

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 29, 2023

TO: Honorable Joan Huffman, Chair, Senate Committee on Finance

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB1332 by Huffman (Relating to the provision of funding to the Texas Historical Commission for state historic sites.), **As Introduced**

The fiscal implications of the bill cannot be determined. Costs to the bill would be dependent upon the amount appropriated to the fund and any savings would be dependent on returns received from investment of money in the fund.

The bill would amend sections of the Government Code related the Texas Historical Commission (THC). The bill would increase the maximum historic courthouse project grant to \$10 million from the current \$6 million. The bill would also create a new Historic Infrastructure Sustainability Trust Fund that would be held outside the Treasury, managed by the Texas Treasury Safekeeping Trust Company (TTSTC), and administered by the Comptroller of Public Accounts (CPA). The new trust fund would generate earnings for the purpose of maintaining, preserving, rehabilitating, and restoring historic sites throughout the state and for the historic courthouse preservation program under Section 442.0081 of the Government Code. The new trust fund would consist of money appropriated or transferred to the fund at the direction of the legislature; certain gifts, grants, and donations received by THC; and the returns received from investment of money in the fund.

TTSTC would be required to hold, manage, and invest the fund and determine the amount available for distribution from the fund to THC in accordance with a distribution policy adopted by the Comptroller. The expenses incurred from managing the fund and its assets would be paid from the fund.

The bill would direct THC to spend at least one-third of the funds distributed by TTSTC on the historic courthouse preservation program. Money in the fund could not be used to pay salaries, employee benefits, costs associated with employee benefits, or administration, operating, or program costs of THC.

The bill would also allow THC to make expenditures from the General-Revenue Dedicated, Historic Sites Funds No. 5139 for historic sites not listed in Section 442.072(a) of the Government Code. THC would provide notice of an expenditure to the Legislative Budget Board (LBB) within 30 days of the expenditure.

Note: This legislation would do one or more of the following: create or recreate a dedicated account in the General Revenue Fund, create or recreate a special or trust fund either in, with, or outside the Treasury, or create a dedicated revenue source. The fund, account, or revenue dedication included in this bill would be subject to funds consolidation review by the current Legislature.

Local Government Impact

The creation of the new trust fund and increase of the maximum grant award in the Historic Courthouse grant program authorized in this bill could increase the number of full restoration grants and the impact to counties where they are awarded.

Source Agencies: 304 Comptroller of Public Accounts, 808 Historical Commission

LBB Staff: JMc, KK, LCO, KCu, NV