

Amend CSSB 652 as follows:

(1) In the introductory language to Section 3 of the bill (committee printing, page 1, line 37), strike "A through E" and substitute "A through D".

(2) In Section 3 of the bill, in added Section 436.051(b), Government Code (committee printing, page 2, line 4), strike "command" and substitute "operation".

(3) In Section 3 of the bill, strike all variations of "executive director", regardless of whether the term is singular or possessive or is in lower case or capitalized and substitute the corresponding variation of "director" in singular or possessive or lower case or capitalized as appropriate (committee printing, on the following pages:

page 3, line 8;
page 3, line 9;
page 3, line 14;
page 3, line 17;
page 3, line 21;
page 3, line 23;
page 3, line 30;
page 3, line 51;
page 3, line 58; and
page 4, line 39.)

(4) In Section 3 of the bill, in added Section 436.057(a), Government Code (committee printing, page 3, line 18), strike "an executive director" and substitute "a director".

(5) In Section 3 of the bill, in added Section 436.057(b), Government Code (committee printing, page 3, line 22), strike "commission" and substitute "governor".

(6) In Section 3 of the bill, in added Section 436.103(d), Government Code (committee printing, page 6, line 26), strike "an annual meeting" and substitute "annual meetings".

(7) In Section 3 of the bill, in added Section 436.152(c), Government Code (committee printing, page 6, line 65), strike "under the commission's project analysis criteria" and substitute "to bases considered by the commission to be most likely affected by closure and realignment".

(8) In Section 3 of the bill, in added Section 436.152, Government Code, strike added Subsections (d) and (e) (committee printing, page 6, line 66 through page 7, line 4), and substitute the following:

(d) The commission shall refer the defense community to the appropriate state agency that has an existing program to provide financing for each project identified in the community's military value enhancement statement that adds military value to a military facility. If there is no existing program to finance a project, the commission may provide a loan of financial assistance to the defense community for the project.

Sec. 436.153. LOANS. (a) The commission may provide a loan of financial assistance to a defense community for a project that will enhance the military value of a military facility located in, near, or adjacent to the defense community.

(b) On receiving an application for a loan under this section, the commission shall confirm that the project adds military value to the military facility.

(c) If the commission determines that a project will enhance the military value of the military facility, the commission shall, in consultation with the Texas Department of Economic Development:

(1) analyze the creditworthiness of the defense community to determine the defense community's ability to repay the loan; and

(2) evaluate the feasibility of the project to be financed to ensure that the defense community has pledged a source of revenue or taxes sufficient to repay the bonds issued to fund the loan for the project.

(d) If the commission, in consultation with the Texas Department of Economic Development, determines that the funds will be used to enhance the military value of the military facility based on the base realignment and closure criteria and that the project is financially feasible, the commission may award a loan to the defense community for the project.

(e) After the commission approves an application for a loan to a defense community, the commission shall notify the Texas Department of Economic Development of the loan approval. The Texas

Department of Economic Development shall issue the general obligation bonds to fund the project and transfer funds from the Texas military value revolving loan account to the defense community.

(f) The Texas Department of Economic Development shall administer the loan and repay the general obligation bonds issued to finance the project.

(g) The commission may provide a loan only for a project that is included in the political subdivision's statement under Section 397.002, Local Government Code, or to prepare a comprehensive defense installation and community strategic impact plan under Section 397.003, Local Government Code.

(h) A project financed with a loan under this section must be completed on or before the fifth anniversary of the date the loan is awarded.

(i) The amount of a loan under this section may not exceed the total cost of the project.

Sec. 436.154. LOAN APPLICATION. (a) The commission shall adopt a loan application form. The application form may include:

(1) the name of the defense community and its principal officers;

(2) the total cost of the project;

(3) the amount of state financial assistance requested;

(4) the plan for repaying the loan; and

(5) any other information the commission requires to perform its duties and to protect the public interest.

(b) The commission may not accept an application for a loan from the Texas military value revolving loan account unless the application is submitted in affidavit form by the officials of the defense community. The board shall prescribe the affidavit form.

Sec. 436.155. INCURRENCE OF DEBT BY PUBLIC ENTITY. (a) A defense community in this state may borrow money from the state, including by direct loan, based on the credit of the defense community to finance a project included in the community's military value enhancement statement.

(b) A defense community may enter into a loan agreement with

the state to provide financing for a project. The defense community may pledge the taxes of the community or provide any other guarantee for the loan.

