money under the historic courthouse preservation program must use recognized preservation standards for work on a historic courthouse project. The commission by rule shall establish standards regarding the quality of the work performed on a historic courthouse project.

(c) A county or municipality that receives money under the historic courthouse preservation program for a historic courthouse project may use the money only for eligible preservation and restoration

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SECTION 3. Section 442.0082, Government Code, is amended to read as follows:

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(b) A county or municipality that receives money under the historic courthouse preservation program must use recognized preservation standards for work on a historic courthouse project. The commission by rule shall establish standards regarding the quality of the work performed on a historic courthouse project.

(c) A county or municipality that receives money under the historic courthouse preservation program for a historic courthouse project may use the money only for eligible preservation and restoration

expenses that the commission by rule shall prescribe. Eligible expenses may 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, Article 9102, Revised Statutes, and other state laws relating to accessibility standards, hazardous materials mitigation rules, and other similar concerns;
 - (3) replication of a missing architectural feature;
 - (4) removal of an inappropriate addition or modification; and
 - (5) restoration of a courtroom or other significant public space in a functional and historically appropriate manner.
- (d) 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.
- (e) The commission by rule shall provide for oversight procedures on a project. These rules shall provide for reasonable inspections by the commission as well as periodic reports by a county on a project's progress.

SECTION 3. Section 442.0083 of the Government Code is amended.

SECTION 4. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

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- (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 [~~Article 9102, Revised Statutes~~], and other state laws relating to accessibility standards, hazardous materials mitigation rules, and other similar concerns;
 - (3) replication of a missing architectural feature;
 - (4) removal of an inappropriate addition or modification; and
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SECTION 4. Substantially the same as introduced version.

SECTION 5. Same as introduced version.