

**Historical Commission
Summary of Recommendations - Senate**

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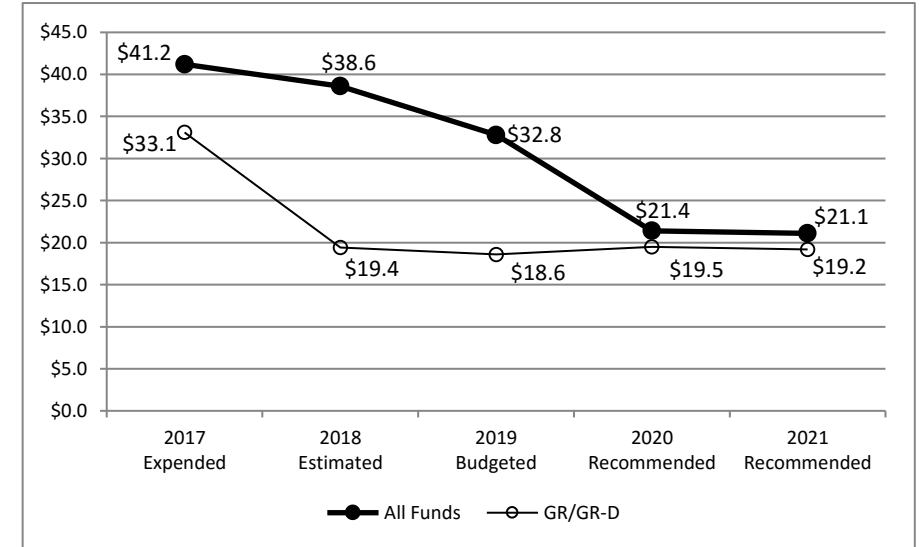
Mark Wolfe, Executive Director

Lena Conklin, LBB Analyst

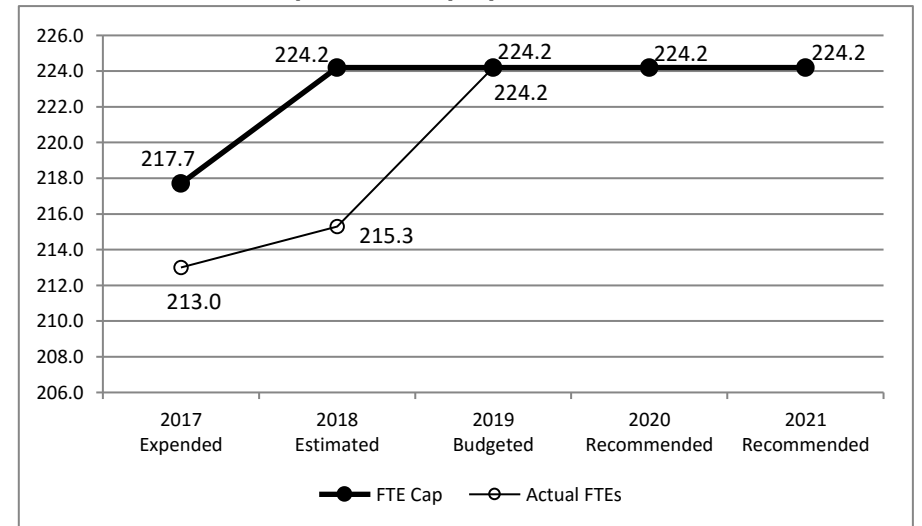
Method of Financing	2018-19 Base	2020-21 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$37,556,505	\$38,222,466	\$665,961	1.8%
GR Dedicated Funds	\$497,250	\$497,250	\$0	0.0%
<i>Total GR-Related Funds</i>	<i>\$38,053,755</i>	<i>\$38,719,716</i>	<i>\$665,961</i>	<i>1.8%</i>
Federal Funds	\$5,217,816	\$2,247,972	(\$2,969,844)	(56.9%)
Other	\$28,086,715	\$1,463,902	(\$26,622,813)	(94.8%)
All Funds	\$71,358,286	\$42,431,590	(\$28,926,696)	(40.5%)

	FY 2019 Budgeted	FY 2021 Recommended	Biennial Change	Percent Change
FTEs	224.2	224.2	0.0	0.0%

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2020-21 Recommended) represents an estimated 72.5% of the agency's estimated total available funds for the 2020-21 biennium.

