

1-1 By: Watson, Hancock S.B. No. 1147  
 1-2 (In the Senate - Filed February 28, 2017; March 7, 2017,  
 1-3 read first time and referred to Committee on Business & Commerce;  
 1-4 April 5, 2017, reported favorably by the following vote: Yeas 9,  
 1-5 Nays 0; April 5, 2017, sent to printer.)

1-6 COMMITTEE VOTE

	Yea	Nay	Absent	PNV
1-7				
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 A BILL TO BE ENTITLED  
 1-18 AN ACT

1-19 relating to the establishment of the Texas State Music Museum and  
 1-20 Texas Music Foundation; authorizing fees.

1-21 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-22 SECTION 1. Subtitle D, Title 4, Government Code, is amended  
 1-23 by adding Chapter 446 to read as follows:

1-24 CHAPTER 446. TEXAS STATE MUSIC MUSEUM AND TEXAS MUSIC FOUNDATION

1-25 Sec. 446.001. DEFINITIONS. In this chapter:

1-26 (1) "Board" means the State Preservation Board.

1-27 (2) "Capitol Complex" has the meaning assigned by

1-28 Section 443.0071.

1-29 (3) "Foundation" means the Texas Music Foundation.

1-30 (4) "Museum" means the Texas State Music Museum.

1-31 (5) "Presiding officer" means the presiding officer of  
 1-32 the foundation.

1-33 Sec. 446.002. ESTABLISHMENT OF MUSEUM. (a) The Texas  
 1-34 State Music Museum is established to:

1-35 (1) educate and engage visitors in the rich and varied  
 1-36 heritage of the music of this state;

1-37 (2) display objects and information relating to the  
 1-38 heritage described by Subdivision (1); and

1-39 (3) honor musical artists and other persons who have  
 1-40 contributed to the heritage described by Subdivision (1).

1-41 (b) The museum shall provide exhibits, concerts, programs,  
 1-42 and activities that support the musical education of the people of  
 1-43 this state, including students.

1-44 (c) The cost of operating the museum shall be paid from  
 1-45 revenue generated or collected by the museum and the foundation.

1-46 Sec. 446.003. ESTABLISHMENT OF FOUNDATION. The board shall  
 1-47 establish and maintain the Texas Music Foundation as a Texas  
 1-48 nonprofit corporation, exempt from federal income taxation under  
 1-49 Section 501(a), Internal Revenue Code of 1986, as an organization  
 1-50 described by Section 501(c)(3) of that code. The foundation is a  
 1-51 nonpolitical legal entity dedicated solely to supporting the  
 1-52 mission and goals of the museum.

1-53 Sec. 446.004. FOUNDATION DIRECTORS. (a) The foundation is  
 1-54 governed by 13 directors, appointed by the governor, as chairman of  
 1-55 the board, in consultation with the other board members.

1-56 (b) The executive director of the board and a person  
 1-57 designated by the governor's office serve as ex officio directors  
 1-58 of the foundation, without voting privileges.

1-59 (c) Each director serves at the will of the governor.

1-60 (d) The governor shall designate a director to serve as the  
 1-61 presiding officer of the foundation.

