

SENATE AMENDMENTS

2nd Printing

By: Ashby

H.B. No. 2719

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the powers of the Texas Historical Commission over
3 historic sites in this state.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

5 SECTION 1. Section 442.0053, Government Code, is amended to
6 read as follows:

7 Sec. 442.0053. ELIGIBILITY CRITERIA FOR INCLUSION OF REAL
8 PROPERTY IN STATE HISTORIC SITES SYSTEM. (a) The commission by
9 rule shall adopt criteria for determining the eligibility of real
10 property [~~donated to the commission~~] for inclusion in the historic
11 sites system.

12 (b) The commission may acquire by purchase or gift or in any
13 other manner [~~accept a donation of~~] real property that satisfies
14 the criteria adopted under Subsection (a).

15 (c) The commission may:

16 (1) renovate or restore [~~donated~~] real property
17 acquired under Subsection (b), including improvements to the
18 property; [7] or

19 (2) construct new improvements on the [~~donated~~] real
20 property as necessary and prudent.

21 SECTION 2. Section 442.0083(e), Government Code, is amended
22 to read as follows:

23 (e) A grant for a historic courthouse project may not exceed
24 the greater of \$10 [~~\$6~~] million or two percent of the amount

1 appropriated for implementing the historic courthouse preservation
2 program during the state fiscal biennium.

3 SECTION 3. The heading to Subchapter C, Chapter 442,
4 Government Code, is amended to read as follows:

5 SUBCHAPTER C. COMMISSION JURISDICTION OVER ~~[CERTAIN]~~
6 HISTORIC SITES

7 SECTION 4. Section 442.071, Government Code, is amended to
8 read as follows:

9 Sec. 442.071. DEFINITION. In this subchapter, "historic
10 site" means real property significant to the history of this state
11 that the commission administers or acquires for use by the public [~~a~~
12 ~~site or park listed under Section 442.072~~].

13 SECTION 5. Section 442.072, Government Code, is amended to
14 read as follows:

15 Sec. 442.072. COMMISSION JURISDICTION; AGREEMENTS FOR
16 HISTORIC SITES. (a) The commission has jurisdiction over
17 [following] historic sites, as defined by Section 442.071, in this
18 state [~~and parks are under the commission's jurisdiction:~~

- 19 [~~(1) Acton State Historic Site,~~
20 [~~(2) Caddoan Mounds State Historic Site,~~
21 [~~(3) Casa Navarro State Historic Site,~~
22 [~~(4) Confederate Reunion Grounds State Historic Site,~~
23 [~~(5) Eisenhower Birthplace State Historic Site,~~
24 [~~(6) Fannin Battleground State Historic Site,~~
25 [~~(7) Fanthorp Inn State Historic Site,~~
26 [~~(8) Fort Griffin State Historic Site,~~
27 [~~(9) Fort Lancaster State Historic Site,~~

- 1 ~~[(10) Fort McKavett State Historic Site,~~
2 ~~[(11) Fulton Mansion State Historic Site,~~
3 ~~[(12) Landmark Inn State Historic Site,~~
4 ~~[(13) Levi Jordan State Historic Site,~~
5 ~~[(14) Lipantitlan State Historic Site,~~
6 ~~[(15) Magoffin Home State Historic Site,~~
7 ~~[(16) Mission Dolores State Historic Site,~~
8 ~~[(17) Monument Hill and Kreische Brewery State~~
9 ~~Historic Sites,~~
10 ~~[(18) National Museum of the Pacific War,~~
11 ~~[(19) Sabine Pass Battleground State Historic Site,~~
12 ~~[(20) Sam Bell Maxey House State Historic Site,~~
13 ~~[(21) Sam Rayburn House State Historic Site,~~
14 ~~[(22) San Felipe State Historic Site,~~
15 ~~[(23) Starr Family Home State Historic Site,~~
16 ~~[(24) Varner-Hogg Plantation State Historic Site,~~
17 ~~[(25) Washington-on-the-Brazos State Historic Site,~~
18 ~~and~~
19 ~~[(26) the property known as the French Legation].~~

20 (b) ~~[This subsection applies to a historic site that the~~
21 ~~state is required to operate in a particular manner or for a~~
22 ~~particular purpose, such as a site improved with federal money~~
23 ~~subject to federal restrictions on the purposes for which the~~
24 ~~improved site may be used or a site donated to the state subject to a~~
25 ~~reversion clause providing that the title reverts to the grantor~~
26 ~~when the site is not used for the purposes for which it was~~
27 ~~acquired. The commission has all powers necessary to operate the~~

1 ~~site in the required manner or for the required purpose.~~

2 ~~[(c)]~~ The commission may enter into an agreement with a
3 nonprofit or for-profit corporation, foundation, association, or
4 other nonprofit or for-profit entity for the expansion, renovation,
5 management, operation, or financial support of a historic site.