Historical Commission
Summary of Funding Changes and Recommendations - Senate

Funding Changes and Recommendations for the 2020-21 Biennium compared to the 2018-19 Base Spending Level (in millions)		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
<i>SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):</i>							
A)	Decrease in Economic Stabilization Funds and General Revenue due to one time 2018-19 funding for the Courthouse Preservation program and Historic Sites program.	(\$1.0)	\$0.0	\$0.0	(\$24.2)	(\$25.2)	A.1.3, A.1.4
B)	Increase in funding out of Sporting Goods Sales Tax for Historic Sites.	\$2.0	\$0.0	\$0.0	\$0.0	\$2.0	A.1.4
<i>OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):</i>							
C)	Decrease in Federal Funds due to one time 2018-19 funding for Hurricane Harvey damage.	\$0.0	\$0.0	(\$3.0)	\$0.0	(\$3.0)	A.1.4
D)	Decrease in Interagency Contracts due to expiration of Section 106 Historic Preservation Reviews.	\$0.0	\$0.0	\$0.0	(\$0.4)	(\$0.4)	A.1.1, A.1.2, A.2.1, A.3.1
E)	Decrease in General Revenue due to lower Data Center Services continuing obligations and unexpended balances carried forward in the previous biennium and expended.	(\$0.3)	\$0.0	\$0.0	\$0.0	(\$0.3)	Multiple
F)	Decrease in General Obligation Bond Proceeds expended in FY 2018.	\$0.0	\$0.0	\$0.0	(\$2.0)	(\$2.0)	A.1.3, A.1.4
TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)		\$0.7	\$0.0	(\$3.0)	(\$26.6)	(\$28.9)	As Listed
<i>SIGNIFICANT & OTHER Funding Increases</i>		\$2.0	\$0.0	\$0.0	\$0.0	\$2.0	As Listed
<i>SIGNIFICANT & OTHER Funding Decreases</i>		(\$1.3)	\$0.0	(\$3.0)	(\$26.6)	(\$30.9)	As Listed

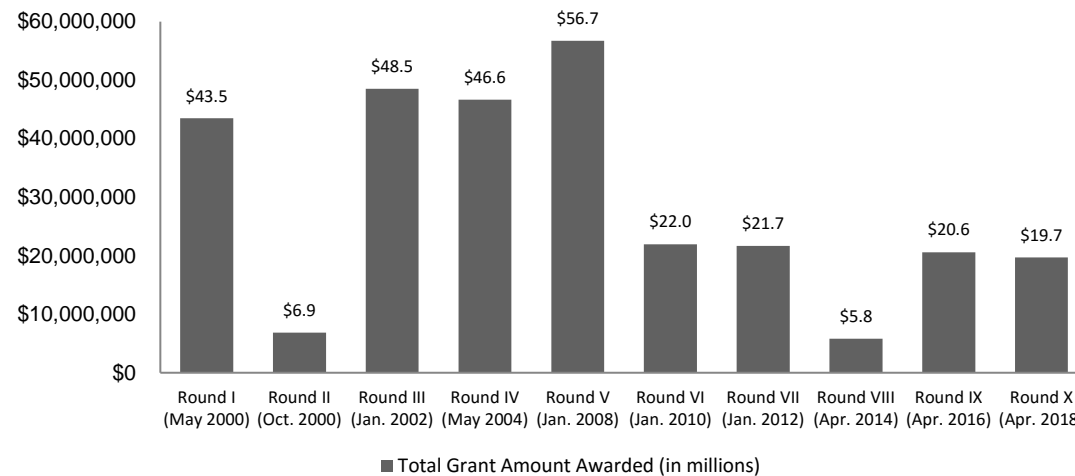
NOTE: Totals may not sum due to rounding.