2-1           (e) A director serves without compensation but is entitled  
2-2 to reimbursement for reasonable and necessary expenses incurred in  
2-3 the performance of duties as director.  
2-4           (f) A person who is required to register as a lobbyist under  
2-5 Chapter 305 may not serve as a director.  
2-6           Sec. 446.005. BOARD OVERSIGHT AND DESIGNATION OF MUSEUM  
2-7 SPACE. (a) The museum is under the jurisdiction of the board.  
2-8           (b) The board, with the assistance of the Texas Facilities  
2-9 Commission, shall designate sufficient space in a building in the  
2-10 Capitol Complex to house the museum. The building is not subject to  
2-11 Section 2165.005.  
2-12           (c) The board shall name the building.  
2-13           Sec. 446.006. AGREEMENT BETWEEN BOARD AND FOUNDATION. The  
2-14 board shall enter into an agreement with the foundation for the  
2-15 management, operation, and financial support of the museum. The  
2-16 agreement must:  
2-17           (1) detail the expectations and goals of the board and  
2-18 the foundation;  
2-19           (2) outline the management and operation of the  
2-20 museum;  
2-21           (3) establish management standards;  
2-22           (4) provide for oversight by the board;  
2-23           (5) address funding and payment of costs;  
2-24           (6) address equipment needed for the museum;  
2-25           (7) establish insurance coverage requirements;  
2-26           (8) address construction, maintenance, and repair of  
2-27 the museum;  
2-28           (9) establish the term of the agreement;  
2-29           (10) require submission of financial information from  
2-30 the foundation to the board;  
2-31           (11) establish the foundation as a trustee of the  
2-32 museum for the benefit of this state;  
2-33           (12) address ownership by this state of the museum and  
2-34 museum contents;  
2-35           (13) include a dispute resolution process;  
2-36           (14) provide that the laws of this state govern the  
2-37 agreement;  
2-38           (15) include notice requirements;  
2-39           (16) establish a conflict of interest policy for  
2-40 foundation officers, directors, and employees;  
2-41           (17) establish a budget for the operation of the  
2-42 foundation; and  
2-43           (18) allow the board to provide personnel and office  
2-44 support to the foundation.  
2-45           Sec. 446.007. FOUNDATION PERSONNEL. (a) The foundation  
2-46 shall employ personnel necessary to operate the museum.  
2-47           (b) A foundation employee is not a state employee. The  
2-48 foundation may set the salaries of foundation employees, subject to  
2-49 board oversight.  
2-50           Sec. 446.008. FOUNDATION POWERS AND DUTIES. (a) The  
2-51 foundation shall manage and operate the museum.  
2-52           (b) Any authority granted to the museum may be exercised by  
2-53 the foundation, except as otherwise directed by the board.  
2-54           (c) The foundation shall raise money to finance and support  
2-55 the museum.  
2-56           (d) With the approval of the board, the foundation may  
2-57 conduct concerts, programs, and fund-raising activities in the  
2-58 Capitol Complex outside the fence line of the Capitol grounds.  
2-59           Sec. 446.009. FUNDING AND FEES. (a) The foundation may  
2-60 solicit and accept gifts, grants, sponsorships, and donations from  
2-61 individuals and public or private foundations and organizations to  
2-62 further the foundation's mission, including a gift, grant,  
2-63 sponsorship, or donation made in the name of the museum.  
2-64           (b) Money raised by the foundation may be used to acquire  
2-65 personal property for or engage in construction activities related  
2-66 to the museum.  
2-67           (c) The foundation may set and collect fees in amounts  
2-68 necessary to provide for the operation of the museum, including  
2-69 fees for:

