

**Preservation Board
Summary of Budget Recommendations - Senate**

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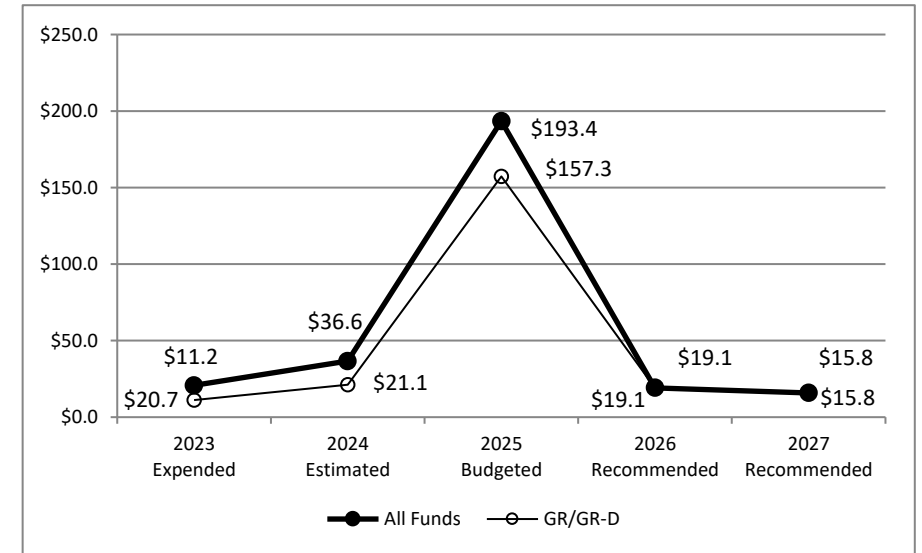
Roderick Welsh, Executive Director

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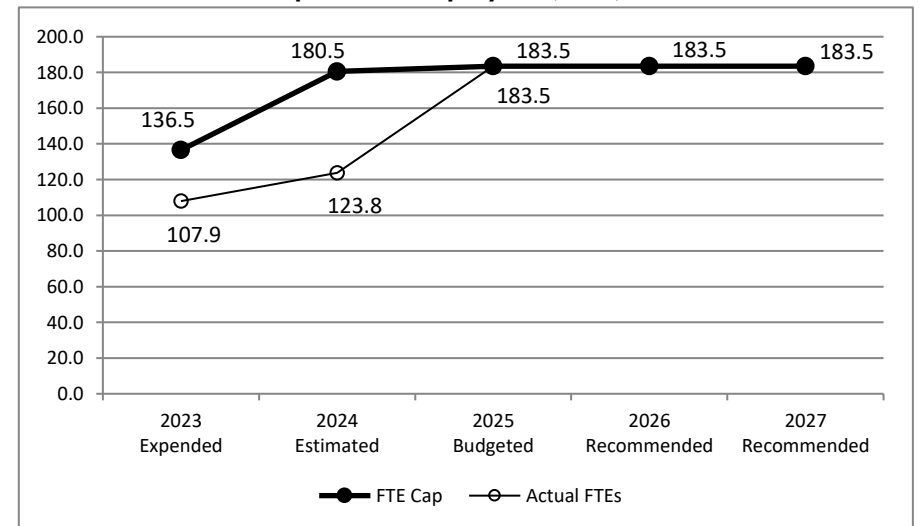
Method of Financing	2024-25 Base	2026-27 Recommended	Biennial Change (\$)	Biennial Change (%)
General Revenue Funds	\$178,397,987	\$34,914,240	(\$143,483,747)	(80.4%)
GR Dedicated Funds	\$0	\$0	\$0	0.0%
<i>Total GR-Related Funds</i>	<i>\$178,397,987</i>	<i>\$34,914,240</i>	<i>(\$143,483,747)</i>	<i>(80.4%)</i>
Federal Funds	\$15,487,442	\$0	(\$15,487,442)	(100.0%)
Other	\$36,185,146	\$47,919	(\$36,137,227)	(99.9%)
All Funds	\$230,070,575	\$34,962,159	(\$195,108,416)	(84.8%)

	FY 2025 Budgeted	FY 2027 Recommended	Biennial Change	Percent Change
FTEs	183.5	183.5	0.0	0.0%

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



The bill pattern for this agency (2026-27 Recommended) represents an estimated 45.4% of the agency's estimated total available funds for the 2026-27 biennium.

