

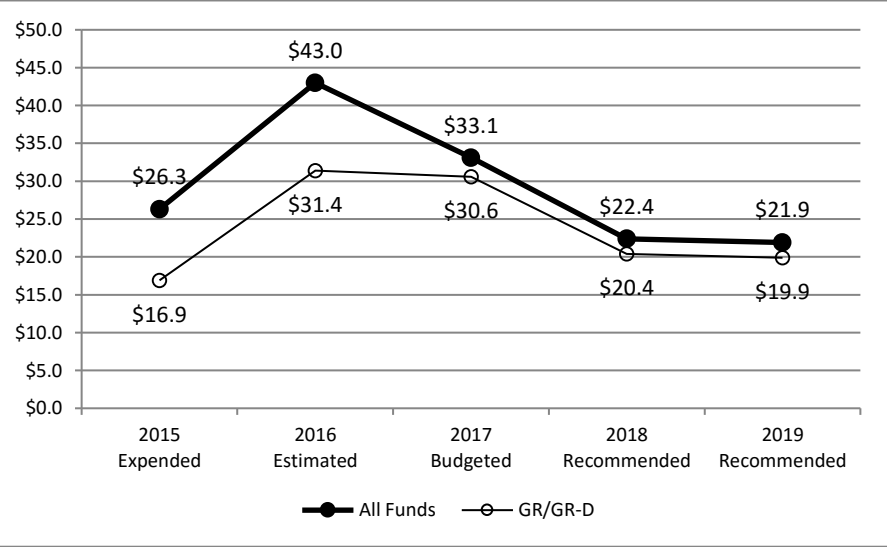
Historical Commission
Summary of Recommendations - Senate

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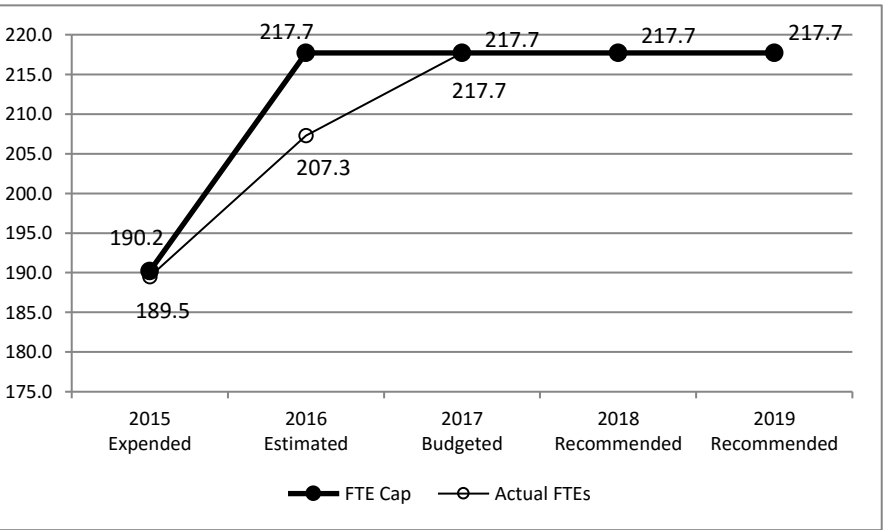
Method of Financing	2016-17 Base	2018-19 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$61,449,290	\$39,875,712	(\$21,573,578)	(35.1%)
GR Dedicated Funds	\$530,000	\$500,000	(\$30,000)	(5.7%)
Total GR-Related Funds	\$61,979,290	\$40,375,712	(\$21,603,578)	(34.9%)
Federal Funds	\$2,236,470	\$2,180,470	(\$56,000)	(2.5%)
Other	\$11,972,274	\$1,665,266	(\$10,307,008)	(86.1%)
All Funds	\$76,188,034	\$44,221,448	(\$31,966,586)	(42.0%)

	FY 2017 Budgeted	FY 2019 Recommended	Biennial Change	Percent Change
FTEs	217.7	217.7	0.0	0.0%

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2018-19 Recommended) represents an estimated 100% of the agency's estimated total available funds for the 2018-19 biennium.

