

LEGISLATIVE BUDGET BOARD
Austin, Texas

FISCAL NOTE, 79TH LEGISLATIVE REGULAR SESSION

April 18, 2005

TO: Honorable Frank Corte, Jr., Chair, House Committee on Defense Affairs & State-Federal Relations

FROM: John S. O'Brien, Deputy Director, Legislative Budget Board

IN RE: HB3302 by Corte (Relating to the membership of the Texas Military Preparedness Commission.), **As Introduced**

No significant fiscal implication to the State is anticipated.

The bill would increase number of public members of the Texas Military Preparedness Commission (commission) from 9 to 13 and require that members serve staggered terms of six years with the terms of four or five members expiring February 1 of each odd-numbered year. The cost of adding additional members is anticipated to result in no significant impact to the state.

The bill would provide that the commission is no longer required to make recommendations regarding the development of methods to improve employment opportunities for former members of the military, maintain a database of all prime defense-related contractors, or prepare a biennial strategic plan. The bill would permit the commission to submit a report on defense issues each even-numbered year rather than every year.

The bill would require the commission to analyze projects included in a community's economic redevelopment value statement and determine whether each project will have a positive economic impact on the defense community.

The bill would authorize the commission to provide loans, from the Texas Military Value Revolving Loan Account, to defense communities for economic development projects that minimize the negative effects of a defense base reduction on the defense community. The bill would direct the awarding of defense economic assistance grants.

The bill would require a defense community that is adjacent to a closed military installation and applies for financial assistance from the Texas Military Value Revolving Loan Account to prepare an economic redevelopment value statement.

Local Government Impact

The fiscal impact to defense-dependent communities would depend on the funds available for loans or grants, the number of communities that applied, and the number of communities that were awarded loans or grants. In addition, the requirements regarding the preparation of an economic redevelopment value statement could have a fiscal impact to local units of government.

Source Agencies: 301 Office of the Governor

LBB Staff: JOB, SMi, KJG