

1-1 By: Huffman S.B. No. 1333
 1-2 (In the Senate - Filed March 1, 2023; March 16, 2023, read
 1-3 first time and referred to Committee on Finance; March 31, 2023,
 1-4 reported adversely, with favorable Committee Substitute by the
 1-5 following vote: Yeas 17, Nays 0; March 31, 2023, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7	X			
1-8	X			
1-9	X			
1-10	X			
1-11	X			
1-12	X			
1-13	X			
1-14	X			
1-15	X			
1-16	X			
1-17	X			
1-18	X			
1-19	X			
1-20	X			
1-21	X			
1-22	X			
1-23	X			
1-24	X			

1-25 COMMITTEE SUBSTITUTE FOR S.B. No. 1333 By: Huffman

1-26 A BILL TO BE ENTITLED
 1-27 AN ACT

1-28 relating to the creation of the Texas state buildings preservation
 1-29 endowment fund, including the transfer to the fund of the
 1-30 unencumbered balances of certain other funds.

1-31 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-32 SECTION 1. Section 443.0102(b), Government Code, is amended
 1-33 to read as follows:

1-34 (b) The Capitol fund created by Section 443.0101 and the
 1-35 Texas state buildings preservation endowment fund created by
 1-36 Section 443.0103 are ~~is~~ not subject to Subchapter F, Chapter 404.
 1-37 A provision of this chapter or other law that provides for the
 1-38 deposit of money or another thing of value into the Capitol fund or
 1-39 the Texas state buildings preservation endowment fund prevails over
 1-40 Subchapter F, Chapter 404.

1-41 SECTION 2. Section 443.0103, Government Code, is amended to
 1-42 read as follows:

1-43 Sec. 443.0103. TEXAS STATE BUILDINGS PRESERVATION
 1-44 ENDOWMENT [CAPITAL RENEWAL TRUST] FUND. (a) In this section:

1-45 (1) "Fund" means the Texas state buildings
 1-46 preservation endowment fund.

1-47 (2) "Trust company" means the Texas Treasury
 1-48 Safekeeping Trust Company.

1-49 (b) The Texas state buildings preservation endowment
 1-50 [capital renewal trust] fund is created as a [trust] fund outside
 1-51 the treasury. The purpose of the fund is to maintain, preserve,
 1-52 rehabilitate, and restore the state buildings and grounds over
 1-53 which the board has jurisdiction [with the comptroller and shall be
 1-54 administered by the board, as a trustee on behalf of the people of
 1-55 this state, to maintain and preserve the Capitol, the General Land
 1-56 Office Building, their contents, and their grounds].

1-57 (c) The fund consists of:

1-58 (1) money transferred or appropriated to the fund by [+]
 1-59 [(1) at the direction of] the legislature, including
 1-60 money transferred to the fund from the former capital renewal trust

2-1 fund, Governor's Mansion renewal trust fund, and State Cemetery
 2-2 preservation trust fund; [~~or~~]

2-3 (2) gifts, grants, and donations contributed to the
 2-4 fund for a purpose for which money in the fund may be used under [~~in~~
 2-5 accordance with] this section; and

2-6 (3) any returns received from the investment of money
 2-7 in the fund.

2-8 (d) The trust company shall hold, manage, and invest the
 2-9 fund, and shall determine the amount available for distribution
 2-10 from the fund each year in accordance with a distribution policy
 2-11 adopted by the comptroller. The distribution policy must be
 2-12 designed to preserve the purchasing power of the assets of the fund,
 2-13 provide a stable and predictable series of annual distributions
 2-14 from the fund, and meet the liquidity needs of the fund as
 2-15 necessary. The expenses of managing the fund and its assets shall
 2-16 be paid from the fund. Except as otherwise provided by this
 2-17 section, money [~~(b) Money~~] in the fund may not be used [~~only~~] for
 2-18 any other [~~the~~] purpose.

2-19 (e) In managing the assets of the fund, through procedures
 2-20 and subject to restrictions the trust company considers
 2-21 appropriate, the trust company may acquire, exchange, sell,
 2-22 supervise, manage, or retain any kind of investment that a prudent
 2-23 investor, exercising reasonable care, skill, and caution, would
 2-24 acquire or retain in light of the purposes, terms, distribution
 2-25 requirements, and other circumstances of the fund then prevailing,
 2-26 taking into consideration the investment of all the assets of the
 2-27 fund rather than a single investment. At the request of the trust
 2-28 company, the board shall provide the trust company with information
 2-29 the trust company determines is necessary to ensure that the trust
 2-30 company is able to achieve the objectives specified by Subsection
 2-31 (d).