Historical Commission
Summary of Funding Changes and Recommendations - Senate

Section 2

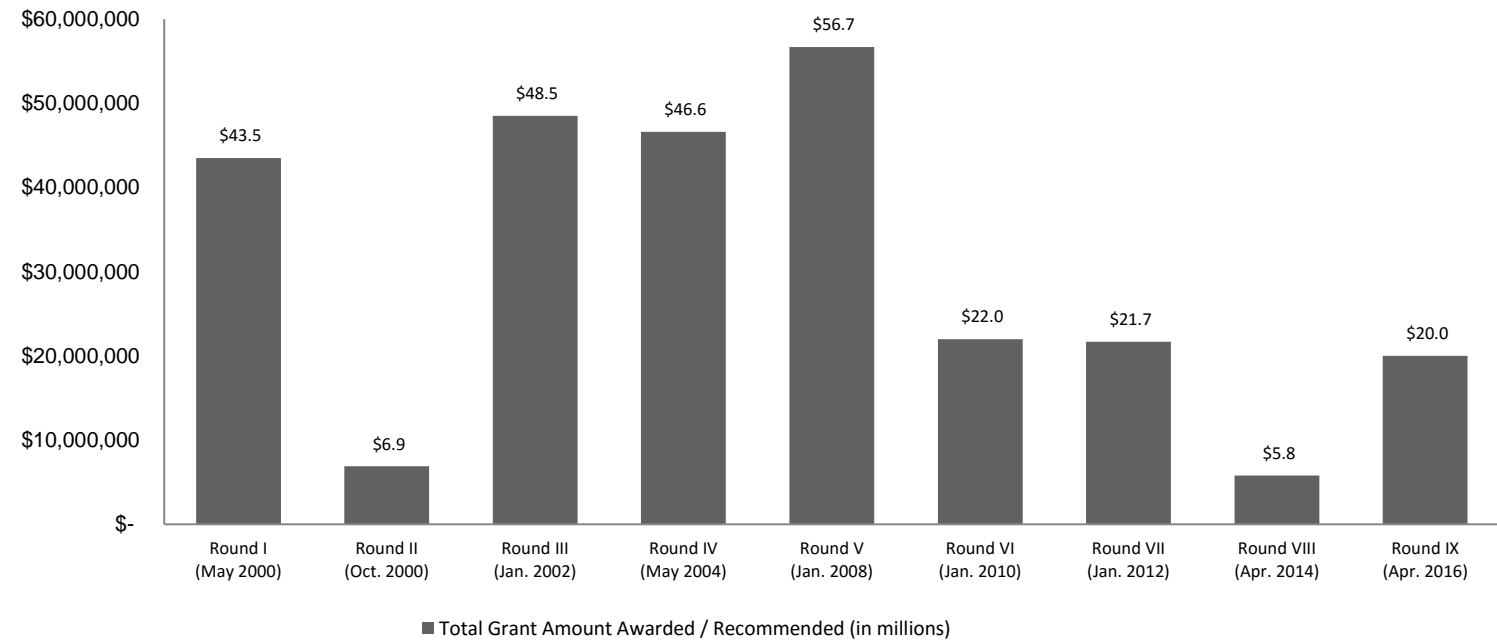
Funding Changes and Recommendations for the 2018-19 Biennium compared to the 2016-17 Base Spending Level (in millions)		General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
<i>SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):</i>							
A)	Texas Historic Courthouse Preservation Program grants funded at \$5.0 million, a decrease of \$14.2 million.	(\$14.2)	\$0.0	\$0.0	\$0.0	(\$14.2)	A.1.3
B)	Removal of 2016-17 appropriations for specific National Museum of the Pacific War capital repair projects.	(\$1.9)	\$0.0	\$0.0	\$0.0	(\$1.9)	A.1.4
C)	Removal of 2016-17 appropriations for the San Felipe de Austin Historic Site capital construction projects.	(\$1.9)	\$0.0	\$0.0	\$0.0	(\$1.9)	A.1.4
D)	Removal of 2016-17 appropriations for historic sites deferred maintenance and safety renovations.	(\$0.8)	\$0.0	\$0.0	\$0.0	(\$0.8)	A.1.4
E)	Removal of 2016-17 appropriations for the THC facility capitol complex maintenance projects.	(\$0.2)	\$0.0	\$0.0	\$0.0	(\$0.2)	A.1.1
<i>OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):</i>							
F)	Decrease in funding for grants, heritage tourism projects, capital projects, and the agency general operations budget, pursuant to the 4 percent reduction.	(\$2.5)	\$0.0	\$0.0	\$0.0	(\$2.5)	7 strategies
G)	Decrease in General Obligation Bond proceeds which were expended in the 2016-17 biennium.	\$0.0	\$0.0	\$0.0	(\$9.1)	(\$9.1)	A.1.3, A.1.4
H)	Miscellaneous Items.	\$0.0	\$0.0	\$0.0	(\$1.3)	(\$1.3)	6 strategies
TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)		(\$21.6)	\$0.0	\$0.0	(\$10.4)	(\$32.0)	As Listed
<i>SIGNIFICANT & OTHER Funding Increases</i>		\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	As Listed
<i>SIGNIFICANT & OTHER Funding Decreases</i>		(\$21.6)	\$0.0	\$0.0	(\$10.4)	(\$32.0)	As Listed