6 SECTION 6. Subchapter D, Chapter 442, Government Code, is
7 amended by adding Sections 442.112 and 442.113 to read as follows:

8 Sec. 442.112. STATE HISTORIC SITE RETAIL OPERATIONS. (a)
9 The commission may establish, manage, and operate gift and souvenir
10 retail establishments and provide retail services through the
11 Internet or another electronic method to support and promote state
12 historic sites and related commission goals.

13 (b) To implement this section, the commission may:

14 (1) employ necessary personnel;

15 (2) establish procurement standards and procedures in
16 collaboration with the comptroller and the Department of
17 Information Resources to meet the business needs of the
18 commission's retail operations; and

19 (3) contract with a nonprofit corporation to assist
20 with the commission's retail operations, accept money from the
21 retail operations, and support state historic site operations and
22 commission educational missions.

23 Sec. 442.113. TEXAS HISTORICAL COMMISSION RETAIL
24 OPERATIONS FUND. (a) The Texas Historical Commission retail
25 operations fund is a special fund established outside the state
26 treasury as a fund to be held and administered by the comptroller as
27 directed by the commission to provide support for commission retail

1 operations under Section 442.112. The fund consists of revenue
2 from commission retail operations and may not include appropriated
3 money.

4 (b) Interest and income from assets of the fund shall be
5 credited to and deposited in the fund.

6 (c) Money in the fund may be spent without appropriation and
7 be used only to benefit state historic sites and to support the
8 commission's retail operations, including to pay personnel
9 salaries, acquire capital improvements, contract for necessary
10 services, and purchase inventory, advertising, fixtures, computer
11 software, and other goods necessary to support the retail
12 operations.

13 SECTION 7. This Act takes effect September 1, 2023.

ADOPTED

MAY 17 2023

By: *Zaffroni*

Substitute the following for H.B. No. 2719

Lacey Secretary of the Senate H.B. No. 2719

By: *Zaffroni*

C.H. H.B. No. 2719

A BILL TO BE ENTITLED

AN ACT

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

relating to the powers of the Texas Historical Commission over historic sites in this state.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 442.0053, Government Code, is amended to read as follows:

Sec. 442.0053. ELIGIBILITY CRITERIA FOR INCLUSION OF REAL PROPERTY IN STATE HISTORIC SITES SYSTEM. (a) The commission by rule shall adopt criteria for determining the eligibility of real property [~~donated to the commission~~] for inclusion in the historic sites system.

(b) The commission may acquire by purchase or gift or in any other manner [~~accept a donation of~~] real property that satisfies the criteria adopted under Subsection (a).

(b-1) Before adding real property to the historic sites system under this section, the commission shall develop a funding plan for the restoration, interpretation, development, long-term operation, and preservation of the real property to be added to the historic sites system. The plan may provide for an endowment fund, or other sources of funding, as appropriate. The commission may not add the real property to the historic sites system unless there are adequate financial resources available or assured for the restoration, interpretation, development, long-term operation, and preservation of the real property.

1 (c) The commission may:

2 (1) renovate or restore [~~donated~~] real property
3 acquired under Subsection (b), including improvements to the
4 property; [~~r~~] or

5 (2) construct new improvements on the [~~donated~~] real
6 property as necessary and prudent.

7 SECTION 2. Section 442.0083(e), Government Code, is amended
8 to read as follows:

9 (e) A grant for a historic courthouse project may not exceed
10 the greater of \$10 [~~\$6~~] million or two percent of the amount
11 appropriated for implementing the historic courthouse preservation
12 program during the state fiscal biennium.

13 SECTION 3. The heading to Subchapter C, Chapter 442,
14 Government Code, is amended to read as follows:

15 SUBCHAPTER C. COMMISSION JURISDICTION OVER [~~CERTAIN~~]

16 HISTORIC SITES

17 SECTION 4. Section 442.071, Government Code, is amended to
18 read as follows:

19 Sec. 442.071. DEFINITION. In this subchapter, "historic
20 site" means:

21 (1) a site [~~or park~~] listed under Section 442.072; or

22 (2) real property significant to the history of this
23 state that the commission administers or acquires for use by the
24 public.

