

By: Watson, et al.  
(Geren)

S.B. No. 1147

A BILL TO BE ENTITLED

AN ACT

relating to the establishment of the Texas State Music Museum and Texas Music Foundation; authorizing fees.

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

SECTION 1. Subtitle D, Title 4, Government Code, is amended by adding Chapter 446 to read as follows:

CHAPTER 446. TEXAS STATE MUSIC MUSEUM AND TEXAS MUSIC FOUNDATION

Sec. 446.001. DEFINITIONS. In this chapter:

(1) "Board" means the State Preservation Board.

(2) "Capitol Complex" has the meaning assigned by Section 443.0071.

(3) "Foundation" means the Texas Music Foundation.

(4) "Museum" means the Texas State Music Museum.

(5) "Presiding officer" means the presiding officer of the foundation.

Sec. 446.002. ESTABLISHMENT OF MUSEUM. (a) The Texas State Music Museum is established to:

(1) educate and engage visitors in the rich and varied heritage of the music of this state;

(2) display objects and information relating to the heritage described by Subdivision (1); and

(3) honor musical artists and other persons who have contributed to the heritage described by Subdivision (1).

(b) The museum shall provide exhibits, concerts, programs,

1 and activities that support the musical education of the people of  
2 this state, including students.

3 (c) The cost of operating the museum shall be paid from  
4 revenue generated or collected by the museum and the foundation.

5 Sec. 446.003. ESTABLISHMENT OF FOUNDATION. The board shall  
6 establish and maintain the Texas Music Foundation as a Texas  
7 nonprofit corporation, exempt from federal income taxation under  
8 Section 501(a), Internal Revenue Code of 1986, as an organization  
9 described by Section 501(c)(3) of that code. The foundation is a  
10 nonpolitical legal entity dedicated solely to supporting the  
11 mission and goals of the museum.

12 Sec. 446.004. FOUNDATION DIRECTORS. (a) The foundation is  
13 governed by 13 directors, appointed by the governor, as chairman of  
14 the board, in consultation with the other board members.

15 (b) The executive director of the board and a person  
16 designated by the governor's office serve as ex officio directors  
17 of the foundation, without voting privileges.

18 (c) Each director serves at the will of the governor.

19 (d) The governor shall designate a director to serve as the  
20 presiding officer of the foundation.

21 (e) A director serves without compensation but is entitled  
22 to reimbursement for reasonable and necessary expenses incurred in  
23 the performance of duties as director.

24 (f) A person who is required to register as a lobbyist under  
25 Chapter 305 may not serve as a director.

26 Sec. 446.005. BOARD OVERSIGHT AND DESIGNATION OF MUSEUM  
27 SPACE. (a) The museum is under the jurisdiction of the board.

1        (b) The board, with the assistance of the Texas Facilities  
2 Commission, shall designate sufficient space in a building in the  
3 Capitol Complex to house the museum. The building is not subject to  
4 Section 2165.005.

5        Sec. 446.006. AGREEMENT BETWEEN BOARD AND FOUNDATION. The  
6 board shall enter into an agreement with the foundation for the  
7 management, operation, and financial support of the museum. The  
8 agreement must:

9            (1) detail the expectations and goals of the board and  
10 the foundation;

11           (2) outline the management and operation of the  
12 museum;

13           (3) establish management standards;

14           (4) provide for oversight by the board;

15           (5) address funding and payment of costs;

16           (6) address equipment needed for the museum;

17           (7) establish insurance coverage requirements;

18           (8) address construction, maintenance, and repair of  
19 the museum;

20           (9) establish the term of the agreement;

21           (10) require submission of financial information from  
22 the foundation to the board;

23           (11) establish the foundation as a trustee of the  
24 museum for the benefit of this state;

25           (12) address ownership by this state of the museum and  
26 museum contents;

27           (13) include a dispute resolution process;

1           (14) provide that the laws of this state govern the  
2 agreement;

3           (15) include notice requirements;

4           (16) establish a conflict of interest policy for  
5 foundation officers, directors, and employees;

6           (17) establish a budget for the operation of the  
7 foundation; and

8           (18) allow the board to provide personnel and office  
9 support to the foundation.

10          Sec. 446.007. FOUNDATION PERSONNEL. (a) The foundation  
11 shall employ personnel necessary to operate the museum.

12          (b) A foundation employee is not a state employee. The  
13 foundation may set the salaries of foundation employees, subject to  
14 board oversight.

15          Sec. 446.008. FOUNDATION POWERS AND DUTIES. (a) The  
16 foundation shall manage and operate the museum.

17          (b) Any authority granted to the museum may be exercised by  
18 the foundation, except as otherwise directed by the board.

19          (c) The foundation shall raise money to finance and support  
20 the museum.

21          (d) With the approval of the board, the foundation may  
22 conduct concerts, programs, and fund-raising activities in the  
23 Capitol Complex outside the fence line of the Capitol grounds.

24          Sec. 446.009. FUNDING AND FEES. (a) The foundation may  
25 solicit and accept gifts, grants, sponsorships, and donations from  
26 individuals and public or private foundations and organizations to  
27 further the foundation's mission, including a gift, grant,

1 sponsorship, or donation made in the name of the museum.