NOTE: Totals may not sum due to rounding.

Historical Commission
Selected Fiscal and Policy Issues - Senate

1. **Discretionary Grants and Facility Repairs.** Recommendations reflect a decrease of \$19.0 million in General Revenue for the following capital projects in the 2016-17 biennium:
- **Courthouse Grants** – Recommendations include \$5.0 million in program funding in the 2018-19 biennium. In the 2016-17 agency budget, \$20.0 million in General Revenue funds was appropriated to fund courthouse preservation grants. Prior to the 84th Legislative session, the program had been funded through eight rounds with the all but the first round funded with General Obligation (GO) Bond proceeds. These biennial appropriation amounts varied from \$5.8 million to \$56.7 million in GO Bond proceeds. The agency carried forward \$19.2 million in General Revenue from their base budget towards this purpose, with the remainder reduced as part of the agency 4 percent base reduction. Historically, funding for this discretionary grant program was determined on a biennial basis by the legislature.

TOTAL GRANT AWARDS



- **National Museum of the Pacific War** – Recommendations include a decrease of \$1.9 million for the 2018-19 biennium for the removal of funding provided through 2016-17 appropriations. In the 2016-17 agency budget, \$2.0 million in General Revenue Funds was appropriated to fund specific capital repair projects at the National Museum of the Pacific War in Fredericksburg. The agency reports that the museum faces ongoing needs for additional repairs in fiscal years 2018-19. The agency allocated \$1.9 million in General Revenue from their base budget towards this purpose, with the remainder reduced as part of the agency 4 percent base reduction.
- **San Felipe De Austin Historic Site** - Recommendations include a decrease of \$1.9 million for the 2018-19 biennium for the removal of funding provided through 2016-17 appropriations. In the 2016-17 agency budget, \$2.0 million in General Revenue Funds was appropriated as part of the fundraising effort for capital construction at the San Felipe de Austin historic site. Funding was directed towards the construction of a visitor orientation and education center at the historic site. In fiscal years 2008-09 and 2014-15, approximately \$3.0 million in General Revenue and General Obligation Bond proceeds were appropriated for this same purpose. The agency anticipates a total project cost of the proposed visitor center to be approximately \$12.5 million. The difference in the amount contributed by the state and the total project cost is anticipated to be generated through private donations and fundraising. In the 2018-19 biennium, the agency allocated \$1.9 million in General Revenue from their base budget towards this purpose, with the remainder reduced as part of the agency 4 percent base reduction.
- **Historic Sites Deferred Maintenance** - Recommendations include a decrease of \$800,000 for the 2018-19 biennium for the removal of funding provided through 2016-17 appropriations. In the 2016-17 agency budget, \$830,000 in General Revenue Funds was appropriated for the on-going care and maintenance of THC's 21 state historic sites. These funds were used for repairs, maintenance, and upkeep of the facilities statewide. The agency allocated \$800,000 in General Revenue from their base budget towards this purpose, with the remainder reduced as part of the agency 4 percent base reduction.
- **THC Capitol Complex Maintenance** - Recommendations include a decrease of \$0.2 million for the 2018-19 biennium for the removal of funding provided through 2016-17 appropriations. In the 2016-17 agency budget, \$0.3 million in General Revenue Funds was appropriated for capital repair projects at THC's historic offices in the capitol complex. The amounts were to be used by the agency to catch up on ongoing maintenance and repair projects. In the 2018-19 biennium, the agency allocated \$0.2 million in General Revenue from their base budget towards this purpose, with the remainder reduced as part of the agency 4 percent base reduction.