(c) Money borrowed must be segregated from other funds under the control of the defense community and may only be used for purposes related to a specific project.

(d) The authority granted by this section does not affect the ability of a defense community to incur debt using other statutorily authorized methods.

Sec. 436.156. TEXAS MILITARY VALUE REVOLVING LOAN ACCOUNT.

(a) The Texas military value revolving loan account is an account in the general revenue fund.

(b) The account may be used only for loans made under this subchapter.

(c) The Texas Department of Economic Development shall deposit to the credit of the account all loan payments made by a political subdivision for a loan under Section 436.153.

(9) In Section 3 of the bill, in the heading to added Section 436.153, Government Code, strike "436.153" and substitute "436.157" (committee printing, page 7, line 5).

(10) In Section 3 of the bill (committee printing, page 7, between lines 12 and 13), insert a new Section 436.158, Government Code, to read as follows:

Sec. 436.158. ISSUANCE OF GENERAL OBLIGATION BONDS FOR MILITARY VALUE ACCOUNT. (a) The Texas Department of Economic Development may issue and sell general obligation bonds of the state as authorized by the Texas Constitution for the purpose of providing money to establish the Texas military value revolving loan account. The authority may issue the bonds in one or several installments.

(b) Proceeds of the bonds issued under this section shall be deposited in the Texas military value revolving loan account.

(c) The bonds issued by the Texas Department of Economic Development must mature not later than the 25th anniversary of the date the bonds are issued.

(11) In Section 3 of the bill, after added Section 436.153, Government Code (committee printing, page 7, line 13), strike the

expansion clause.

(12) In Section 3 of the bill, strike added Subchapter E, Chapter 436, Government Code (committee printing, page 7, line 14 through page 8, line 17).

(13) In Section 5 of the bill, in added Section 486.052(d), Government Code (committee printing, page 8, line 27), between the comma and "before" insert "after the effective date of the legislation enacting this subsection and".

(14) In Section 6 of the bill, in amended Section 2056.002(b), Government Code (committee printing, page 8, lines 34 and 36), between "of Budget" and "and" insert ", Policy,".

(15) In Section 9 of the bill, in added Section 397.001(1), Local Government Code (committee printing, page 9, lines 30-33), strike "or has been closed or realigned under the Defense Base Closure and Realignment Act of 1990 (10 U.S.C. Section 2687 note) and its subsequent amendments".

(16) In Section 9 of the bill, in added Section 397.002(a), Local Government Code (committee printing, page 9, line 40), strike "Texas Military Preparedness Commission" and substitute "Texas military value revolving loan account".

(17) In Section 9 of the bill, in added Section 397.002(a), Local Government Code (committee printing, page 9, line 44), between "installations" and "and" insert "and mitigate the effects of potential realignment and closure".

(18) In Section 9 of the bill, in added Section 397.002(a)(3), Local Government Code (committee printing, page 9, line 50), between "installation" and the semicolon insert "and mitigate the effects of potential realignment and closure".

(19) In Section 9 of the bill, in added Section 397.002(c), Local Government Code (committee printing, page 9, lines 66-67), strike "to the Texas Military Preparedness Commission" and substitute "from the Texas military value revolving loan account".

(20) In Section 9 of the bill, in added Section 397.003(a), Local Government Code (committee printing, page 10, lines 8-9), strike "Texas Military Preparedness Commission" and substitute "Texas military value revolving loan account".

(21) In Section 9 of the bill, in added Section

397.003(a)(2), Local Government Code (committee printing, page 10, line 18), between "costs" and the semicolon insert "and mitigating the effect of potential realignment and closure".

(22) In Section 26(b) of the bill (committee printing, page 16, lines 9 and 10), strike "an executive director" and substitute "a director".

(23) In Section 30 of the bill (committee printing, page 17, line 53), strike "executive director" and substitute "director".

(24) In Section 31 of the bill (committee printing, page 17, line 56), strike "Legislative Budget Board" and substitute "Office of the Governor".

(25) Strike Section 34 of the bill (committee printing, page 17, line 69 through page 18, line 10) and substitute the following:

SECTION 34. Section 436.158, Government Code, as added by this Act, takes effect only if the constitutional amendment proposed by the 78th Texas Legislature, Regular Session, 2003, authorizing the issuance of general obligation bonds to provide loans to defense-related communities for economic development projects, including projects that enhance the military value of military installations is approved by the voters. If that amendment is not approved by the voters, Section 436.158, Government Code, has no effect.