2 (b) Money raised by the foundation may be used to acquire  
3 personal property for or engage in construction activities related  
4 to the museum.

5 (c) The foundation may set and collect fees in amounts  
6 necessary to provide for the operation of the museum, including  
7 fees for:

8 (1) admission to exhibits, theaters, concerts,  
9 programs, and activities;

10 (2) parking and transportation; and

11 (3) facility rental.

12 (d) The foundation may sell at the museum items manufactured  
13 or publications printed under contract with the museum.

14 (e) The foundation may establish a museum membership  
15 program.

16 Sec. 446.010. TEXAS STATE MUSIC MUSEUM FUND. (a) Money  
17 and securities received by the foundation and museum shall be held  
18 in trust outside the state treasury by the comptroller in a special  
19 fund to be known as the Texas State Music Museum fund.

20 (b) The foundation may spend money in the Texas State Music  
21 Museum fund for any lawful purpose connected with the museum.

22 (c) Subtitle D, Title 10, does not apply to a purchase or  
23 lease made with money from the fund.

24 Sec. 446.011. FACILITIES. (a) The foundation may operate  
25 in the museum:

26 (1) a theater or other venue for hosting a musical  
27 concert or performance;

1           (2) a gift shop;

2           (3) unmanned teller machines;

3           (4) food services; and

4           (5) other services and facilities convenient or  
5 necessary for visitors to the museum.

6           (b) Chapter 355, Labor Code, does not apply to vending  
7 facilities operated by or approved for operation in the museum.

8           Sec. 446.012. NAMING OF MUSEUM AREAS. With the approval of  
9 the board, the foundation may name areas in the museum, including  
10 rooms and exhibition halls, in honor of donors or benefactors, or  
11 other persons who have contributed to the musical heritage of this  
12 state.

13           Sec. 446.013. INTELLECTUAL PROPERTY RIGHTS. The foundation  
14 may secure museum-related intellectual property rights for this  
15 state.

16           Sec. 446.014. AUDIT. The museum is subject to audit by the  
17 state auditor as provided by Chapter 321.

18           Sec. 446.015. PARKING AND TRANSPORTATION. The foundation  
19 may provide at the museum parking for visitors and, in cooperation  
20 with other public and private authorities, may participate in  
21 providing transportation for visitors between other musical and  
22 cultural sites.

23           Sec. 446.016. PRIVATE EVENTS. The foundation may rent all  
24 or part of the museum's facilities for private events and provide  
25 for the sale, gift, possession, and consumption of alcoholic  
26 beverages at a private event held in the facilities.

27           Sec. 446.017. MARKETING AND PUBLIC RELATIONS. The

1 foundation may engage in marketing and public relations to  
2 publicize the museum and the museum's mission.

3 Sec. 446.018. INSURANCE. The foundation may purchase  
4 insurance policies to insure the museum's contents and other  
5 personal property against any insurable risk, including insurance  
6 covering historical artifacts, art, or other items on loan to the  
7 museum.

8 Sec. 446.019. CONTRACTS. The foundation may contract with  
9 public or private entities to the extent necessary or convenient  
10 for the operation of the museum's exhibits, concerts, programs,  
11 activities, and facilities, including contracts for the  
12 acquisition by purchase or loan of items for exhibition.

13 Sec. 446.020. AGREEMENT FOR UTILITIES AND OTHER SERVICES.  
14 The foundation may enter into an agreement with the Texas  
15 Facilities Commission to reimburse the commission for the costs of  
16 providing utilities and other necessary services for the museum.

17 Sec. 446.021. ANNUAL REPORT. Not later than the 60th day  
18 after the last day of each state fiscal year, the foundation shall  
19 submit to the board an electronic report itemizing all income and  
20 expenditures of the foundation and describing all activities of the  
21 foundation and museum during the preceding state fiscal year.

22 Sec. 446.022. OPEN MEETINGS AND PUBLIC INFORMATION  
23 EXEMPTION. The foundation is not subject to Chapter [551](#) or [552](#).

24 Sec. 446.023. TAX EXEMPTION; FILING REQUIREMENT. (a) All  
25 income, property, and other assets of the foundation are exempt  
26 from taxation by this state and political subdivisions of this  
27 state.

1       (b) The foundation shall comply with all filing  
2 requirements of the secretary of state and the Internal Revenue  
3 Service.

4       Sec. 446.024. PROHIBITED ACTIVITIES. The foundation may  
5 not:

6           (1) donate funds to a political campaign or endorse a  
7 political candidate;

8           (2) lobby or otherwise attempt to influence a member  
9 of the legislature; or

10          (3) directly or indirectly attempt to influence  
11 legislation.

12       SECTION 2. As soon as practicable after the effective date  
13 of this Act:

14           (1) the State Preservation Board shall establish the  
15 Texas Music Foundation under Chapter 446, Government Code, as added  
16 by this Act; and

17           (2) the governor shall appoint directors to the Texas  
18 Music Foundation as provided by Section 446.004, Government Code,  
19 as added by this Act.

20       SECTION 3. This Act takes effect immediately if it receives  
21 a vote of two-thirds of all the members elected to each house, as  
22 provided by Section 39, Article III, Texas Constitution. If this  
23 Act does not receive the vote necessary for immediate effect, this  
24 Act takes effect September 1, 2017.