Historical Commission Rider Highlights - Senate

Modification of Existing Riders

2. **Capital Budget.** Recommendations revise this rider to update the removal of appropriations for capital projects including National Museum of the Pacific War capital projects, Historic Sites Deferred Maintenance and Safety Renovations, and the San Felipe de Austin Historic Site. Recommendations include capital budget authority of \$2.6 million each fiscal year for Computer Replacement, Courthouse Grants, and current obligations for Data Center Consolidation (DCS).
15. **Appropriation of License Plate Receipts.** Recommendations revise this rider to include the addition of receipts from the sale of Juneteenth license plates. House Bill 3610, 84th Legislature, Regular Session, authorized the creation of a Texas Juneteenth specialty license plate, with fee proceeds to be utilized by Texas Historical Commission for the purpose of promoting the celebration of Juneteenth in the state. This revision appropriates proceeds credit to License Plate Trust Fund No. 0802 to the Historical Commission of the stated purpose.
10. **Unexpended Balances of Bond Proceeds.** Recommendations revise this rider to remove 80th Legislature and 81st Legislature bond issuances for courthouses, which have been fully expended.

New Riders

21. **Unexpended Balances: Courthouse Grants 84th Legislature.** Recommendations include a new rider allowing for the transfer of unexpended and unobligated balances as of August 31, 2017 in General Revenue (estimated to be \$0) for the courthouse grants program to the fiscal year beginning September 1, 2018, for the same purpose. According to the agency all 2016-17 appropriations for courthouse grants are anticipated to be awarded and obligated by the end of fiscal year 2017. Courthouse grants are recaptured if the actual cost is lower than the amounts estimated when the grant was awarded. The Commission recaptures these funds and re-awards them to other historic county courthouses.

Historical Commission
Items Not Included in Recommendations - Senate

Section 5

	2018-19 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2020-21
	GR & GR-D	All Funds	FTEs			

Agency Exceptional Items - In Agency Priority Order

1)	Historic Courthouse Grants	\$35,000,000	\$35,000,000	0.0	No	Yes	\$35,000,000
2)	Funding for Heritage Tourism programs, including the Texas Heritage Trails Program, heritage tourism guides, marketing, the Destination Courthouse initiative, exhibits at state historic sites, and the World War I Centennial Initiative.	\$4,800,000	\$4,800,000	0.0	No	Yes	\$4,600,000
3a)	San Felipe de Austin Historic Site capital construction projects	\$2,000,000	\$2,000,000	0.0	No	Yes	\$0
3b)	National Museum of the Pacific War renovation and maintenance projects	\$4,627,307	\$4,627,307	0.0	No	Yes	\$0
3c)	Mission Dolores State Historic Site repairs	\$2,225,000	\$2,225,000	5.0	No	Yes	\$800,000
3d)	State Historic Sites deferred maintenance	\$825,000	\$825,000	0.0	No	Yes	\$825,000
3e)	THC capitol complex building deferred maintenance	\$250,000	\$250,000	0.0	No	Yes	\$250,000
4)	Restoration of 4% reduction to agency operations, Texas Preservation Trust Fund, archeology equipment, IT equipment and support, the Texas Almanac, replacement vehicles, and historic sites minor maintenance projects.	\$708,800	\$708,800	0.0	Yes	No	\$708,800
5)	CAPPS Implementation	\$513,500	\$513,500	2.0	Yes	No	\$320,000
6)	Texas Holocaust and Genocide Commission	\$624,800	\$624,800	3.0	No	No	\$624,800
7)	Modification of Rider 7, Acquisition of Historical Artifacts, to narrow the scope of historic artifact acquisition to THC Historic Sites and removing the coordination requirement with the other entities.	\$0	\$0	0.0	No	No	\$0
8)	Modification of Rider 8, Historic Sites, to include an additional revenue object code to the tracking of historical site fees, as well as eliminating the \$1.0 million cap in additional appropriation that the agency can receive for this purpose.	\$0	\$0	0.0	No	No	\$0
9)	Modification of Rider 18, Appropriation Authority: Texas Historic Preservation Tax Credit Review Fees, to change the rider from a sum-certain rider to an estimated appropriation.	\$0	\$0	0.0	No	No	\$0
10)	New Rider: Reimbursement of Advisory Committee Members, which will allow the agency to reimburse members of the Antiquities Board.	\$0	\$0	0.0	No	No	\$0

