

By: Morrison, Harless, et al.

H.B. No. 2696

Substitute the following for H.B. No. 2696:

By: White

C.S.H.B. No. 2696

A BILL TO BE ENTITLED

AN ACT

relating to eligibility for a loan under the disaster recovery loan program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 418.062, Government Code, is amended to read as follows:

Sec. 418.062. ELIGIBILITY FOR LOAN. (a) A political subdivision may apply to the division for a loan under this subchapter if:

(1) the political subdivision:

(A) is located wholly or partly in an area declared to be a disaster area by the governor or the president of the United States; and

(B) before applying to the division for a loan under this subchapter, submits+

~~[(i) has submitted] to the division~~
~~within 15 days of the date of its adoption by the governing body of the political subdivision,~~ the political subdivision's operating budget for the most recent fiscal year; ~~and~~

~~[(ii) has submitted an application for a loan from the Federal Emergency Management Agency's community disaster loan program,~~

(2) an assessment of damages due to the disaster for which the declaration was made has been conducted in the political

1 subdivision; and

2 (3) the division[~~, in consultation with the Federal~~
3 ~~Emergency Management Agency,~~] determines that the political
4 subdivision's estimated cost to appropriately respond to [~~rebuild~~
5 ~~the political subdivision's infrastructure damaged in~~] the
6 disaster is greater than 50 percent of the political subdivision's
7 total revenue for the current year as shown in the most recent
8 operating budget of the political subdivision submitted to the
9 division under this section.

10 (b) The division may consult with the Federal Emergency
11 Management Agency in making the determination required under
12 Subsection (a)(3).

13 SECTION 2. The change in law made by this Act applies only
14 to a loan the application for which is filed on or after the
15 effective date of this Act. A loan the application for which is
16 filed before that date is governed by the law in effect on the date
17 on which the application was filed, and the former law is continued
18 in effect for that purpose.

19 SECTION 3. This Act takes effect immediately if it receives
20 a vote of two-thirds of all the members elected to each house, as
21 provided by Section 39, Article III, Texas Constitution. If this
22 Act does not receive the vote necessary for immediate effect, this
23 Act takes effect September 1, 2021.