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| BILL ANALYSIS |

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| S.B. 1147 |
| By: Watson |
| Culture, Recreation & Tourism |
| Committee Report (Unamended) |

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| **BACKGROUND AND PURPOSE**  Interested parties assert that the state needs an official museum for Texas music to honor and celebrate Texas' rich musical heritage. S.B. 1147 seeks to address this issue by providing for the establishment of the Texas State Music Museum and the Texas Music Foundation. |
| **CRIMINAL JUSTICE IMPACT**  It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision. |
| **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**  S.B. 1147 amends the Government Code to establish the Texas State Music Museum to educate and engage visitors in the rich and varied heritage of the music of the state, display objects and information relating to such heritage, and honor musical artists and other persons who have contributed to such heritage. The bill requires the museum to provide exhibits, concerts, programs, and activities that support the musical education of the people of Texas and requires the cost of operating the museum to be paid from revenue generated or collected by the museum and the Texas Music Foundation. The bill requires the State Preservation Board to establish and maintain the foundation as a Texas nonprofit corporation, exempt from federal income taxation under the federal Internal Revenue Code of 1986 as a charitable organization, and establishes that the foundation is a nonpolitical legal entity dedicated solely to supporting the mission and goals of the museum. The bill provides for the governance of the foundation by 13 directors appointed by the governor, as chairman of the State Preservation Board, in consultation with the other board members and sets out related provisions.  S.B. 1147 puts the museum under the jurisdiction of the State Preservation Board and requires the board, with the assistance of the Texas Facilities Commission, to designate sufficient space in a building in the Capitol Complex to house the museum. The bill exempts the building from statutory provisions relating to the naming of state buildings. The bill requires the board to enter into an agreement with the foundation for the management, operation, and financial support of the museum and sets out requirements for the agreement. The bill requires the foundation to employ personnel necessary to operate the museum and establishes that a foundation employee is not a state employee. The bill authorizes the foundation to set the salaries of foundation employees, subject to board oversight.  S.B. 1147 requires the foundation to manage and operate the museum. The bill authorizes any authority granted to the museum to be exercised by the foundation, except as otherwise directed by the board, and authorizes the foundation, with the approval of the board, to conduct concerts, programs, and fund-raising activities in the Capitol Complex outside the fence line of the Capitol grounds. The bill requires the foundation to raise money to finance and support the museum and sets out provisions relating to funding and fees. The bill requires money and securities received by the foundation and museum to be held in trust outside the state treasury by the comptroller of public accounts in a special fund to be known as the Texas State Music Museum fund, authorizes the foundation to spend money in the fund for any lawful purpose connected with the museum, and exempts a purchase or lease made with money from the fund from the State Purchasing and General Services Act.  S.B. 1147 sets out provisions relating to museum facilities, the naming of museum areas, intellectual property rights, museum audit, parking and transportation, private events, marketing and public relations, insurance, contracts, an agreement for utilities and other services, an annual report, and an open meetings and public information exemption. The bill exempts all income, property, and other assets of the foundation from taxation by the state and political subdivisions of the state. The bill requires the foundation to comply with all filing requirements of the secretary of state and the Internal Revenue Service. The bill prohibits the foundation from donating funds to a political campaign, endorsing a political candidate, lobbying or otherwise attempting to influence a member of the legislature, or directly or indirectly attempting to influence legislation. |
| **EFFECTIVE DATE**  On passage, or, if the bill does not receive the necessary vote, September 1, 2017. |