Historical Commission
Items Not Included in Recommendations - Senate

Section 5

		2018-19 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2020-21
		GR & GR-D	All Funds	FTEs			
11)	New Rider: UB Authority within the Biennium, which will allow the agency to transfer unobligated and unexpended funds, for the same purposes.	\$0	\$0	0.0	No	No	\$0
12)	New Rider: THC Volunteer Services, which will allow the agency to provide volunteer meals.	\$0	\$0	0.0	No	No	\$0
13)	New Rider: Internship Program FTE Exemption, which will allow the agency to exempt interns from being calculated as part of the agency authorized FTE cap.	\$0	\$0	0.0	No	No	\$0
14)	New Rider: Appropriation: Development Revenue, which will allow the agency more flexibility in raising revenue from corporate sponsorships or partnerships in order to fund agency programs.	\$0	\$0	0.0	No	No	\$0
TOTAL Items Not Included in Recommendations		\$51,574,407	\$51,574,407	10.0			\$43,128,600

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	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
ARCHITECTURAL ASSISTANCE A.1.1	\$2,299,532	\$1,962,806	(\$336,726)	(14.6%)	Recommendations include: 1) \$90,249 decrease in General Revenue related to a reduction in operating expenses related to IT support, agency vehicles and other minor expenses, as well as a reduction in capitol complex building maintenance. 2) \$240,000 decrease in General Revenue for funding related to capitol complex maintenance (see Section 3 - Selected Fiscal Policy Issues #1 for details). 3) \$7,077 decrease in Appropriated Receipts due to isolated insurance settlements in 2016. 4) \$600 increase in License Plate Trust Fund No. 0802 due to increased projected revenue.
ARCHEOLOGICAL HERITAGE PROTECTION A.1.2	\$2,740,508	\$2,655,554	(\$84,954)	(3.1%)	Recommendations include a decrease of \$84,954 in General Revenue for archaeology equipment purchases.
COURTHOUSE PRESERVATION A.1.3	\$21,951,663	\$6,161,190	(\$15,790,473)	(71.9%)	Recommendations include: 1) \$826,701 decrease in General Revenue related to reductions in operating expenses for IT support, agency vehicles and other minor expenses, as well as a reduction in the Courthouse Grants program. 2) \$14.2 million decrease in General Revenue for Courthouse Grants. 3) \$56,666 increase in General Revenue due to funds being shifted among strategies. 4) \$820,438 decrease in Bond Proceeds due to FY15 proceeds being UB'd in to FY16 and expended.

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

Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
HISTORIC SITES A.1.4	\$34,576,028	\$19,834,916	(\$14,741,112)	(42.6%)	Recommendations include: 1) \$845,916 decrease in General Revenue related to a reduction of \$618,044 in Sporting Goods Sale Tax funding for historic sites operating budgets and both minor construction and capital construction projects at historic sites. 2) \$247,776 decrease in General Revenue related to funds being shifted among strategies. 3) \$111,456 decrease in General Revenue due to lower debt service payments in 2018-19. 4) \$4,632,480 decrease in General Revenue for funding related to the National Museum of the Pacific War (\$1,920,000), San Felipe de Austin Historic Site (\$1,920,000) and historic sites deferred maintenance (\$792,480). 5) \$8,230,099 decrease in Bond Proceeds due to FY15 proceeds being UB'd into FY16 and expended. 6) \$250,000 decrease in Interagency Contracts for isolated construction funding in FY16. 7) \$150,000 decrease in Other Funds related to the receipt of a Governor's Emergency and Deficiency Grant in 2016 for roof replacement at the National Museum of the Pacific War. 8) \$273,340 decrease in Appropriated Receipts to adjust for 2018-19 projections.
PRESERVATION TRUST FUND A.1.5	\$530,000	\$500,000	(\$30,000)	(5.7%)	Recommendations include a decrease of \$30,000 in Preservation Trust Fund grants.

