

## **BILL ANALYSIS**

Senate Research Center

H.B. 1341  
By: Gallego (Fraser)  
Finance  
5/2/1999  
Engrossed

### **DIGEST**

Out of the 254 counties in Texas, 225 still have historic county courthouses, all of which have, as a group, been named to the National Trust for Historic Places' list of the 11 Most Endangered Places in the United States. These courthouses are in need of repair due to outdated electric wiring, roof leaks, and inadequate climate control. Some have become unusable. This bill would require the Texas Historical Commission (commission) to establish a historic courthouse preservation program (program) to award loans and grants for restoring or preserving historic courthouses. This bill would authorize the commission to establish requirements for awarding a loan or grant to a county and establish a historic courthouse preservation fund account as a separate account in the general revenue fund.

### **PURPOSE**

As proposed, H.B. 1341 requires the Texas Historical Commission (commission) to establish a historic courthouse preservation program (program) to award loans and grants for restoring or preserving historic courthouses. This bill authorizes the commission to establish requirements for awarding a loan or grant to a county and establishes a historic courthouse preservation fund account as a separate account in the general revenue fund.

### **RULEMAKING AUTHORITY**

Rulemaking authority is granted to the Texas Historical Commission in SECTION 2 (Sections 442.0081, 442.0082, and 442.083, Government Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 442.001, Government Code, as follows:

Sec. 442.001. New heading: DEFINITIONS. Defines "historic courthouse" and "historic courthouse project." Makes conforming changes.

SECTION 2. Amends Chapter 442, Government Code, by adding Sections 442.0081, 442.0082, and 442.0083, as follows:

Sec. 442.0081. HISTORIC COURTHOUSE PRESERVATION PROGRAM; GRANTS AND LOANS. (a) Requires the Texas Historical Commission (commission) to administer a historic courthouse preservation program (program).

(b) Authorizes a county that owns a historic courthouse to apply to the commission for a grant or loan for a historic courthouse project. Sets forth required provisions for the application.

(c) Authorizes the commission to grant or loan money to a county that owns a historic courthouse, for the purpose of preserving or restoring the courthouse, provided that the county's application meets the standards of the program. Requires the commission, when considering whether to grant the county's application, to consider the preferences and factors listed in this section as well as any other factors that the commission is authorized to provide by rule.

(d) Sets forth the conditions under which the commission is required to give preference to certain projects or counties when considering whether to grant an application.

(e) Sets forth additional factors the commission is required to consider in granting an application.

(f) Requires the commission to adopt rules regarding the way it will consider certain factors when analyzing a county's contribution to project costs under Subsection (d)(2).

(g) Requires the commission to appoint a Texas Courthouse Preservation Program Advisory Committee (committee), after considering any recommendations from the governor, lieutenant governor, or speaker of the house of representatives. Requires the committee to assist the commission on matters relating to the program. Authorizes the commission to reimburse a committee member's travel expenses and provide a per diem for other expenses from funds that are appropriated to the commission, but not from the funds in the historic courthouse preservation fund account (account) created by this chapter. Provides that Chapter 2110, Local Government Code, applies to the committee, and sets forth the composition of the committee.

(h) Requires the commission to adopt rules necessary to implement the program.

Sec. 442.0082. HISTORIC COURTHOUSE PROJECT; REQUIREMENTS. (a) Provides that before incurring any expenses payable from funds received from the commission under the program, a county must have a master preservation plan for its historic courthouse project. Requires the commission, by rule, to prescribe the elements of a master preservation plan.

(b) Requires that a county that receives money under the program to use recognized preservation standards for work on a historic courthouse project. Authorizes the commission to adopt standards, by rule, that ensure the quality of the work performed on a historic courthouse project.

(c) Authorizes a county 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, is required to prescribe. Authorizes certain costs to be included in eligible expenses.

(d) Provides that a county's expenditure of money received under this chapter for a historic courthouse project is subject to an audit by the state auditor in accordance with Chapter 321, Government Code.

(e) Requires the commission, by rule, to provide for oversight procedures on a project, to provide for reasonable inspections by the commission as well as periodic reports by a county on a project's progress.

Sec. 442.0083. FUNDING FOR HISTORIC COURTHOUSE PRESERVATION PROGRAM; HISTORIC COURTHOUSE PRESERVATION FUND ACCOUNT. (a) Provides that the account is a separate account in the general revenue fund consisting of transfers made to the account, payments on loans made under the program, grants and donations for the program, and income earned on investments of money in the account. Requires that appropriations to the commission for the program 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, Government Code.

(b) Authorizes the commission to use money in the account to provide a grant or loan to a county that owns a historic courthouse for a historic courthouse project. Authorizes the loan or grant to be in the amount and according to the terms that the commission, by rule, is required to determine.

(c) Authorizes the commission to use money in the 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 may be used to make loans.

(d) Authorizes the commission, as a condition for providing the money under this section, to require creation of a conservation easement in the property, as provided by Chapter 183, Natural Resources Code, in favor of the state and to require creation of other appropriate covenants in favor of the state. Authorizes the commission to take any necessary action to enforce repayment of a loan or any other agreements made under this section and Sections 442.0081 and 442.0082.

(e) Prohibits a grant for a historic courthouse project from exceeding four million dollars or two

percent of the amount appropriated for implementing the program during the state fiscal biennium, whichever is greater.

(f) Authorizes the commission to use an amount not to exceed one percent of biennial appropriations for administering the program.

(g) Authorizes the commission, by rule, to set a limit on the loan amount for a historic courthouse project, which may be expressed as a dollar amount or as a percentage of the total amount appropriated for implementing the program during the state fiscal biennium.

(h) Authorizes the commission to accept a gift, grant, or other donation for the program or a specific historic courthouse project.

SECTION 3. Effective date: September 1, 1999.

Requires the commission to adopt the rules required by Sections 442.0081, 442.0082, and 442.0083, Government Code, by November 1, 1999.

SECTION 4. Emergency clause.