By:  Bonnen H.B. No. 3050

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Texas state buildings preservation endowment fund.

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

SECTION 1.  Section 443.0102(b), Government Code, is amended to read as follows:

Sec. 443.0102(b).  The Texas state buildings preservation endowment [~~Capitol~~] fund created by Section 443.0103 [~~443.0101~~] is not subject to Subchapter F, Chapter 404. A provision of this chapter or other law that provides for the deposit of money or another thing of value into the fund prevails over Subchapter F, Chapter 404.

SECTION 2.  Section 443.0103, Government Code, is amended to read as follows:

Sec. 443.0103.  [~~CAPITAL RENEWAL~~] TEXAS STATE BUILDINGS PRESERVATION ENDOWMENT [~~TRUST~~] FUND. (a) The Texas state buildings preservation [~~capital renewal~~] endowment [~~trust~~] fund is created as a [~~trust~~] fund outside the treasury to maintain, preserve, rehabilitate, and restore the buildings and grounds over which the board has authority. The fund is composed of:

(1)  Money transferred or appropriated to the fund by the legislature;

(2)  Money transferred to the fund from former capital renewal trust fund, Governor's Mansion renewal trust fund and the State Cemetery preservation trust fund;

(3)  gifts, grants, and donations contributed to the fund for a purpose for which money in the fund may be used under this section; and

(4)  the returns received from investment of money in the fund.

[~~with the comptroller and shall be administered by the board, as a trustee on behalf of the people of this state, to maintain and preserve the Capitol, the General Land Office Building, their contents, and their grounds. The fund consists of money transferred to the fund:~~

[~~(1)  at the direction of the legislature; or~~

~~(2)  in accordance with this section~~]

(b)  In this section, "trust company" means the Texas Treasury Safekeeping Trust Company, and "board" means the state preservation board. The trust company shall hold, manage, and invest the fund. The trust company shall determine the amount available for distribution from the fund determined in accordance with a distribution policy that is adopted by the comptroller and designed to preserve the purchasing power of the fund's assets, provide a stable and predictable stream of annual distributions, and meet liquidity needs of the fund as appropriate. The expenses of managing the fund and its assets shall be paid from the fund. Except as provided by this section, money in the fund may not be used for any other purpose.

(c)  In managing the assets of the fund, through procedures and subject to restrictions the trust company considers appropriate, the trust company may acquire, exchange, sell, supervise, manage, or retain any kind of investment that a prudent investor, exercising reasonable care, skill, and caution, would acquire or retain in light of the purposes, terms, distribution requirements, liquidity requirements, and other circumstances of the fund then prevailing, taking into consideration the investment of all the assets of the fund rather than a single investment. The board will provide the trust company with a cash flow forecast at least annually, and more frequently as appropriate, for purposes of distribution and liquidity requirements.

(d)  The board may request an annual fund distribution not to exceed the amount the trust company determines available for distribution as provided under subsection (b). The amount distributed may only be used [~~(b) Money in the fund may be used only~~] for the purpose of maintaining, [~~and~~] preserving, rehabilitating, and restoring the buildings and grounds over which the board has authority. The board shall spend at least one-third of the funds distributed on projects at the Bob Bullock Texas State History Museum, with the exception of funds transferred from the former capital renewal trust fund, Governor's Mansion renewal trust fund and the State Cemetery preservation trust fund. Distributed funds may be used to acquire land in close proximity to the State Cemetery for expansion of the cemetery with the written approval of the Legislative Budget Board. Money in the fund may not be used to pay salaries, employee benefits, costs associated with employee benefits, or administration, operating, or program costs of the board or the buildings and grounds over which the board has authority [~~the Capitol, the General Land Office Building, their contents, and their grounds~~].

(e)  Subject to subsection (f), not more frequently than once per calendar year, the board may request an additional distribution from the fund in excess of the amount the trust company determines is available for distribution under the terms of subsection (b), to be used for the purposes described in subsection (d). The amount requested pursuant to this subsection shall not exceed the amount distributed to the board pursuant to the comptroller's policy in the preceding calendar year.

(f)  The board may approve a distribution of the fund authorized under Subsection (e) after it certifies to the legislative budget board that:

(1)  the board has reviewed and approved the use of the money;

(2)  all purchases made with the money will conform to any applicable provision of law governing state procurement and contracting; and

(3)  the money will not be used to:

(A)  pay salaries, employee benefits, costs associated with employee benefits, or administration, operating or program costs of the board or the buildings or grounds subject to its authority;

(B)  acquire new historic sites or real property; or

(C)  purchase capital equipment that is not related to the rehabilitation or restoration of a building or grounds.

(g)  All expenditures by the board under this section are subject to audit by the state auditor.

(h)  The board shall include in the strategic plan submitted under Section 2056.002 a report on each project funded using money in the fund during the two-year period preceding the date on which the board submits the plan and a list of each project the board anticipates will be funded using money in the fund for the period covered by the plan.

[~~(c)  The interest received from investment of money in the fund shall be credited to the fund.~~

[~~(d)  The board may transfer money from any account of the Capitol fund to the capital renewal trust fund, other than money that was donated to the board, derived from a security or other thing of value donated to the board, or earned as interest or other income on a donation to the board, if the board determines that after the transfer there will be a sufficient amount of money in the applicable account of the Capitol fund to accomplish the purposes for which the account was created.~~

[~~(e)  The board may transfer money from the capital renewal trust fund to any account of the Capitol fund, provided that money transferred shall only be used for the purposes outlined in Subsection (b).~~]

SECTION 3.  On September 1, 2024, the unencumbered balance of the capital renewal trust fund is transferred to the comptroller of public accounts for deposit in the Texas state buildings preservation endowment fund created under Section 443.0103, Government Code, as amended by this Act. These transferred funds are considered available for expenditure under Subsection (e), Section 443.0103, Government Code, and are not subject to the one-third museum expenditure requirement in Subsection (d) of that Section.

SECTION 4.  On September 1, 2024, the Governor 's Mansion renewal trust fund and the State Cemetery preservation trust fund are abolished and the unencumbered balances of those funds are transferred to the comptroller of public accounts for deposit in the Texas state buildings preservation endowment fund created under Section 443.0103, Government Code, as amended by this Act. These transferred funds are considered available for expenditure under Subsection (e), Section 443.0103, Government Code, and are not subject to the one-third museum expenditure requirement in Subsection (d) of that Section.

SECTION 5.  On September 1, 2024, the following provisions of the Government Code are repealed:

(1)  Section 443.0295;

(2)  Section 2165.2565, as added by Chapter 72 (S.B. 574), Acts of the 84th Legislature, Regular Session, 2015; and

(3)  Section 2165.2565, as added by Chapter 932 (H.B. 2206), Acts of the 84th Legislature, Regular Session, 2015.

SECTION 6.  This Act takes effect September 1, 2023.