

AN ACT

relating to the creation of the Texas state buildings preservation endowment fund, including the transfer to the fund of the unencumbered balances of certain other funds.

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:

(b) The Capitol fund created by Section 443.0101 and the Texas state buildings preservation endowment fund created by Section 443.0103 are ~~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 Capitol fund or the Texas state buildings preservation endowment fund prevails over Subchapter F, Chapter 404.

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

Sec. 443.0103. TEXAS STATE BUILDINGS PRESERVATION ENDOWMENT ~~[CAPITAL RENEWAL TRUST]~~ FUND. (a) In this section:

(1) "Fund" means the Texas state buildings preservation endowment fund.

(2) "Trust company" means the Texas Treasury Safekeeping Trust Company.

(b) The Texas state buildings preservation endowment ~~[capital renewal trust]~~ fund is created as a ~~[trust]~~ fund outside

1 the treasury. The purpose of the fund is to maintain, preserve,
2 rehabilitate, and restore the state buildings and grounds over
3 which the board has jurisdiction [~~with the comptroller and shall be~~
4 ~~administered by the board, as a trustee on behalf of the people of~~
5 ~~this state, to maintain and preserve the Capitol, the General Land~~
6 ~~Office Building, their contents, and their grounds~~].

7 (c) The fund consists of:

8 (1) money transferred or appropriated to the fund by [~~+~~
9 [~~(1) at the direction of~~] the legislature, including
10 money transferred to the fund from the former capital renewal trust
11 fund, Governor's Mansion renewal trust fund, and State Cemetery
12 preservation trust fund; [~~or~~]

13 (2) gifts, grants, and donations contributed to the
14 fund for a purpose for which money in the fund may be used under [~~in~~
15 ~~accordance with~~] this section; and

16 (3) any returns received from the investment of money
17 in the fund.

18 (d) The trust company shall hold, manage, and invest the
19 fund, and shall determine the amount available for distribution
20 from the fund each year in accordance with a distribution policy
21 adopted by the comptroller. The distribution policy must be
22 designed to preserve the purchasing power of the assets of the fund,
23 provide a stable and predictable series of annual distributions
24 from the fund, and meet the liquidity needs of the fund as
25 necessary. The expenses of managing the fund and its assets shall
26 be paid from the fund. Except as otherwise provided by this
27 section, money [~~(b) Money~~] in the fund may not be used [~~only~~] for

1 any other [the] purpose.

2 (e) In managing the assets of the fund, through procedures
3 and subject to restrictions the trust company considers
4 appropriate, the trust company may acquire, exchange, sell,
5 supervise, manage, or retain any kind of investment that a prudent
6 investor, exercising reasonable care, skill, and caution, would
7 acquire or retain in light of the purposes, terms, distribution
8 requirements, and other circumstances of the fund then prevailing,
9 taking into consideration the investment of all the assets of the
10 fund rather than a single investment. At the request of the trust
11 company, the board shall provide the trust company with information
12 the trust company determines is necessary to ensure that the trust
13 company is able to achieve the objectives specified by Subsection
14 (d).

15 (f) The board annually may request a distribution from the
16 fund in an amount that may not exceed the amount the trust company
17 determines is available for distribution in the applicable year
18 under Subsection (d). Money distributed from the fund to the board
19 may be used only for the purpose of maintaining, [and] preserving,
20 rehabilitating, and restoring the buildings [the Capitol, the
21 General Land Office Building, their contents,] and [their] grounds
22 over which the board has jurisdiction. The board shall allocate to
23 projects at the Bob Bullock Texas State History Museum an amount
24 equal to at least one-third of each annual distribution from the
25 fund under this subsection, other than the portion of the
26 distribution made using money transferred to the fund from the
27 former capital renewal trust fund, Governor's Mansion renewal trust

1 fund, and State Cemetery preservation trust fund. The board, with
2 the written approval of the Legislative Budget Board, may use money
3 received from an annual distribution under this subsection to
4 acquire land in close proximity to the State Cemetery for expansion
5 of the cemetery. The board may not use money received from an
6 annual distribution under this subsection to pay salaries, employee
7 benefits, costs associated with employee benefits, or
8 administration, operating, or program costs of the board or the
9 buildings and grounds over which the board has jurisdiction.

10 (g) Subject to Subsection (h) and not more frequently than
11 once each calendar year, the board may request an additional
12 distribution from the fund in an amount that exceeds the amount the
13 trust company determines is available for distribution from the
14 fund in that year under Subsection (d). An additional distribution
15 under this subsection may be used for a purpose described by
16 Subsection (f). The trust company may not make an additional
17 distribution under this subsection if the distribution would
18 negatively affect the purchasing power of the assets of the fund as
19 determined by the terms of the distribution policy adopted by the
20 comptroller under Subsection (d).

21 (h) The board may receive an additional distribution from
22 the fund under Subsection (g) only after the board certifies to the
23 Legislative Budget Board that:

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

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

1 contracting; and

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

3 (A) pay salaries, employee benefits, costs
4 associated with employee benefits, or administration, operating,
5 or program costs of the board or the buildings and grounds over
6 which the board has jurisdiction;

7 (B) except as provided by Subsection (f), acquire
8 new historic sites or real property; or

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

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

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

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

22 ~~[(d) The board may transfer money from any account of the~~
23 ~~Capitol fund to the capital renewal trust fund, other than money~~
24 ~~that was donated to the board, derived from a security or other~~
25 ~~thing of value donated to the board, or earned as interest or other~~
26 ~~income on a donation to the board, if the board determines that~~
27 ~~after the transfer there will be a sufficient amount of money in the~~

1 ~~applicable account of the Capitol fund to accomplish the purposes~~
2 ~~for which the account was created.~~

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

7 SECTION 3. Effective September 1, 2024, the following
8 provisions of the Government Code are repealed:

9 (1) Section 443.0295;

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

12 (3) Section 2165.2565, as added by Chapter 932 (H.B.
13 2206), Acts of the 84th Legislature, Regular Session, 2015.

14 SECTION 4. On September 1, 2024, the Governor's Mansion
15 renewal trust fund and the State Cemetery preservation trust fund
16 are abolished and the unencumbered balances of those funds are
17 transferred to the comptroller of public accounts for deposit in
18 the Texas state buildings preservation endowment fund created under
19 Section 443.0103, Government Code, as amended by this Act. Money
20 transferred under this section is available for expenditure in the
21 manner prescribed by Section 443.0103, Government Code, as amended
22 by this Act, except that the requirement that one-third of the
23 amount spent be used as required by Subsection (f) of that section
24 does not apply to money transferred under this section.

25 SECTION 5. On September 1, 2024, the unencumbered balance
26 of the capital renewal trust fund is transferred to the comptroller
27 of public accounts for deposit in the Texas state buildings

1 preservation endowment fund created under Section 443.0103,
2 Government Code, as amended by this Act. Money transferred under
3 this section is available for expenditure in the manner prescribed
4 by Section 443.0103, Government Code, as amended by this Act,
5 except that the requirement that one-third of the amount spent be
6 used as required by Subsection (f) of that section does not apply to
7 money transferred under this section.

8 SECTION 6. Except as otherwise provided by this Act, this
9 Act takes effect September 1, 2023.

S.B. No. 1333

President of the Senate

Speaker of the House

I hereby certify that S.B. No. 1333 passed the Senate on April 12, 2023, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

I hereby certify that S.B. No. 1333 passed the House on April 27, 2023, by the following vote: Yeas 143, Nays 0, one present not voting.

Chief Clerk of the House

Approved:

Date

Governor