

By: Huffman

S.B. No. 1333

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

1 State Cemetery preservation trust fund;

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

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

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

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

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

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

26 (c) In managing the assets of the fund, through procedures
27 and subject to restrictions the trust company considers

1 appropriate, the trust company may acquire, exchange, sell,
2 supervise, manage, or retain any kind of investment that a prudent
3 investor, exercising reasonable care, skill, and caution, would
4 acquire or retain in light of the purposes, terms, distribution
5 requirements, liquidity requirements, and other circumstances of
6 the fund then prevailing, taking into consideration the investment
7 of all the assets of the fund rather than a single investment. The
8 board will provide the trust company with a cash flow forecast at
9 least annually, and more frequently as appropriate, for purposes of
10 distribution and liquidity requirements.

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

1 authority [~~the Capitol, the General Land Office Building, their~~
2 ~~contents, and their grounds~~].

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

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

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

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

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

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

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

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

1 grounds.

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

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

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

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

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

24 SECTION 3. On September 1, 2024, the unencumbered balance
25 of the capital renewal trust fund is transferred to the comptroller
26 of public accounts for deposit in the Texas state buildings
27 preservation endowment fund created under Section 443.0103,

1 Government Code, as amended by this Act. These transferred funds
2 are considered available for expenditure under Subsection (e),
3 Section 443.0103, Government Code, and are not subject to the
4 one-third museum expenditure requirement in Subsection (d) of that
5 Section.

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

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

- 18 (1) Section 443.0295;
19 (2) Section 2165.2565, as added by Chapter 72 (S.B.
20 574), Acts of the 84th Legislature, Regular Session, 2015; and
21 (3) Section 2165.2565, as added by Chapter 932 (H.B.
22 2206), Acts of the 84th Legislature, Regular Session, 2015.

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