Preservation Board
Summary of Funding Changes and Recommendations - Senate

Funding Changes and Recommendations for the 2026-27 Biennium compared to the 2024-25 Base Spending Level (in millions)	General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
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SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):

A)	Decrease of \$139,600,000 in General Revenue for one time funding for the House and Senate Facilities projects and deferred maintenance for legislative office buildings.	(\$139.6)	\$0.0	\$0.0	\$0.0	(\$139.6)	A.1.2, A.1.4, A.1.5
B)	Decrease of \$1,176,608 in General Revenue, \$15,487,442 in Federal Funds, \$33,605,000 from the Economic Stabilization Fund, and \$67,227 from Appropriated Receipts to remove one-time funding for various capital projects.	(\$1.2)	\$0.0	(\$15.5)	(\$33.7)	(\$50.3)	A.1.2
C)	Decrease of \$5,012,447 in General Revenue for a reduction in unexpended balances carried forward to the 2024-25 biennium for the Texas State Cemetery capital projects.	(\$5.0)	\$0.0	\$0.0	\$0.0	(\$5.0)	A.1.3
D)	Decrease of \$2,975,000 in General Revenue and \$2,465,000 from the Economic Stabilization Fund for a reduction in capital expenditures for the Texas State History Museum.	(\$3.0)	\$0.0	\$0.0	(\$2.5)	(\$5.4)	A.2.2
E)	Increase of \$3,500,000 in General Revenue for renovation of the ranching exhibit within the Texas State History Museum.	\$3.5	\$0.0	\$0.0	\$0.0	\$3.5	A.2.2

OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):

F)	Increase of \$536,064 to biennialize the statewide salary adjustments.	\$0.5	\$0.0	\$0.0	\$0.0	\$0.5	Multiple Strategies
G)	Increase of \$1,244,244 in General Revenue for an anticipated increase in contracted IT support services with the Texas Legislative Council.	\$1.2	\$0.0	\$0.0	\$0.0	\$1.2	B.1.1

TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)	(\$143.5)	\$0.0	(\$15.5)	(\$36.1)	(\$195.1)	As Listed
<i>SIGNIFICANT & OTHER Funding Increases</i>	\$5.3	\$0.0	\$0.0	\$0.0	\$5.3	As Listed
<i>SIGNIFICANT & OTHER Funding Decreases</i>	(\$148.8)	\$0.0	(\$15.5)	(\$36.1)	(\$200.4)	As Listed

NOTE: Totals may not sum due to rounding.

**Preservation Board
Selected Fiscal and Policy Issues - Senate**

1. **One-time Projects.** Recommendations reflect a decrease of \$148,764,055 in General Revenue related to the removal of funding for one-time projects. This includes the following projects:
- **Texas State History Museum Boiler and Roof Replacement Projects.** Decrease of \$2,975,000 in General Revenue carried forward from the 2022-23 biennium to the 2024-25 biennium. Project was funded in Senate Bill 30 (SB30) by the 88th Legislature, Regular Session.
 - **Senate and House Facilities Improvement Projects.** Decrease of \$130,000,000 carried forward from the 2022-23 biennium to the 2024-25 biennium. Projects were funded in SB 30. Authority to carry forward unexpended balances is included in recommendations.
 - **Transfer of Legislative Office Buildings.** Decrease of \$9,600,000 in General Revenue for deferred maintenance of legislative office buildings. Authority to carry forward unexpended balances is included in recommendations.
 - **Cemetery Master Plan Phase Improvements.** Decrease of \$5,012,447 in General Revenue for project improvements pursuant to the State Cemetery Master plan. Funds were originally appropriated in the 2020-21 General Appropriations Act and also in House Bill 2, by the 86th Legislature, Regular Session. Authority to carry forward unexpended balances is included in recommendations.
 - **Deferred Maintenance.** Decrease of \$1,137,427. Project was funded by the 85th Legislature, Regular Session. Authority to carry forward unexpended balances is included in recommendations.
 - **Governor's Mansion Security Upgrades.** Decrease of \$39,181 in General Revenue. Project was funded by the 86th Legislature, Regular Session. Authority to carry forward unexpended balances is included in recommendations.

Recommendations reflect a decrease of \$15,487,442 in federal Coronavirus State Fiscal Recovery Funds appropriated in Senate Bill 8, 87th Legislature, Third Called Session, for maintenance and capital improvement projects.

