

By: Guillen

H.B. No. 3222

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 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:

(i) has submitted to the division, within 30 [~~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 estimated cost to
4 rebuild the political subdivision's infrastructure damaged in the
5 disaster is greater than 50 percent of the political subdivision's
6 total revenue for the current year as shown in the most recent
7 operating budget of the political subdivision submitted to the
8 division under this section.

9 SECTION 2. The change in law made by this Act applies only
10 to an application for a loan that is filed on or after the effective
11 date of this Act. A loan application filed before that date is
12 governed by the law in effect on the date the application was filed,
13 and the former law is continued in effect for that purpose.

14 SECTION 3. This Act takes effect September 1, 2023.