**Historical Commission
Selected Fiscal and Policy Issues - Senate**

1. **One-Time Discretionary Grants and Facility Repairs.** Recommendations reflect a decrease of \$24.2 million in one-time funding from the Economic Stabilization Fund (ESF) and \$1.0 million in General Revenue for the following capital projects in the 2018-19 biennium:

- Courthouse Grants** - Recommendations include a decrease of \$19.2 million in ESF and \$1.0 million in General Revenue for the 2020-21 biennium for the removal of funding provided in the 2018-19 biennium for courthouse preservation grants. The agency estimates that there are 72 historic courthouses, at a project cost of \$3.0 million to \$5.0 million each, which require grants for restoration and preservation. In the 2016-17 agency budget, \$20.0 million in General Revenue funds was appropriated to fund courthouse preservation grants. Prior to the 84th session, the program had been funded through eight rounds with all but the first round funded with General Obligation (GO) Bond proceeds. The agency is currently requesting an exceptional item of \$36.0 million in the biennium for this purpose. Historically, funding for this discretionary grant program was determined on a biennial basis by the Legislature. The chart below shows the ten round of grant awards for Historic Courthouse Preservation from FY 2000 to FY 2018. To date, \$292.5 million has been awarded in 201 grants since 2000.

TOTAL GRANT AWARDS



- National Museum of the Pacific War** - Recommendations include a decrease of \$2.0 million in ESF for the 2020-21 biennium for the removal of funding provided in the 2018-19 biennium to fund ongoing repair needs at the National Museum of the Pacific War. Additionally, recommendations continue to fund operations at this site as part of Strategy A.1.4 at an annual cost of \$200,000. Other costs are paid through site fees held outside the treasury by the Museum foundation. According to the agency, remaining capital needs for the National Museum of the Pacific War/Nimitz Museum are projected to be approximately \$2.0 million for fiscal years 2020-21.

- **San Felipe De Austin Historic Site** - Recommendations include a decrease of \$0.8 million of ESF for the 2020-21 biennium for the removal of funding provided to complete a visitor center at the San Felipe de Austin Historic Site. Since 2008, \$8.8 million in All Funds have been appropriated to this project for construction of a visitor center and education center. This project is projected to be complete by the end of 2019.
 - **Mission Dolores Historic Site** - Recommendations include a decrease of \$1.9 million of ESF for the 2020-21 biennium for the removal of funding provided for renovation of the current facilities, construction of a maintenance facility, and construction of exhibits at the Mission Dolores Historic Site. Additionally, these funds provide for 3.0 FTEs at the site. This project will be completed by the end of FY 2019 and requires no additional capital funding.
 - **Historic Sites Deferred Maintenance** - Recommendations include a decrease of \$0.3 million of ESF for the 2020-21 biennium for the removal of funding provided for deferred maintenance needs at the agency's 22 state historic sites. According to the agency, there is an outstanding need of \$33 million to complete deferred maintenance and repairs at historic sites. The agency is currently requesting an exceptional item of \$2.9 million in General Revenue for this purpose in the 2020-21 biennium.
2. **Sporting Goods Sales Tax.** Recommendations include \$20.0 million in Sporting Goods Sales Tax (SGST) in the 2020-21 biennium to be used for the administration, operation, preservation, repair and maintenance of historic sites. This recommendation is \$2.0 million above 2018-19 appropriations. Beginning in the 2008-09 biennium, the Historical Commission became eligible to receive up to 6.0 percent of SGST revenue, with the remaining 94.0 percent available to the Parks and Wildlife Department. In the 2018-19 biennium, a method of finance swap was made to replace all remaining General Revenue in the agency's Strategy A.1.4., Historic Sites, with SGST. This appropriation was 90 percent of the amount available to the agency in the biennium. New Rider 25, Maximum Appropriation of Sporting Goods Sales Tax (SGST) Revenue, appropriates to the agency in the 2020-21 biennium 100 percent of the agency's SGST allocation. Based on the 2020-21 Biennial Revenue Estimate, an additional \$0.5 million would be appropriated to the agency pursuant to the rider.
3. **Sunset Review.** The Texas Historical Commission (THC) is abolished on September 1, 2019 unless continued by the Eighty-sixth Legislature. The Sunset Advisory Commission has recommended continuation of the agency for 12 years. Other recommendations adopted by the Sunset Advisory Commission include:
- Directing the THC to establish a working group with membership also including the Texas Parks and Wildlife Department (TPWD), State Preservation Board, and General Land Office, to begin development of a statewide historic sites master plan;
 - Direct THC to work with the Facilities Commission to sell unneeded curatorial collection items and to explore options for a joint curatorial facility for storage of collections;
 - Amend statute to clearly establish the Heritage Trails program, require THC to adopt rules for the program, and direct THC to work with the attorney general's office on a single, performance based contract to provide stronger oversight over Heritage Trails related contracts;
 - Transfer the remaining eight historic sites from TPWD to THC that are not attached to a state park; and
 - Direct THC to adopt rules providing a process for stakeholders to challenge the accuracy of existing historical markers.

