

SUBJECT: Continuation of the Texas Commission on the Arts

COMMITTEE: Culture, Recreation, and Tourism — favorable, without amendment

VOTE: 6 ayes — Guillen, Aycock, Kuempel, Larson, Nevárez, Smith
0 nays
1 absent — Dukes

SENATE VOTE: On final passage, March 27, 2013 — 30-0

WITNESSES: *(On House companion bill, HB 1674)*

For — Amy Barbee, Texas Cultural Trust; Michael Burke, Texans for the Arts; *(Registered, but did not testify:* Bill Hammond, Texas Association of Business)

Against — None

On — Emily Johnson, Sunset Advisory Commission; *(Registered, but did not testify:* Gary Gibbs, Texas Commission on the Arts)

BACKGROUND: The Texas Commission on the Arts’ mission is to advance the state economically and culturally by investing in the creative arts. It awards grants to nonprofit organizations, promotes the arts to tourists, and provides arts information to businesses and individuals.

The agency is governed by a 17-member, governor-appointed board, with members serving six-year terms. Members must represent all fields of the arts and be known for their professional competence, and at least two members must be from counties with a population of less than 50,000. In fiscal 2012, the agency operated on a budget of \$3.7 million, of which \$2.8 million was awarded as grants to other organizations. The agency employs a staff of 12.

The agency last underwent Sunset review in 2007 and its current authority will expire, unless renewed, on September 1, 2013.

DIGEST: SB 202 would continue the Texas Commission on the Arts to September 1, 2025.

The bill would reduce the size of the board from 17 to nine members, who would serve staggered, six-year terms. It would establish a schedule for the reduction in board size and set the terms for new board members. The board would be required to represent a diverse cross-section of the arts.

SB 202 would add language detailing the commission's current grant authority.

The bill would take effect on the 91st day after the end of the last day of the legislative session (August 26, 2013).

SUPPORTERS SAY: SB 202 would ensure that the Texas Commission on the Arts continued to play its vital role in preserving the state's cultural and artistic heritage and fostering the arts throughout the state.

The agency funds a large and diverse group of organizations through its grant program. The agency awards roughly 1,100 grants a year, many of which go to rural communities, making the arts available to parts of the state that otherwise would not have access to arts programming. The relatively small investment by the state in the Texas Commission on the Arts leverages about \$1 million in federal funds and \$277,000 in local spending. All 50 states provide funding for the arts, typically through independent agencies such as the Texas Commission on the Arts.

Continuation of the Texas Commission on the Arts also would allow the agency to maintain its economic role. Texas' arts and cultural industry accounts for an estimated \$2.5 billion in tourism spending per year and 21,000 jobs with payrolls in excess of \$700 million.

Change in membership. SB 202 would reduce the size of the commission to a manageable size, saving staff time and about \$9,000 per year because of reduced travel, lodging, and per diem expenses. The commission currently has more board members than staff members, and a large board is not needed for such a small agency. The change in board composition would be phased in so that no current board member would be affected. Rural county representation would be unchanged, with two members from counties with populations of less than 50,000. The agency still would be

able to secure needed expertise and diversity for its grant review process through independent grant review panels.

The August 26, 2013 effective date of the bill would allow for the change in board composition to start as early as August 31, 2013. Under current law, six commissioner positions are set to be filled on August 31, 2013. SB 202 would abolish those positions prior to the date that they would have been filled, ensuring a quick reduction in commission size.

Clarifying language. SB 202 would clarify the commission's existing grant authority, making it clear that the commission could award grants to fulfill its mission.

OPPONENTS
SAY:

Support of the arts is not a core government function and the state should abolish the Texas Commission on the Arts. Texans should support a thriving arts community through private philanthropy and corporate sponsorship — not through government appropriations.

Change in membership. While a reduction in board membership is appropriate, SB 202 would not decrease the number of commissioners from small rural counties with populations of less than 50,000. This would increase the power of the less-populated areas of the state at the expense of the state's growing, more populous counties.

NOTES:

SB 202 is identical to the House companion bill, HB 1674.