

- SUBJECT:** Appropriation to the Texas Commission on the Arts
- COMMITTEE:** Appropriations — favorable, without amendment
- VOTE:** 24 ayes — Pitts, Luna, Berman, Branch, B. Brown, F. Brown, Chisum, Crownover, J. Davis, Gattis, Guillen, Haggerty, Hamric, Hegar, Hope, Hopson, T. King, Kolkhorst, Martinez, McClendon, Pena, Pickett, T. Smith, Truitt
- 0 nays
- 5 absent — Dukes, Edwards, Isett, Menendez, Turner
- WITNESSES:** For — None
- Against — None
- On — Ricardo Hernandez, Texas Commission on the Arts
- BACKGROUND:** The Texas Commission on the Arts (TCA) is charged with developing arts in Texas to enrich the state’s culture and make it an attractive destination for tourists. In 1993, the 73rd Legislature established the Cultural Endowment Fund, which was intended to become a stable source of funding for the TCA’s activities. At the end of fiscal 2005, the balance of the fund was about \$13 million.
- Following the regular session of the 79th Legislature, the governor vetoed the Commission’s line-item fiscal 2006-07 general revenue appropriation for information resources, which totaled more than \$500,000. According to the veto proclamation, the governor vetoed these funds because “the agency should maintain its computer technology within current funding.”
- DIGEST:** HB 118 would appropriate to TCA a total of \$312,522 (\$156,261 each in fiscal 2006 and fiscal 2007) in interest money earned by the Cultural Endowment Fund for fiscal 2006-07.
- The bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take

effect on the 91st day after the last day of the third called session (August 15, 2006, if the special session lasts the full 30 days).

**SUPPORTERS
SAY:**

TCA was charged with maintaining its information technology within existing resources, but the governor vetoed the general revenue funds that the Legislature had appropriated to pay its employees performing this function. The agency has had to cover the employees' salaries with money designated for grants, and the appropriation in HB 118 would return the funding to its original destination, using interest money earned by Cultural Endowment Fund rather than general revenue.

The appropriation in HB 118 would not have any bearing on future uses of the interest income because it would be a one-time transfer. TCA is undergoing review by the Sunset Advisory Commission, which has identified the use of interest income and the agency's administrative costs as issues that it will address in the agency's Sunset bill next session.

**OPPONENTS
SAY:**

No apparent opposition.

NOTES:

SB 16 by Ogden, an omnibus supplemental appropriations bill, would appropriate \$312,522 in general revenue to TCA for fiscal 2006-07. The Senate Finance Committee considered SB 16 in a public hearing on April 24 and left the bill pending.