

By: Eltife

S.B. No. 1546

A BILL TO BE ENTITLED

AN ACT

relating to the management and use of the Texas preservation trust fund.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 442.015, Government Code, is amended by amending Subsections (a), (b), and (f) and adding Subsections (h), (i), (j), (k), and (l) to read as follows:

(a) Notwithstanding Section 403.095, the Texas preservation trust fund account is a separate account in the general revenue fund. The account consists of transfers made to the account, loan repayments, grants and donations made for the purposes of this program, proceeds of sales, earnings [~~income earned~~] on [~~money in~~] the account, and any other money received under this section. Distributions from [~~Money in~~] the account may be used only for the purposes of this section and may not be used to pay operating expenses of the commission. Money allocated to the commission's historic preservation grant program shall be deposited to the credit of the account. Earnings [~~Income earned~~] on [~~money in~~] the account shall be deposited to the credit of the account.

(b) The commission may use distributions from [~~money in~~] the Texas preservation trust fund account to provide financial assistance to public or private entities for the acquisition, survey, restoration, or preservation, or for planning and

1 educational activities leading to the preservation, of historic
 2 property in the state that is listed in the National Register of
 3 Historic Places or designated as a State Archeological Landmark or
 4 Recorded Texas Historic Landmark, or that the commission determines
 5 is eligible for such listing or designation. The financial
 6 assistance may be in the amount and form and according to the terms
 7 that the commission by rule determines. The commission shall give
 8 priority to property the commission determines to be endangered by
 9 demolition, neglect, underuse, looting, vandalism, or other threat
 10 to the property. Gifts and grants deposited to the credit of the
 11 account specifically for any eligible projects may be used only for
 12 the type of projects specified. If such a specification is not
 13 made, the gift or grant shall be unencumbered and accrue to the
 14 benefit of the Texas preservation trust fund account. If such a
 15 specification is made, the entire amount of the gift or grant may be
 16 used during any period for the project or type of project specified.

17 (f) The advisory board shall recommend to the commission
 18 rules for administering Subsections (a)-(e) ~~[this section]~~.

19 (h) The comptroller shall manage the assets of the account.
 20 In managing the assets of the account, the comptroller may acquire,
 21 exchange, sell, supervise, manage, or retain, through procedures
 22 and subject to restrictions the comptroller considers appropriate,
 23 any kind of investment that a prudent investor, exercising
 24 reasonable care, skill, and caution, would acquire or retain in
 25 light of the purposes, terms, distribution requirements, and other
 26 circumstances of the account then prevailing, taking into
 27 consideration the investment of all the assets of the account

1 rather than a single investment.

2 (i) The amount of a distribution shall be determined by the
3 comptroller in a manner intended to provide a stable and
4 predictable stream of annual distributions and to maintain over
5 time the purchasing power of account investments and annual
6 distributions from the account. If the purchasing power of account
7 investments for any 10-year period is not preserved, the
8 comptroller may not increase annual distributions from the account
9 until the purchasing power of account investments is restored.

10 (j) An annual distribution made by the comptroller from the
11 account during a fiscal year may not exceed an amount equal to seven
12 percent of the average net fair market value of the investment
13 assets of the account as determined by the comptroller.

14 (k) The expenses of managing account investments shall be
15 paid from the account.

16 (l) On request, the comptroller shall fully disclose all
17 details concerning the investments of the account.

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