**Historical Commission
Rider Highlights - Senate**

Modification of Existing Riders

2. **Capital Budget.** Recommendations revise this rider to remove capital projects including the San Felipe de Austin historic site capital project and Historic Sites Deferred Maintenance; capital budget authority from unexpended balances is included for courthouse grants and National Museum of the Pacific War and Mission Dolores historic sites. Recommendations revise capital budget authority of \$47,416 in FY 2020 and \$47,453 in FY 2021 to maintain current obligation for Data Center Consolidation (DCS) related costs.
15. **Unexpended Balances: National Museum of the Pacific War.** Recommendations revise this rider to include unexpended balance authority for Economic Stabilization Funds appropriated for the National Museum of the Pacific War in the 2018-19 biennium.
19. **Unexpended Balances: Courthouse Grants.** Recommendations revise this rider to include unexpended balance authority for Economic Stabilization Funds appropriated for the Courthouse Grants Program in the 2018-19 biennium.

New Riders

23. **Unexpended Balances: Mission Dolores.** Economic Stabilization Funds were provided in the 2018-19 biennium to the agency for construction and maintenance projects at the Mission Dolores historic site. Unexpended balance authority has been provided for this project as all funds are not projected to be obligated by the end of fiscal year 2019.
24. **Sunset Contingency.** Rider identifies funding in fiscal year 2021 as being contingent on the continuation of the agency by the Eighty-sixth Legislature and directs the agency to utilize fiscal year 2020 funding for phase-out of agency operations in the event the agency is not continued.
25. **Maximum Appropriation of Sporting Goods Sales Tax (SGST) Revenue.** Rider appropriates to the agency the statutory maximum allocation of SGST revenue or 6.0 percent of total SGST revenue.

Deleted Riders

15. **Appropriation of License Plate Receipts.** The agency currently receives revenue for El Paso Mission Valley and Juneteenth license plate sales. Article IX, Section 8.13 Appropriation of Specialty License Plate Receipts provides the agency authority to collect revenues and interest from the sale of license plates.
17. **Unexpended Balances: San Felipe de Austin Historic Site.** All funds related to this project are expected to be obligated in fiscal year 2019 and unexpended balance authority is no longer need.
22. **Texas Historical Commission Volunteer Services.** This rider currently allows to agency to provide meals and beverages for volunteers when volunteers are on site and providing labor and/or services for historical site reenactments, archeological work, and other agency programs. According to the Comptroller of Public Accounts' state purchase policies, a state agency is prohibited from purchasing food for employees or for visitors to the agency.
26. **Facilities-Related Funding and Staff for Historic Sites.** This rider currently identifies amounts that were appropriated to the agency in the 2018-19 biennium for deferred maintenance at multiple historic sites. Where appropriate, unexpended balance authority has been provided for these projects in other riders.

**Historical Commission
Items Not Included in Recommendations - Senate**

	2020-21 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2022-23
	GR & GR-D	All Funds	FTEs			

Agency Exceptional Items - In Agency Priority Order

1)	Additional FTEs to support Agency Programs at historic sites and agency headquarters.	\$2,910,000	\$2,910,000	16.0	No	No	\$2,560,000
2)	Grant Funding for Historic Courthouse Program	\$36,000,000	\$36,000,000	0.0	No	Yes	\$0
3)	Vehicle Replacement at Historic Sites	\$853,311	\$853,311	0.0	No	No	\$0
4)	Texas Heritage Trails Support	\$500,000	\$500,000	0.0	No	No	\$0
5)	Historic Sites and Agency Capitol Complex Offices Deferred Maintenance	\$2,886,250	\$2,886,250	0.0	No	Yes	\$0
6)	Levi Jordan Plantation Capital Project	\$2,000,000	\$2,000,000	0.0	No	Yes	\$0
7)	Nimitz Museum Capital Project	\$2,149,600	\$2,149,600	0.0	No	Yes	\$0
8)	CAPPS Human Resources/Payroll Implementation	\$226,250	\$226,250	1.0	Yes	No	\$160,000
9)	Preservation Grants	\$605,778	\$605,778	0.0	No	No	\$0
10)	THGC Genocide Education Program	\$160,000	\$160,000	1.0	No	No	\$160,000

