

By: Huffman

S.B. No. 1332

A BILL TO BE ENTITLED

AN ACT

relating to the provision of funding to the Texas Historical Commission for state historic sites.

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

SECTION 1. Section 442.0083(e), Government Code, is amended to read as follows:

(e) A grant for a historic courthouse project may not exceed the greater of \$10 million [~~\$6 million~~] or two percent of the amount appropriated for implementing the historic courthouse preservation program during the state fiscal biennium.

SECTION 2. Subchapter A, Chapter 442, Government Code, is amended by adding Section 442.0151 to read as follows:

Sec. 442.0151. HISTORIC INFRASTRUCTURE SUSTAINABILITY TRUST FUND. (a) The historic infrastructure sustainability trust fund is created as a trust fund outside the treasury held by the Texas Treasury Safekeeping Trust Company and administered by the comptroller as trustee on behalf of the people of this state to generate earnings on money in the fund for the purpose of maintaining, preserving, rehabilitating, and restoring historic sites throughout the state. In this section, "trust company" means the Texas Treasury Safekeeping Trust Company, and "commission" means the Texas Historical Commission.

(b) The fund consists of:

(1) money appropriated or transferred to the fund at

1 the direction of the legislature;

2 (2) gifts, grants, and donations received by the  
3 commission for a purpose for which money in the fund may be used  
4 under this section; and

5 (3) the returns received from investment of money in  
6 the fund.

7 (b) The trust company shall hold, manage, and invest the  
8 fund. The trust company shall determine the amount available for  
9 distribution from the fund determined in accordance with a  
10 distribution policy that is adopted by the comptroller and designed  
11 to preserve the purchasing power of the fund's assets, provide a  
12 stable and predictable stream of annual distributions, and meet  
13 liquidity needs of the fund as appropriate. The expenses of  
14 managing the fund and its assets shall be paid from the fund. Except  
15 as provided by this section, money in the fund may not be used for  
16 any other purpose.

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

1 of distribution and liquidity requirements.

2 (d) The commission may request an annual fund distribution  
3 not to exceed the amount the trust company determines available for  
4 distribution as provided under subsection (b). The amount  
5 distributed may only be used for the purpose of maintaining,  
6 preserving, rehabilitating, and restoring state historic sites  
7 under the control of the commission and for the historic courthouse  
8 preservation program under Section 442.0081. The commission shall  
9 spend at least one-third of the funds distributed on the historic  
10 courthouse preservation program. Money in the fund may not be used  
11 to pay salaries, employee benefits, costs associated with employee  
12 benefits, or administration, operating, or program costs of the  
13 commission.

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

22 (f) The commission may approve a distribution of the fund  
23 authorized under Subsection (e) after the commission certifies to  
24 the Legislative Budget Board that:

25 (1) the commission has reviewed and approved the use  
26 of the money;

27 (2) all purchases made with the money will conform to

1 any applicable provision of law governing state procurement and  
2 contracting; and

3 (3) the money will not be used to:

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

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

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

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

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

21 SECTION 3. Section 442.073, Government Code, is amended by  
22 amending Subsection (d) and adding Subsection (e) to read as  
23 follows:

24 (d) Except as provided by Subsection (e), money [Money] in  
25 the account may be used only to administer, operate, preserve,  
26 repair, expand, or otherwise maintain a historic site or to acquire  
27 a historical item appropriate to a historic site.

1       (e) The commission may make an expenditure from the account  
2 for a historic site that is not described by Section 442.072(a).  
3 The commission shall provide notice of an expenditure described by  
4 this subsection to the Legislative Budget Board not later than the  
5 30th day after the date the commission makes the expenditure. The  
6 Legislative Budget Board may establish the procedure by which the  
7 commission provides notice to the board under this subsection.

8       SECTION 4. This Act takes effect September 1, 2023.