Recommendations reflect a decrease of \$36,070,000 in Economic Stabilization Funds for the following projects:

- **Capital, Capital Extension, Capital Visitor's Center, Capital Grounds, and Governor's Mansion.** Decrease of \$33,605,000 in Economic Stabilization Funds provided in House Bill 2, Eighty-seventh Legislature, Regular Session. The appropriation was provided for renovations to the Texas Capitol and Capitol Extension, including the replacement of the Capitol's roof, phase one of an exterior waterproofing project for the Capitol and Capitol Extension, and other repairs and renovations to the Capitol, Capitol Extension, Capitol Visitors Center, Capitol ground, and Governor's Mansion.
- **Texas State History Museum.** Decrease of \$2,465,000 in Economic Stabilization Funds provided in House Bill 2, Eighty-seventh Legislature, Regular Session. The appropriation was provided for the purpose of performing repairs and renovations to the Texas State History Museum.

Ranching Exhibit at the Texas State History Museum. Recommendations for the 2026-27 biennium provide funding for a new capital project to renovate the ranching exhibit at the Bob Bullock Texas State History Museum. General Revenue funding of \$3,500,000 is provided for this purpose.

2. **Monitor Implementation of Senate Bill 1333.** SB 1333 in the 88th Legislature, Regular Session, created the Texas State Buildings Preservation Endowment Fund (TSBPEF). This fund includes funds transferred from the now abolished Capital Renewal Trust Fund, the Governor's Mansion Renewal Trust Fund, and the State Cemetery Preservation Trust Fund, and \$200,000,000 appropriated out of the General Revenue Fund in SB 30. The SPB may request an annual distribution from this fund from the company that manages the fund for the purpose of maintaining, preserving, rehabilitating, and restoring the property under the SPB's purview. One-third of any distributions are to be allocated towards projects at the Texas State History Museum, with the remainder allocated to other capital projects. The SPB has not yet requested a distribution from this fund. Since its inception, the fund has increase in fair value by \$20,720,786, and generated \$429,281 in interest revenue. As of August 31, 2024, the fund balance was \$220,933,650.29. In addition, \$11,467,941 was transferred from the Cemetery Trust Fund to the TSBPEF after August 31, 2024.

Funds Outside the Treasury: The agency maintains two funds outside the treasury:

Capitol Fund: The Capitol Fund is used to pay for educational programming, historic preservation, groundskeeping, housekeeping, facilities maintenance and other operating expenses of the Capitol and Capitol Visitors Center. The fund receives revenue primarily from two gift shops, the visitor's parking garage and parking meters, commissions from the cafeteria operations, leasing of space to news media and cellular carrier space, donations, and depository interest. The beginning fiscal year 2026 balance is estimated to be \$19,474,939.

Texas State History Museum Fund: The Museum Fund is used to pay for the operations of the Texas State History Museum. The fund receives revenue from admissions, concessions, gift shop sales, facility rentals, parking, membership, commission from the cafeteria and catering events, donations, and depository interest. The beginning fiscal year 2026 balance is estimated to be \$1,816,625.

Separate from the Museum Fund, Senate Bill 8, 87th Legislature (3rd Called Session), appropriated \$100 million in Coronavirus State Fiscal Recovery Funds (CSFRF) to the Comptroller for deposit to an account or fund managed by the Safekeeping Trust Company as trustee for the benefit of the Preservation Board to maintain the Museum. The provision provided an alternative appropriation of General Revenue if the appropriation was to be found to be ineligible for expenditure out of the CSFRF. It was determined that the appropriation was not an eligible use of the CSFRF dollars, and General Revenue was provided for this appropriation in July 2022. As of August 31, 2024, the balance of the fund was \$103,235,795.

**Preservation Board
Rider Highlights - Senate**

Modification of Existing Riders

1. **Capital Budget.** Recommendations include amounts for the following projects:
 - **Deferred Maintenance (85th Legislature).** Continued UB authority to carry forward remaining balances to the 2026-27 biennium.
 - **Texas State Cemetery Master Plan Phase I (86th Legislature).** Continued UB authority to carry forward remaining balances to the 2026-27 biennium.
 - **Senate Facilities Maintenance (88th Legislature).** Continued UB authority to carry forward remaining balances to the 2026-27 biennium.
 - **House Facilities Maintenance (88th Legislature).** Continued UB authority to carry forward remaining balances to the 2026-27 biennium.
 - **Deferred Maintenance Legislative Buildings (88th Legislature).** Continued UB authority to carry forward remaining balances to the 2026-27 biennium.
 - **Governor's Mansion Security Upgrades.** Recommendations include removing this project from the capital budget rider.
 - **Texas State History Museum Roof Replacement Project (88th Legislature).** Recommendations include removing this project from the capital budget rider.
 - **Texas State History Museum Boiler Replacement Project (88th Legislature).** Recommendations include removing this project from the capital budget rider.
 - **Ranching Exhibit Renovation at the Bob Bullock Texas Sate History Museum.** Recommendations include \$3,500,000 for this purpose.

