

BILL ANALYSIS

Senate Research Center

S.B. 728
By: Fraser
Finance
3/11/1999
Committee Report (Amended)

DIGEST

Currently, Texas has more historic courthouses than any other state. In June 1998, the National Trust for Historic Preservation included 225 historic Texas courthouses in the annual list of "America's 11 Most Endangered Historic Places." Governor George W. Bush announced his Texas Courthouse Preservation Initiative to develop recommendations for an effective matching grant program to be used by communities to repair and restore courthouses throughout Texas. S.B. 728 would create the Historic Courthouse Preservation Program to be administered by the Texas Historical Commission, and the commission would be authorized to award grants and loans for a historic courthouse project.

PURPOSE

As proposed, S.B. 728 creates the Historic Courthouse Preservation Program to be administered by the Texas Historical Commission, and the commission would be authorized to award grants and loans for a historic courthouse project.

RULEMAKING AUTHORITY

Rulemaking authority is granted to Texas Historical Commission in SECTION 1 (Sections 442.0081(b), (c), (e), (g) and (h); 442.0082(a)-(c) and (e); and 442.0083(b) and (g), Government Code) of this bill.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 442, Government Code, by adding Sections 442.0081 through 442.0083, as follows:

Sec. 442.0081. HISTORIC COURTHOUSE PRESERVATION PROGRAM: GRANTS AND LOANS. Requires the Texas Historical Commission (commission) to administer a historic courthouse preservation program (program). Authorizes an owner of a historic courthouse who is a county or nonprofit organization to apply to the commission for a grant or loan for a historic courthouse project. Authorizes the commission, by rule, to determine the timing of and requirements for an application for funding under the program. Authorizes the commission to grant or, subject to Section 442.0083, loan money to a county or nonprofit organization that owns a historic courthouse, for the purpose of preserving or restoring the courthouse, if the owner's application meets the standards of the program. Authorizes the commission to consider the preferences and factors listed in this section as well as any other factors that it may provide, by rule, in considering whether to grant an application. Authorizes the commission to give preference to certain conditions, in considering whether to grant an application. Requires the commission to adopt rules regarding the way in which it will consider certain factors in analyzing an owner's contribution to project costs under Subsection (d)(2). Authorizes the commission to adopt rules in analyzing an owner's contribution to project costs under Subsection (d)(2), and certain factors. Authorizes the commission, in considering whether to grant an application, to also consider certain factors. Requires the commission, after considering any recommendations from the governor, lieutenant governor, or speaker of the house of representatives, to appoint a Texas Courthouse Preservation Program Advisory Committee (committee). Requires the committee to assist the commission on matters relating to the program, receive input from the public about the program, and perform additional functions assigned to it by commission rule. Authorizes the commission to reimburse a committee member's travel expenses and provide a per diem for other expenses from funds appropriated to the commission, but not from funds in the historic courthouse preservation fund account created by this chapter. Provides that Chapter 2110 applies to the committee. Authorizes the commission, by rule, to determine the qualifications for membership on the

committee. Authorizes the committee to include certain members. Authorizes the commission to adopt rules necessary to implement the program.

Sec. 442.0082. HISTORIC COURTHOUSE PROJECT; REQUIREMENTS. Requires an owner to have a master preservation plan for its historic courthouse project, before incurring any expenses payable from funds received from the commission under the program. Authorizes the commission, by rule, to establish guidelines that set minimum standards for an owner's master preservation plan. Requires an owner that receives money under the program to use recognized preservation standards for work on a historic courthouse project. Authorizes the commission, by rule, to establish standards that ensure the quality of work performed on a historic courthouse project. Authorizes an owner that receives money under the program for a historic courthouse project to use the money only for eligible preservation and restoration expenses that the commission, by rule, may prescribe. Authorizes eligible expenses to include certain costs. Provides that an owner's expenditure of money received under this chapter for a historic courthouse project is subject to audit by the state auditor in accordance with Chapter 321. Authorizes the commission, by rule, to provide for oversight procedures on a project. Requires these rules to provide for reasonable inspections by the commission as well as periodic reports by an owner on a project's progress.

Sec. 442.0083. FUNDING FOR HISTORIC COURTHOUSE PRESERVATION PROGRAM; HISTORIC COURTHOUSE PRESERVATION FUND ACCOUNT. Provides that the historic courthouse preservation fund account is a separate account in the general revenue fund. Provides that the account consists of transfers made to the account, payments on loans made under the program, grants and donations made for the purposes of the program, and income earned on investments of money in the account. Requires appropriations to the commission for the program to be credited to the account. Requires payments on loans made under the program and grants and donations to the commission for the purpose of the program to be deposited to the credit of the account. Requires income earned on money in the account to be deposited to the credit of the account, notwithstanding Section 404.071. Authorizes money in the account to only be appropriated for the purpose of the program. Authorizes the commission to use money in the historic courthouse preservation fund account to provide a grant or loan to a county or nonprofit organization that owns a historic courthouse for a historic courthouse project, except as provided by Subsection (c). Authorizes the commission, by rule, to determine the grant or loan to be in the amount and according to the terms. Authorizes the commission to use money in the historic courthouse preservation fund account to provide a loan under the program only to the extent that the legislature provides in the General Appropriations Act that money appropriated to the commission for the program to be used to make loans. Authorizes the commission to require creation of a conservation easement in the property, as provided by Chapter 183, Natural Resources Code, in favor of the state, as a condition for providing the money under this section. Authorizes a grant for a historic courthouse project to not exceed the greater of four million dollars or two percent of the amount appropriated for implementing the program during the state fiscal biennium. Authorizes the commission to use an amount not to exceed one percent of biennial appropriations for the historic courthouse preservation program for administration, oversight, and implementation of the program. Authorizes the commission, by rule, to set a limit on the loan amount for a historic courthouse project. Authorizes the commission to accept a gift, grant, or other donation for the program or a specific historic courthouse project.

SECTION 2. Amends Section 442.001, Government Code, as follows:

Sec. 442.001. New heading: DEFINITIONS. Defines "historic courthouse," "historic courthouse project," and "historic structure." Redesignates Subdivisions (1)-(6) as Subdivisions (A)-(F). Makes a conforming change.

SECTION 3. Amends the section heading to Section 442.008, Government Code, as follows:

Sec. 442.008. New heading: COUNTY COURTHOUSES.

SECTION 4. (a) Effective date: September 1, 1999.

(b) Requires the commission to adopt the rules required by Sections 442.0081, 442.0082, and 442.0083, Government Code, as added by this Act, no later than November 1, 1999.

SECTION 5. Emergency clause.

SUMMARY OF COMMITTEE CHANGES

SECTION 1.

Amends Section 442.0083, Government Code, by adding a new Subsection (f), to authorize the commission to use an amount not to exceed one percent of biennial appropriations for the historic courthouse preservation program for administration, oversight, and implementation of the program, rather than prohibiting biennial appropriations for the historic courthouse preservation program from exceeding the greater of two million dollars or one percent of the amount.