25 SECTION 5. Section 442.072, Government Code, is amended to
26 read as follows:

27 Sec. 442.072. COMMISSION JURISDICTION; AGREEMENTS FOR

1 HISTORIC SITES. (a) The following historic sites in this state
2 [~~and parks~~] are under the commission's jurisdiction:

- 3 (1) Acton State Historic Site;
- 4 (2) Caddoan Mounds State Historic Site;
- 5 (3) Casa Navarro State Historic Site;
- 6 (4) Confederate Reunion Grounds State Historic Site;
- 7 (5) Eisenhower Birthplace State Historic Site;
- 8 (6) Fannin Battleground State Historic Site;
- 9 (7) Fanthorp Inn State Historic Site;
- 10 (8) Fort Griffin State Historic Site;
- 11 (9) Fort Lancaster State Historic Site;
- 12 (10) Fort McKavett State Historic Site;
- 13 (11) Fulton Mansion State Historic Site;
- 14 (12) Landmark Inn State Historic Site;
- 15 (13) Levi Jordan State Historic Site;
- 16 (14) Lipantitlan State Historic Site;
- 17 (15) Magoffin Home State Historic Site;
- 18 (16) Mission Dolores State Historic Site;
- 19 (17) Monument Hill and Kreische Brewery State Historic
20 Sites;
- 21 (18) National Museum of the Pacific War;
- 22 (19) Sabine Pass Battleground State Historic Site;
- 23 (20) Sam Bell Maxey House State Historic Site;
- 24 (21) Sam Rayburn House State Historic Site;
- 25 (22) San Felipe State Historic Site;
- 26 (23) Starr Family Home State Historic Site;
- 27 (24) Varner-Hogg Plantation State Historic Site;

1 (25) Washington-on-the-Brazos State Historic Site;
2 and

3 (26) the property known as the French Legation.

4 (b) ~~[This subsection applies to a historic site that the~~
5 ~~state is required to operate in a particular manner or for a~~
6 ~~particular purpose, such as a site improved with federal money~~
7 ~~subject to federal restrictions on the purposes for which the~~
8 ~~improved site may be used or a site donated to the state subject to a~~
9 ~~reversion clause providing that the title reverts to the grantor~~
10 ~~when the site is not used for the purposes for which it was~~
11 ~~acquired. The commission has all powers necessary to operate the~~
12 ~~site in the required manner or for the required purpose.~~

13 ~~[(c)]~~ The commission may enter into an agreement with a
14 nonprofit or for-profit corporation, foundation, association, or
15 other nonprofit or for-profit entity for the expansion, renovation,
16 management, operation, or financial support of a historic site.

17 SECTION 6. Subchapter D, Chapter 442, Government Code, is
18 amended by adding Sections 442.112 and 442.113 to read as follows:

19 Sec. 442.112. STATE HISTORIC SITE RETAIL OPERATIONS. (a)
20 The commission may establish, manage, and operate gift and souvenir
21 retail establishments and provide retail services through the
22 Internet or another electronic method to support and promote state
23 historic sites and related commission goals.

24 (b) To implement this section, the commission may:

25 (1) employ necessary personnel;

26 (2) establish procurement standards and procedures in
27 collaboration with the comptroller and the Department of

1 Information Resources to meet the business needs of the
2 commission's retail operations; and

3 (3) contract with a nonprofit corporation to assist
4 with the commission's retail operations, accept money from the
5 retail operations, and support state historic site operations and
6 commission educational missions.

7 Sec. 442.113. TEXAS HISTORICAL COMMISSION RETAIL
8 OPERATIONS FUND. (a) The Texas Historical Commission retail
9 operations fund is a special fund established outside the state
10 treasury as a fund to be held and administered by the comptroller as
11 directed by the commission to provide support for commission retail
12 operations under Section 442.112. The fund consists of revenue
13 from commission retail operations and may not include appropriated
14 money.

15 (b) Interest and income from assets of the fund shall be
16 credited to and deposited in the fund.

17 (c) Money in the fund may be spent without appropriation and
18 be used only to benefit state historic sites and to support the
19 commission's retail operations, including to pay personnel
20 salaries, acquire capital improvements, contract for necessary
21 services, and purchase inventory, advertising, fixtures, computer
22 software, and other goods necessary to support the retail
23 operations.