The following riders include recommendations to remove obsolete language and make conforming changes such as updating fiscal years and amounts:

Rider 2, Unexpended Balances: Between Fiscal Years

Rider 4, Unexpended Balances: Deferred Maintenance Projects

Rider 5, Unexpended Balances: Texas State Cemetery Master Plan Phase 1

Rider 6, Texas Mall Outdoor Common Areas

New Riders

9. **Unexpended Balances: Senate Facilities.** Recommendations include a new rider to allow for unexpended balance authority from the 2024-25 biennium to the 2026-27 biennium for funds appropriated in Strategy A.1.4, Senate Facilities.
10. **Unexpended Balances: House Facilities.** Recommendations include a new rider to allow for unexpended balance authority from the 2024-25 biennium to the 2026-27 biennium for funds appropriated in Strategy A.1.5, House Facilities.
11. **Unexpended Balances: Deferred Maintenance – Legislative Office Buildings.** The agency requested a new rider to provide unexpended balance authority from the 2024-25 biennium to the 2026-27 biennium, as well as within the 2026-27 biennium for deferred maintenance for legislative office buildings.
12. **Ranching Exhibit at the Texas State History Museum.** Recommendations include the addition of a rider designating funding for the Bob Bullock State History Museum for the purpose of renovating the museum's ranching exhibit.

Deleted Riders

6. **Unexpended Balances: Governor’s Mansion Security Upgrades.** Recommendations include deletion of Rider 6 due to completion of the project.
8. **Contingency for the Transfer of Responsibility of Legislative Office Buildings.** Recommendations include the deletion of Rider 8. The contingency was met with the enactment of Senate Bill 640, 88th Legislature, Regular Session.

**Preservation Board
Items Not Included in Recommendations - Senate**

		2026-27 Biennial Total			Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2028-29
		GR & GR-D	All Funds	FTEs			
Rider Requests Not Included							
A)	Agency requested the deletion of Rider 6, Texas Mall Outdoor Common Areas. Recommendations include maintaining this rider to identify funding for the maintenance of the Texas Mall in the 2026-27 biennium.	\$0	\$0	0.0			\$0
B)	Agency requested a new rider to provide Unexpended Balance authority for the Texas State History Museum Roof and Boiler System projects from the 2024-25 biennium to the 2026-27 biennium.	\$0	\$0	0.0			\$0
TOTAL Items Not Included in Recommendations		\$0	\$0	0.0			\$0

**Preservation Board
Appendices - Senate**

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* Appendix is not included - no significant information to report

**Preservation Board
Funding Changes and Recommendations by Strategy - Senate -- ALL FUNDS**

Strategy/Goal	2024-25 Base	2026-27 Recommended	Biennial Change	% Change	Comments
PRESERVE BUILDINGS AND CONTENTS A.1.1	\$809,287	\$998,348	\$189,061	23.4%	Recommendations include: 1) An increase of \$27,474 in General Revenue to biennialize the 2024-25 statewide salary adjustments. 2) An increase of \$161,587 in General Revenue reallocated from Strategy A.1.2 to fund full staffing levels.
BUILDING MAINTENANCE A.1.2	\$77,264,039	\$15,672,513	(\$61,591,526)	(79.7%)	Recommendations include: 1) An increase of \$207,830 in General Revenue to biennialize the 2024-25 statewide salary adjustments. 2) Decrease of \$10,776,608 in General Revenue due to the removal of funding for capital projects including \$9.6 million for deferred maintenance for legislative office buildings. 3) A decrease of \$1,863,079 in General Revenue reallocated to other strategies. 4) Decrease of \$33,605,000 from the Economic Stabilization Fund for the removal of funding for Capital Extension and Capital Visitors Center projects. 5) Decrease of \$67,227 from Appropriated Receipts for the removal of funding from the Governor's Mansion capital project. 6) Decrease of \$15,487,442 from the federal Coronavirus State Fiscal Recovery Funds for Capital Projects and Maintenance.
STATE CEMETERY A.1.3	\$6,124,726	\$1,283,446	(\$4,841,280)	(79.0%)	Recommendations include: 1) Decrease of \$5,012,447 in General Revenue to remove one-time funding for the Texas State Cemetery Capital Projects. 2) An increase of \$20,519 in General Revenue to biennialize the 2024-25 statewide salary adjustments. 3) An increase of \$150,648 in General Revenue reallocated from Strategy A.1.2 to fund full staffing levels and other operating expenses.
Senate Facilities A.1.4	\$65,000,000	\$0	(\$65,000,000)	(100.0%)	Recommendations include removal of \$65,000,000 in General Revenue related to one-time funding for Senate Facilities Capital Project.
House Facilities A.1.5	\$65,000,000	\$0	(\$65,000,000)	(100.0%)	Recommendations include removal of \$65,000,000 in General Revenue related to one-time funding for House Facilities Capital Project.