2-32 (f) The board annually may request a distribution from the
 2-33 fund in an amount that may not exceed the amount the trust company
 2-34 determines is available for distribution in the applicable year
 2-35 under Subsection (d). Money distributed from the fund to the board
 2-36 may be used only for the purpose of maintaining, [~~and~~] preserving,
 2-37 rehabilitating, and restoring the buildings [~~the Capitol, the~~
 2-38 General Land Office Building, their contents,] and [~~their~~] grounds
 2-39 over which the board has jurisdiction. The board shall allocate to
 2-40 projects at the Bob Bullock Texas State History Museum an amount
 2-41 equal to at least one-third of each annual distribution from the
 2-42 fund under this subsection, other than the portion of the
 2-43 distribution made using money transferred to the fund from the
 2-44 former capital renewal trust fund, Governor's Mansion renewal trust
 2-45 fund, and State Cemetery preservation trust fund. The board, with
 2-46 the written approval of the Legislative Budget Board, may use money
 2-47 received from an annual distribution under this subsection to
 2-48 acquire land in close proximity to the State Cemetery for expansion
 2-49 of the cemetery. The board may not use money received from an
 2-50 annual distribution under this subsection to pay salaries, employee
 2-51 benefits, costs associated with employee benefits, or
 2-52 administration, operating, or program costs of the board or the
 2-53 buildings and grounds over which the board has jurisdiction.

2-54 (g) Subject to Subsection (h) and not more frequently than
 2-55 once each calendar year, the board may request an additional
 2-56 distribution from the fund in an amount that exceeds the amount the
 2-57 trust company determines is available for distribution from the
 2-58 fund in that year under Subsection (d). An additional distribution
 2-59 under this subsection may be used for a purpose described by
 2-60 Subsection (f). The trust company may not make an additional
 2-61 distribution under this subsection if the distribution would
 2-62 negatively affect the purchasing power of the assets of the fund as
 2-63 determined by the terms of the distribution policy adopted by the
 2-64 comptroller under Subsection (d).

2-65 (h) The board may receive an additional distribution from
 2-66 the fund under Subsection (g) only after the board certifies to the
 2-67 Legislative Budget Board that:

2-68 (1) the board has reviewed and approved the use of the
 2-69 money;

3-1 (2) all purchases made with the money will conform to
3-2 any applicable provision of law governing state procurement and
3-3 contracting; and

3-4 (3) the money will not be used to:
3-5 (A) pay salaries, employee benefits, costs
3-6 associated with employee benefits, or administration, operating,
3-7 or program costs of the board or the buildings and grounds over
3-8 which the board has jurisdiction;

3-9 (B) except as provided by Subsection (f), acquire
3-10 new historic sites or real property; or

3-11 (C) purchase capital equipment that is not
3-12 related to the rehabilitation or restoration of a building or
3-13 grounds.

3-14 (i) All expenditures by the board under this section are
3-15 subject to audit by the state auditor.

3-16 (j) The board shall include in the strategic plan submitted
3-17 under Section 2056.002 a report on each project funded using money
3-18 in the fund during the two-year period preceding the date on which
3-19 the board submits the plan and a list of each project the board
3-20 anticipates will be funded using money in the fund for the period
3-21 covered by the plan.

3-22 ~~[(c) The interest received from investment of money in the~~
3-23 ~~fund shall be credited to the fund.~~

3-24 ~~[(d) The board may transfer money from any account of the~~
3-25 ~~Capitol fund to the capital renewal trust fund, other than money~~
3-26 ~~that was donated to the board, derived from a security or other~~
3-27 ~~thing of value donated to the board, or earned as interest or other~~
3-28 ~~income on a donation to the board, if the board determines that~~
3-29 ~~after the transfer there will be a sufficient amount of money in the~~
3-30 ~~applicable account of the Capitol fund to accomplish the purposes~~
3-31 ~~for which the account was created.~~

3-32 ~~[(e) The board may transfer money from the capital renewal~~
3-33 ~~trust fund to any account of the Capitol fund, provided that money~~
3-34 ~~transferred shall only be used for the purposes outlined in~~
3-35 ~~Subsection (b).]~~

3-36 SECTION 3. Effective September 1, 2024, the following
3-37 provisions of the Government Code are repealed:

- 3-38 (1) Section 443.0295;
- 3-39 (2) Section 2165.2565, as added by Chapter 72 (S.B.
3-40 574), Acts of the 84th Legislature, Regular Session, 2015; and
- 3-41 (3) Section 2165.2565, as added by Chapter 932 (H.B.
3-42 2206), Acts of the 84th Legislature, Regular Session, 2015.

3-43 SECTION 4. On September 1, 2024, the Governor's Mansion
3-44 renewal trust fund and the State Cemetery preservation trust fund
3-45 are abolished and the unencumbered balances of those funds are
3-46 transferred to the comptroller of public accounts for deposit in
3-47 the Texas state buildings preservation endowment fund created under
3-48 Section 443.0103, Government Code, as amended by this Act. Money
3-49 transferred under this section is available for expenditure in the
3-50 manner prescribed by Section 443.0103, Government Code, as amended
3-51 by this Act, except that the requirement that one-third of the
3-52 amount spent be used as required by Subsection (f) of that section
3-53 does not apply to money transferred under this section.

3-54 SECTION 5. On September 1, 2024, the unencumbered balance
3-55 of the capital renewal trust fund is transferred to the comptroller
3-56 of public accounts for deposit in the Texas state buildings
3-57 preservation endowment fund created under Section 443.0103,
3-58 Government Code, as amended by this Act. Money transferred under
3-59 this section is available for expenditure in the manner prescribed
3-60 by Section 443.0103, Government Code, as amended by this Act,
3-61 except that the requirement that one-third of the amount spent be
3-62 used as required by Subsection (f) of that section does not apply to
3-63 money transferred under this section.

3-64 SECTION 6. Except as otherwise provided by this Act, this
3-65 Act takes effect September 1, 2023.

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