

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

April 3, 2023

TO: Honorable Brian Birdwell, Chair, Senate Committee on Natural Resources & Economic Development

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: SB1451 by Zaffirini (Relating to the powers of the Texas Historical Commission over historic sites in this state.), **As Introduced**

Estimated Two-year Net Impact to General Revenue Related Funds for SB1451, As Introduced : an impact of \$0 through the biennium ending August 31, 2025.

General Revenue-Related Funds, Five- Year Impact:

<i>Fiscal Year</i>	Probable Net Positive/(Negative) Impact to General Revenue Related Funds
2024	\$0
2025	\$0
2026	\$0
2027	\$0
2028	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Revenue (Loss) from Historic Sites 5139	Probable Revenue Gain from Texas Historical Commission Retail Operations Fund (Outside the Treasury)
2024	(\$327,000)	\$327,000
2025	(\$327,000)	\$327,000
2026	(\$327,000)	\$327,000
2027	(\$327,000)	\$327,000
2028	(\$327,000)	\$327,000

Fiscal Analysis

The bill would amend several provisions 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 authorize THC to manage certain retail operations. Under the provisions of this bill, revenue from these retail operations, currently deposited to General Revenue-Dedicated Fund 5139, Historic Sites, would be deposited to a new Texas Historical Commission Retail Operations Fund that would be held as a trust fund outside the Treasury. Earnings and interest in the THC Retail Operations Fund would be retained in that fund and could be expended without appropriations for certain THC operations.

Methodology

According to the Comptroller of Public Accounts (CPA), revenue generated by current THC retail operations is estimated to be \$327,000 per year from fiscal year 2024 through fiscal year 2028. The bill would result in a revenue loss in this amount to General Revenue-Dedicated Fund 5139, Historic Sites. The CPA assumes that the same amount of revenue would be deposited to the new THC Retail Operations Fund outside the Treasury beginning with the effective date of the bill, presumed to be September 1, 2023. The CPA does not project an increase in revenue related to any new retail operations authorized under this bill.

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 increase of maximum grant award in the Historic Courthouse grant program authorized in this bill could decrease the number of full restoration grants to counties for this purpose should the THC increase these awards.

Source Agencies: 304 Comptroller of Public Accounts, 313 Department of Information Resources, 808 Historical Commission

LBB Staff: JMc, MOc, LCO, KCu, SZ