**Preservation Board
Funding Changes and Recommendations by Strategy - Senate -- ALL FUNDS**

Strategy/Goal	2024-25 Base	2026-27 Recommended	Biennial Change	% Change	Comments
MANAGE EDUCATIONAL PROGRAM A.2.1	\$1,791,733	\$2,238,950	\$447,217	25.0%	Recommendations include: 1) An increase of \$59,098 in General Revenue to biennialize the 2024-25 statewide salary adjustments. 2) An increase of \$388,119 in General Revenue reallocated from Strategy A.1.2 to fund full staffing levels and other operating expenses.
MANAGE STATE HISTORY MUSEUM A.2.2	\$9,326,734	\$7,386,734	(\$1,940,000)	(20.8%)	Recommendations include: 1) Decrease of \$2,975,000 in General Revenue for removal of one-time funding for the Texas State History Museum Roof and Boiler Replacement capital project. 2) Decrease of \$2,465,000 from the Economic Stabilization Fund for the removal of one-time funding for State History Museum projects. 3) Increase of \$3,500,000 in General Revenue to remodel the ranching exhibit at the Bob Bullock State History Muesum.
MANAGE ENTERPRISES A.3.1	\$162,469	\$178,322	\$15,853	9.8%	Recommendations include: 1) An increase of \$6,414 in General Revenue to biennialize the 2024-25 statewide salary adjustments. 2) An increase of \$9,439 reallocated from Strategy A.1.2 to fund full staffing levels and other operating expenses.
Total, Goal A, MANAGE CAPITOL AND OTHER BUILDINGS	\$225,478,988	\$27,758,313	(\$197,720,675)	(87.7%)	
INDIRECT ADMINISTRATION B.1.1	\$4,591,587	\$7,203,846	\$2,612,259	56.9%	Recommendations include: 1) An increase of \$214,729 in General Revenue to biennialize the 2024-25 statewide salary adjustments. 2) An increase of \$1,153,286 to fund full staffing levels and other operating expenses. 3) Increase of \$1,244,244 for an anticipated increase in contract IT services with the Texas Legislative Council.
Total, Goal B, INDIRECT ADMINISTRATION	\$4,591,587	\$7,203,846	\$2,612,259	56.9%	
Grand Total, All Strategies	\$230,070,575	\$34,962,159	(\$195,108,416)	(84.8%)	

**Preservation Board
FTE Highlights - Senate**

Full-Time-Equivalent Positions	Expended 2023	Actual 2024	Budgeted 2025	Recommended 2026	Recommended 2027
Cap	136.5	180.5	183.5	183.5	183.5
Actual/Budgeted	107.9	123.8	183.5	NA	NA

Schedule of Exempt Positions (Cap)					
Executive Director, Group 6	\$186,469	\$195,793	\$205,772	\$205,772	\$205,772

Notes:

- a) The State Auditor's Office Report, Executive Compensation at State Agencies (Report 25-702, October 2024) indicates a market average salary of \$207,367 for the Executive Director position at the State Preservation Board. The agency is not requesting any changes to its exempt position.
- b) The State Auditor's Office is the source for the FY 2023 and FY 2024 annual average (actual) FTE levels.
- c) In 2023, the agency employed 28.6 FTEs below its cap, or 21.0%. In 2024, the agency was 56.7 FTEs below its cap, or 31.4%, due to staff turnover and unfilled positions.