Historical Commission					
Funding Changes and Recommendations - Senate, by Strategy -- ALL FUNDS					
Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
DEVELOPMENT ASSISTANCE A.2.1	\$4,471,340	\$3,712,798	(\$758,542)	(17.0%)	Recommendations include: 1) \$440,000 decrease in General Revenue related to a reduction in heritage tourism publications and heritage tourism mobile app development funds. 2) \$407,940 decrease in Interagency Contracts related to the Heritage Trails IAC with TxDOT that expired in FY16. 3) \$171,595 increase in General Revenue due to previously reallocated funds among other strategies. 4) \$53,447 decrease in Federal Funds due to the receipt of a Certified Local Grant from 2015 that was recorded in FY16. 5) 28,750 decrease in Appropriated Receipts to adjust for 2018-19 projections.
EVALUATE/INTERPRET RESOURCES A.3.1	\$6,139,772	\$5,919,194	(\$220,578)	(3.6%)	Recommendations include: 1) \$141,161 decrease in Interagency Contract funds due to the TxDOT Historic Highways IAC which ended in FY16. 2) \$96,617 decrease in General Revenue related to a reduction in operating expenses and a reduction to funding for the state almanac. 3) \$16,000 increase in Federal Funds for Historic Preservation Grants-in-Aid. 4) \$1,200 increase in License Plate Trust Fund Account No. 0802 related to additional Junteenth License Plate sales.
Total, Goal A, HISTORIC PRESERVATION	\$72,708,843	\$40,746,458	(\$31,962,385)	(44.0%)	

Historical Commission					
Funding Changes and Recommendations - Senate, by Strategy -- ALL FUNDS					
Strategy/Goal	2016-17 Base	2018-19 Recommended	Biennial Change	% Change	Comments
CENTRAL ADMINISTRATION B.1.1	\$3,479,191	\$3,474,990	(\$4,201)	(0.1%)	Recommendations include: 1) \$22,754 decrease in General Revenue related to reductions in operating expenses for the agency. 2) \$37,109 increase in General Revenue related to previously reallocated funds among other strategies. 3) 18,553 decrease in Federal Funds due to a reduction in projected Federal Fund awards from their high in FY16.
Total, Goal B, INDIRECT ADMINISTRATION	\$3,479,191	\$3,474,990	(\$4,201)	(0.1%)	
Grand Total, All Strategies	\$76,188,034	\$44,221,448	(\$31,966,586)	(42.0%)	

Historical Commission
FTE Highlights - Senate

Full-Time-Equivalent Positions	Expended 2015	Estimated 2016	Budgeted 2017	Recommended 2018	Recommended 2019
Cap	190.2	217.7	217.7	217.7	217.7
Actual/Budgeted	189.5	207.3	217.7	NA	NA

Schedule of Exempt Positions (Cap)					
Executive Director, Group 4	\$128,775	\$145,954	\$145,954	\$145,954	\$145,954

Notes:

- a) Fiscal years 2015 and 2016 actual FTE figures are less than the FTE cap limits primarily due to staff vacancies and turnover.
- b) The State Auditor's Office Reports, *Executive Compensation at State Agencies* (Report No. 16-706, August 2016), indicates a recommended salary range of \$145,954 to \$197,415 for the Executive Director position at the Historical Commission and recommends a salary within 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	Included in Intro Bill?
			GR & GR-D	All Funds	FTEs			
1)	Grant Reductions	This reduction item would reduce the Courthouse Preservation Grants, Preservation Trust Fund Grants, and the Texas State Almanac (Rider 20) Grant.	\$1,009,440	\$1,009,440	0.0	\$0	3%	Yes
2)	Capital Project Reductions	This reduction item would reduce the capital projects - San Felipe de Austin State Historic Site, National Museum of the Pacific War, State Historic Site Deferred Maintenance, THC Capitol Complex Deferred Maintenance, and PC Refresh.	\$250,600	\$250,600	0.0	\$0	1%	Yes
3)	Operation Cost Reductions	This reduction item would reduce agency operating fund - salaries, travel, equipment, training, and other operating expenses.	\$1,643,505	\$1,643,505	0.0	\$0	5%	No
4)	Grant Reductions	This reduction item would reduce the Courthouse Preservation Grants, Preservation Trust Fund Grants, and the Texas State Almanac (Rider 20) Grant.	\$1,009,440	\$1,009,440	0.0	\$0	3%	Yes
5)	Capital Project Reductions	This reduction item would reduce the capital projects - San Felipe de Austin State Historic Site, National Museum of the Pacific War, State Historic Site Deferred Maintenance, THC Capitol Complex Deferred Maintenance, and PC Refresh.	\$250,600	\$250,600	0.0	\$0	1%	Yes
6)	Operation Cost Reductions	This reduction item would reduce agency operating fund - salaries, travel, equipment, training, and other operating expenses.	\$1,643,505	\$1,643,505	0.0	\$0	5%	No
TOTAL, 10% Reduction Options			\$5,807,090	\$5,807,090	0.0	\$0		