

1-1 By: Huffman S.B. No. 1332
 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. 1332 By: Huffman

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

1-28 relating to the provision of funding to the Texas Historical
 1-29 Commission for state historic sites.

1-30 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-31 SECTION 1. Section 442.0083(e), Government Code, is amended
 1-32 to read as follows:

1-33 (e) A grant for a historic courthouse project may not exceed
 1-34 the greater of \$10 million [~~\$6 million~~] or two percent of the amount
 1-35 appropriated for implementing the historic courthouse preservation
 1-36 program during the state fiscal biennium.

1-37 SECTION 2. Subchapter A, Chapter 442, Government Code, is
 1-38 amended by adding Section 442.0151 to read as follows:

1-39 Sec. 442.0151. HISTORIC INFRASTRUCTURE SUSTAINABILITY
 1-40 TRUST FUND. (a) In this section, "trust company" means the Texas
 1-41 Treasury Safekeeping Trust Company.

1-42 (b) The historic infrastructure sustainability trust fund
 1-43 is created as a trust fund outside the treasury held by the trust
 1-44 company and administered by the comptroller as trustee on behalf of
 1-45 the people of this state to generate earnings on money in the fund
 1-46 for the purpose of maintaining, preserving, rehabilitating, and
 1-47 restoring historic sites throughout the state.

1-48 (c) The fund consists of:

1-49 (1) money appropriated or transferred to the fund at
 1-50 the direction of the legislature;

1-51 (2) gifts, grants, and donations received by the
 1-52 commission for a purpose for which money in the fund may be used
 1-53 under this section; and

1-54 (3) any returns received from the investment of money
 1-55 in the fund.

1-56 (d) The trust company shall hold, manage, and invest the
 1-57 fund, and shall determine the amount available for distribution
 1-58 from the fund each year in accordance with a distribution policy
 1-59 adopted by the comptroller. The distribution policy must be
 1-60 designed to preserve the purchasing power of the assets of the fund,

2-1 provide a stable and predictable series of annual distributions
 2-2 from the fund, and meet the liquidity needs of the fund as
 2-3 necessary. The expenses of managing the fund and its assets shall
 2-4 be paid from the fund. Except as otherwise provided by this
 2-5 section, money in the fund may not be used for any other purpose.

2-6 (e) In managing the assets of the fund, through procedures
 2-7 and subject to restrictions the trust company considers
 2-8 appropriate, the trust company may acquire, exchange, sell,
 2-9 supervise, manage, or retain any kind of investment that a prudent
 2-10 investor, exercising reasonable care, skill, and caution, would
 2-11 acquire or retain in light of the purposes, terms, distribution
 2-12 requirements, and other circumstances of the fund then prevailing,
 2-13 taking into consideration the investment of all the assets of the
 2-14 fund rather than a single investment. At the request of the trust
 2-15 company, the commission shall provide the trust company with
 2-16 information the trust company determines is necessary to ensure
 2-17 that the trust company is able to achieve the objectives specified
 2-18 by Subsection (d).

2-19 (f) The commission annually may request a distribution from
 2-20 the fund in an amount that may not exceed the amount the trust
 2-21 company determines is available for distribution in the applicable
 2-22 year under Subsection (d). Money distributed from the fund to the
 2-23 commission may be used only for the purpose of maintaining,
 2-24 preserving, rehabilitating, and restoring state historic sites
 2-25 under the control of the commission and for the historic courthouse
 2-26 preservation program under Section 442.0081. The commission shall
 2-27 allocate at least one-third of each annual distribution from the
 2-28 fund under this subsection for the historic courthouse preservation
 2-29 program. The commission may not use money received from an annual
 2-30 distribution under this subsection to pay salaries, employee
 2-31 benefits, costs associated with employee benefits, or
 2-32 administration, operating, or program costs of the commission.

2-33 (g) Subject to Subsection (h) and not more frequently than
 2-34 once each calendar year, the commission may request an additional
 2-35 distribution from the fund in an amount that exceeds the amount the
 2-36 trust company determines is available for distribution from the
 2-37 fund in that year under Subsection (d). An additional distribution
 2-38 under this subsection may be used for a purpose described by
 2-39 Subsection (f). The trust company may not make an additional
 2-40 distribution under this subsection if the distribution would
 2-41 negatively affect the purchasing power of the assets of the fund as
 2-42 determined by the terms of the distribution policy adopted by the
 2-43 comptroller under Subsection (d).

2-44 (h) The commission may receive an additional distribution
 2-45 from the fund under Subsection (g) only after the commission
 2-46 certifies to the Legislative Budget Board that:

2-47 (1) the commission has reviewed and approved the use
 2-48 of the money;

2-49 (2) all purchases made with the money will conform to
 2-50 any applicable provision of law governing state procurement and
 2-51 contracting; and

2-52 (3) the money will not be used to:

2-53 (A) pay salaries, employee benefits, costs
 2-54 associated with employee benefits, or administration, operating,
 2-55 or program costs of the commission or the state historic sites under
 2-56 the control of the commission;

2-57 (B) acquire new historic sites or real property;
 2-58 or

2-59 (C) purchase capital equipment that is not
 2-60 related to the rehabilitation or restoration of a historic site
 2-61 under the control of the commission or the historic courthouse
 2-62 preservation program under Section 442.0081.

2-63 (i) All expenditures by the commission under this section
 2-64 are subject to audit by the state auditor.

2-65 (j) The commission shall include in the strategic plan
 2-66 submitted under Section 2056.002 a report on each project funded
 2-67 using money in the fund during the two-year period preceding the
 2-68 date on which the commission submits the plan and a list of each
 2-69 project the commission anticipates will be funded using money in

3-1 the fund for the period covered by the plan.

3-2 SECTION 3. Section [442.073](#), Government Code, is amended by
3-3 amending Subsection (d) and adding Subsection (e) to read as
3-4 follows:

3-5 (d) Except as provided by Subsection (e), money [~~Money~~] in
3-6 the account may be used only to administer, operate, preserve,
3-7 repair, expand, or otherwise maintain a historic site or to acquire
3-8 a historical item appropriate to a historic site.

3-9 (e) The commission may make an expenditure from the account
3-10 for a historic site that is not described by Section [442.072\(a\)](#).
3-11 The commission shall provide notice of an expenditure described by
3-12 this subsection to the Legislative Budget Board not later than the
3-13 30th day after the date the commission makes the expenditure. The
3-14 Legislative Budget Board may establish the procedure by which the
3-15 commission provides notice to the board under this subsection.

3-16 SECTION 4. This Act takes effect September 1, 2023.

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