3-1                   (1) admission to exhibits, theaters, concerts,  
3-2 programs, and activities;  
3-3                   (2) parking and transportation; and  
3-4                   (3) facility rental.  
3-5           (d) The foundation may sell at the museum items manufactured  
3-6 or publications printed under contract with the museum.  
3-7           (e) The foundation may establish a museum membership  
3-8 program.  
3-9           Sec. 446.010. TEXAS STATE MUSIC MUSEUM FUND. (a) Money  
3-10 and securities received by the foundation and museum shall be held  
3-11 in trust outside the state treasury by the comptroller in a special  
3-12 fund to be known as the Texas State Music Museum fund.  
3-13           (b) The foundation may spend money in the Texas State Music  
3-14 Museum fund for any lawful purpose connected with the museum.  
3-15           (c) Subtitle D, Title 10, does not apply to a purchase or  
3-16 lease made with money from the fund.  
3-17           Sec. 446.011. FACILITIES. (a) The foundation may operate  
3-18 in the museum:  
3-19                   (1) a theater or other venue for hosting a musical  
3-20 concert or performance;  
3-21                   (2) a gift shop;  
3-22                   (3) unmanned teller machines;  
3-23                   (4) food services; and  
3-24                   (5) other services and facilities convenient or  
3-25 necessary for visitors to the museum.  
3-26           (b) Chapter 355, Labor Code, does not apply to vending  
3-27 facilities operated by or approved for operation in the museum.  
3-28           Sec. 446.012. NAMING OF MUSEUM AREAS. With the approval of  
3-29 the board, the foundation may name areas in the museum, including  
3-30 rooms and exhibition halls, in honor of donors or benefactors, or  
3-31 other persons who have contributed to the musical heritage of this  
3-32 state.  
3-33           Sec. 446.013. INTELLECTUAL PROPERTY RIGHTS. The foundation  
3-34 may secure museum-related intellectual property rights for this  
3-35 state.  
3-36           Sec. 446.014. AUDIT. The museum is subject to audit by the  
3-37 state auditor as provided by Chapter 321.  
3-38           Sec. 446.015. PARKING AND TRANSPORTATION. The foundation  
3-39 may provide at the museum parking for visitors and, in cooperation  
3-40 with other public and private authorities, may participate in  
3-41 providing transportation for visitors between other musical and  
3-42 cultural sites.  
3-43           Sec. 446.016. PRIVATE EVENTS. The foundation may rent all  
3-44 or part of the museum's facilities for private events and provide  
3-45 for the sale, gift, possession, and consumption of alcoholic  
3-46 beverages at a private event held in the facilities.  
3-47           Sec. 446.017. MARKETING AND PUBLIC RELATIONS. The  
3-48 foundation may engage in marketing and public relations to  
3-49 publicize the museum and the museum's mission.  
3-50           Sec. 446.018. INSURANCE. The foundation may purchase  
3-51 insurance policies to insure the museum's contents and other  
3-52 personal property against any insurable risk, including insurance  
3-53 covering historical artifacts, art, or other items on loan to the  
3-54 museum.  
3-55           Sec. 446.019. CONTRACTS. The foundation may contract with  
3-56 public or private entities to the extent necessary or convenient  
3-57 for the operation of the museum's exhibits, concerts, programs,  
3-58 activities, and facilities, including contracts for the  
3-59 acquisition by purchase or loan of items for exhibition.  
3-60           Sec. 446.020. AGREEMENT FOR UTILITIES AND OTHER SERVICES.  
3-61 The foundation may enter into an agreement with the Texas  
3-62 Facilities Commission to reimburse the commission for the costs of  
3-63 providing utilities and other necessary services for the museum.  
3-64           Sec. 446.021. ANNUAL REPORT. Not later than the 60th day  
3-65 after the last day of each state fiscal year, the foundation shall  
3-66 submit to the board an electronic report itemizing all income and  
3-67 expenditures of the foundation and describing all activities of the  
3-68 foundation and museum during the preceding state fiscal year.  
3-69           Sec. 446.022. OPEN MEETINGS AND PUBLIC INFORMATION

4-1 EXEMPTION. The foundation is not subject to Chapter 551 or 552.  
4-2 Sec. 446.023. TAX EXEMPTION; FILING REQUIREMENT. (a) All  
4-3 income, property, and other assets of the foundation are exempt  
4-4 from taxation by this state and political subdivisions of this  
4-5 state.

4-6 (b) The foundation shall comply with all filing  
4-7 requirements of the secretary of state and the Internal Revenue  
4-8 Service.

4-9 Sec. 446.024. PROHIBITED ACTIVITIES. The foundation may  
4-10 not:

4-11 (1) donate funds to a political campaign or endorse a  
4-12 political candidate;

4-13 (2) lobby or otherwise attempt to influence a member  
4-14 of the legislature; or

4-15 (3) directly or indirectly attempt to influence  
4-16 legislation.

4-17 SECTION 2. As soon as practicable after the effective date  
4-18 of this Act:

4-19 (1) the State Preservation Board shall establish the  
4-20 Texas Music Foundation under Chapter 446, Government Code, as added  
4-21 by this Act; and

4-22 (2) the governor shall appoint directors to the Texas  
4-23 Music Foundation as provided by Section 446.004, Government Code,  
4-24 as added by this Act.

4-25 SECTION 3. This Act takes effect immediately if it receives  
4-26 a vote of two-thirds of all the members elected to each house, as  
4-27 provided by Section 39, Article III, Texas Constitution. If this  
4-28 Act does not receive the vote necessary for immediate effect, this  
4-29 Act takes effect September 1, 2017.

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