TOTAL Items Not Included in Recommendations

\$48,291,189

\$48,291,189

18.0

\$2,880,000

**Historical Commission
Appendices - Senate**

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* Appendix is not included - no significant information to report

**Historical Commission
Funding Changes and Recommendations - Senate, by Strategy -- ALL FUNDS**

Strategy/Goal	2018-19 Base	2020-21 Recommended	Biennial Change	% Change	Comments
ARCHITECTURAL ASSISTANCE A.1.1	\$2,173,851	\$1,960,800	(\$213,051)	(9.8%)	Recommendations include: 1) \$210,110 decrease in Interagency Contracts due to expiration of a contract with TxDOT for Section 106 reviews; 2) \$2,126 decrease in General Revenue for Data Center Services (DCS) continuing obligations; 3) \$1,105 net decrease in Appropriated Receipts and License Plate Funds; and 4) \$290 increase in Historic Preservation Federal Funds.
ARCHEOLOGICAL HERITAGE PROTECTION A.1.2	\$2,661,710	\$2,599,207	(\$62,503)	(2.3%)	Recommendations include: 1) \$2,126 decrease in General Revenue for DCS continuing obligations; 2) \$61,000 decrease in Interagency Contracts due to expiration of contract with TxDOT for Section 106 reviews; and 3) \$623 net increase in Federal Funds and Appropriated Receipts.
COURTHOUSE PRESERVATION A.1.3	\$21,531,921	\$1,160,126	(\$20,371,795)	(94.6%)	Recommendations include: 1) \$20,200,000 decrease in Economic Stabilization Funds and General Revenue due to one time funding of Courthouse Preservations Grants; 2) \$108,734 decrease in bond proceeds due to project completion in FY 2019; and 3) \$63,061 decrease in General Revenue due to unexpended balances carried forward in the agency base.

**Historical Commission
Funding Changes and Recommendations - Senate, by Strategy -- ALL FUNDS**

Strategy/Goal	2018-19 Base	2020-21 Recommended	Biennial Change	% Change	Comments
HISTORIC SITES A.1.4	\$29,135,476	\$21,035,076	(\$8,100,400)	(27.8%)	Recommendations include: 1) \$4,984,200 decrease in Economic Stabilization Funds due to one-time funding for deferred maintenance at historic sites including San Felipe de Austin, Mission Dolores, and the National Museum of the Pacific War expended in the previous biennium; 2) \$2,900,000 decrease in Federal Funds due to one time funding for Hurricane Harvey relief; 3) \$1,896,298 decrease in bond proceeds due to unexpended balances carried forward in the agency base; 4) \$256,317 decrease in General Revenue due to unexpended balances carried forward in the agency base; 5) \$61,679 decrease in Appropriated Receipts due to lower collections at historic sites because of Hurricane Harvey closures; and 6) \$1,998,094 increase in Sporting Goods Sales Tax revenue.
PRESERVATION TRUST FUND A.1.5	\$497,250	\$497,250	\$0	0.0%	
DEVELOPMENT ASSISTANCE A.2.1	\$3,533,218	\$3,512,718	(\$20,500)	(0.6%)	Recommendations include: 1) \$20,000 decrease in Interagency Contracts due to expiration of contract with TxDOT for Section 106 reviews; 2) \$2,126 decrease in General Revenue due to DCS continuing obligations; and 3) \$1,626 increase in Federal Funds due to expenditures eligible for federal reimbursement being less than budgeted in FY 2018.
TEXAS HERITAGE TRAIL A.2.2	\$1,500,000	\$1,500,000	\$0	0.0%	This is a new strategy for the 2020-21 biennium. Funding for Heritage Trail Region assistance was originally a part of Strategy A.2.1 Development Assistance.