24 SECTION 7. This Act takes effect September 1, 2023.

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 18, 2023

TO: Honorable Dade Phelan, Speaker of the House, House of Representatives

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2719 by Ashby (Relating to the powers of the Texas Historical Commission over historic sites in this state.), **As Passed 2nd House**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2719, As Passed 2nd House : 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 <i>General Revenue Related Funds</i>
2024	\$0
2025	\$0
2026	\$0
2027	\$0
2028	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Revenue (Loss) from <i>Historic Sites</i> 5139	Probable Revenue Gain from <i>Texas Historical Commission</i> <i>Retail Operations Fund (Outside</i> <i>the Treasury)</i>
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.

There would be effects on the Economic Stabilization Fund (ESF) balance limit and consequent effects for GR reserves and transfers to ESF. Because pertinent tax revenue is initially deposited to the General Revenue Fund, the reduction in tax revenue in the 2024-25 biennium would reduce the 2026-27 ESF balance limit by ten percent of the reduction in tax, reducing 2025 severance tax reserves for transfer to the ESF by the amount of the balance limit reduction, and increasing available GR in 2025 by the amount of reduction of the reserves, however that amount is not expected to be significant.

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: 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 313 Department of Information Resources, 808 Historical Commission

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

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 15, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2719 by Ashby (relating to the powers of the Texas Historical Commission over historic sites in this state.), **Committee Report 2nd House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2719, Committee Report 2nd House, Substituted : 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 <i>General Revenue Related Funds</i>
2024	\$0
2025	\$0
2026	\$0
2027	\$0
2028	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Revenue (Loss) from <i>Historic Sites 5139</i>	Probable Revenue Gain from <i>Texas Historical Commission Retail Operations Fund (Outside the Treasury)</i>
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.

There would be effects on the Economic Stabilization Fund (ESF) balance limit and consequent effects for GR reserves and transfers to ESF. Because pertinent tax revenue is initially deposited to the General Revenue Fund, the reduction in tax revenue in the 2024-25 biennium would reduce the 2026-27 ESF balance limit by ten percent of the reduction in tax, reducing 2025 severance tax reserves for transfer to the ESF by the amount of the balance limit reduction, and increasing available GR in 2025 by the amount of reduction of the reserves, however that amount is not expected to be significant.

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: 302 Office of the Attorney General, 304 Comptroller of Public Accounts, 313 Department of Information Resources, 808 Historical Commission

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

LEGISLATIVE BUDGET BOARD

Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

May 10, 2023

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

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: **HB2719** by Ashby (Relating to the powers of the Texas Historical Commission over historic sites in this state.), **As Engrossed**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2719, As Engrossed : 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 <i>General Revenue Related Funds</i>
2024	\$0
2025	\$0
2026	\$0
2027	\$0
2028	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Revenue (Loss) from <i>Historic Sites</i> 5139	Probable Revenue Gain from <i>Texas Historical Commission</i> <i>Retail Operations Fund (Outside</i> <i>the Treasury)</i>
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

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 30, 2023

TO: Honorable Trent Ashby, Chair, House Committee on Culture, Recreation & Tourism

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2719 by Ashby (relating to the powers of the Texas Historical Commission over historic sites in this state.), **Committee Report 1st House, Substituted**

Estimated Two-year Net Impact to General Revenue Related Funds for HB2719, Committee Report 1st House, Substituted : 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 <i>General Revenue Related Funds</i>
2024	\$0
2025	\$0
2026	\$0
2027	\$0
2028	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Revenue (Loss) from <i>Historic Sites</i> 5139	Probable Revenue Gain from <i>Texas Historical Commission</i> <i>Retail Operations Fund (Outside</i> <i>the Treasury)</i>
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, SZ, LCO, KCu

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 88TH LEGISLATIVE REGULAR SESSION

March 22, 2023

TO: Honorable Trent Ashby, Chair, House Committee on Culture, Recreation & Tourism

FROM: Jerry McGinty, Director, Legislative Budget Board

IN RE: HB2719 by Ashby (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 HB2719, 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 <i>General Revenue Related Funds</i>
2024	\$0
2025	\$0
2026	\$0
2027	\$0
2028	\$0

All Funds, Five-Year Impact:

<i>Fiscal Year</i>	Probable Revenue (Loss) from <i>Historic Sites</i> 5139	Probable Revenue Gain from <i>Texas Historical Commission</i> <i>Retail Operations Fund (Outside</i> <i>the Treasury)</i>
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, SZ, LCO, KCu