**Historical Commission
Funding Changes and Recommendations - Senate, by Strategy -- ALL FUNDS**

Strategy/Goal	2018-19 Base	2020-21 Recommended	Biennial Change	% Change	Comments
EVALUATE/INTERPRET RESOURCES A.3.1	\$6,137,544	\$6,021,923	(\$115,621)	(1.9%)	Recommendations include: 1) \$123,571 decrease in Interagency Contracts due to expiration of contract with TxDOT for Section 106 reviews; 2) \$4,251 decrease in General Revenue due to DCS continuing obligations; 3) \$45,352 increase in Appropriated Receipts for historical marker collections; 4) \$32,839 decrease in Federal Funds due to expenditures eligible for federal reimbursement being higher than budgeted in FY 2018; and 5) \$312 decrease in License Plate Trust Funds.
Total, Goal A, HISTORIC PRESERVATION	\$67,170,970	\$38,287,100	(\$28,883,870)	(43.0%)	
CENTRAL ADMINISTRATION B.1.1	\$4,187,316	\$4,144,490	(\$42,826)	(1.0%)	Recommendations include: 1) \$40,700 decrease in Federal Funds due to expenditures eligible for federal reimbursement were higher than budgeted in FY 2018; and 2) \$2,126 decrease in General Revenue due to DCS continuing obligations.
Total, Goal B, INDIRECT ADMINISTRATION	\$4,187,316	\$4,144,490	(\$42,826)	(1.0%)	
Grand Total, All Strategies	\$71,358,286	\$42,431,590	(\$28,926,696)	(40.5%)	

**Historical Commission
FTE Highlights - Senate**

Full-Time-Equivalent Positions	Expended 2017	Estimated 2018	Budgeted 2019	Recommended 2020	Recommended 2021
Cap	224.2	224.2	224.2	224.2	224.2
Actual/Budgeted	213.0	215.3	224.2	NA	NA

Schedule of Exempt Positions (Cap)					
Executive Director, Group 4	\$145,954	\$150,652	\$150,652	\$150,652	\$150,652

Note:
 a) The State Auditor's Office Reports, *Executive Compensation at State Agencies (Report 18-705, August 2018)*, indicates a market average salary of \$169,502 for the Executive Director position at the Texas Historical Commission and recommends changing the Group classification from Group 4 to Group 5. The agency is not requesting any changes to its Exempt Position.

**Historical Commission
Summary of Ten Percent Biennial Base Reduction Options Recommendations - Senate**

Priority	Item	Description/Impact	Biennial Reduction Amounts			Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Program GR/GR-D Total	Included in Introduced Bill?
			GR & GR-D	All Funds	FTEs				
1)	Courthouse Grants	This reduction would reduce the Courthouse Preservation Grants.	\$916,912	\$916,912	0.0	\$0	42%	\$2,160,126	Yes
2)	Courthouse Grants	This reduction would eliminate General Revenue provided for Courthouse Preservation Grants.	\$83,088	\$83,088	0.0	\$0	4%	\$2,160,126	Yes
3)	Texas State Almanac	This reduction would eliminate pass through for the Texas State Almanac (Rider 20).	\$480,000	\$480,000	0.0	\$0	100%	\$480,000	No
4)	Texas Holocaust and Genocide Commission	This reduction would reduce the Holocaust and Genocide Commission operating budget for outside consultants and professional services.	\$353,824	\$353,824	0.0	\$0	22%	\$1,574,026	No
5)	Texas Holocaust and Genocide Commission	This reduction would further reduce the Holocaust and Genocide Commission budget, leaving only administrative support provided by THC.	\$916,912	\$916,912	6.0	\$0	58%	\$1,574,026	No
6)	Texas Holocaust and Genocide Commission	This reduction would eliminate the Holocaust and Genocide Commission.	\$143,291	\$143,291	0.0	\$0	9%	\$1,574,026	No
7)	Preservation Trust Fund Grants	This reduction would eliminate grants for the Preservation Trust Fund.	\$497,250	\$497,250	0.0	\$0	100%	\$497,250	No
8)	Historic Sites Operations	This reduction would reduce Historic Sites operating fund - travel, equipment, training , and other operating expenses.	\$276,369	\$276,369	0.0	\$0	1%	\$18,788,476	No
TOTAL, 10% Reduction Options			\$3,667,646	\$3,667,646	6.0	\$0			