

## **BILL ANALYSIS**

Senate Research Center

S.B. 1956  
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Veteran Affairs & Military Installations  
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Enrolled

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

The Defense Economic Adjustment Assistance Grant Program (program) was originally established in 1995 to aid communities negatively affected by that year's round of base realignment and closure. However, the program has remained unfunded since that time. In addition, much of the statutory context for the program is obsolete and in need of an update.

S.B. 1956 transfers the general powers and duties of the program, including rulemaking authority previously granted to the now-defunct Texas Department of Commerce, to the Texas Military Preparedness Commission (commission). The bill also revises the criteria that the commission is required to establish so that it focuses on evaluation-based equity, authorizes applications to the program to be evaluated on the positive effect and job gain, in addition to the adverse effect and job loss, and repeals provisions relating to revolving loans to communities affected by base realignment and closure.

### **RULEMAKING AUTHORITY**

Rulemaking authority previously granted to the Texas Department of Commerce is transferred to the Texas Military Preparedness Commission in SECTION 1 (Section 486.002, Government Code), of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Subchapter A, Chapter 486, Government Code, as follows:

#### **SUBCHAPTER A. GRANTS TO LOCAL AREAS AFFECTED BY DEFENSE BASE RESTRUCTURING**

Sec. 486.001. DEFINITIONS. Defines "commission." Deletes the definition of "department." Makes conforming changes.

Sec. 486.002. GENERAL POWERS AND DUTIES. (a) Requires the Texas Military Preparedness Commission (commission), rather than the Texas Department of Commerce (department), to administer and monitor the implementation of this chapter (Assistance for Local Area Affected by Defense Restructuring).

(b) Requires the commission, rather than the department, to establish criteria and procedures and award grants equitably based on evaluations. Requires the commission, in awarding such grants, to give a preference to adversely affected defense communities, rather than adversely affected defense-dependent communities. Makes conforming changes. Deletes existing text requiring that the grants be awarded equitably based on evaluations so as to not disproportionately favor one defense-dependent community over another.

(c) Makes conforming changes.

(d) Requires the commission, rather than the department, to adopt rules necessary to carry out the purposes of this chapter.

Sec. 486.003. ELIGIBILITY FOR GRANT. Makes conforming changes.

Sec. 486.004. GRANT CRITERIA. Makes conforming changes.

Sec. 486.005. USE OF PROCEEDS. Authorizes a local governmental entity to use the grant proceeds for purchase of facilities insurance, in addition to other items set forth in this subsection.

Sec. 486.006. DEFENSE ECONOMIC ADJUSTMENT ASSISTANCE PANEL. Provides that the defense economic adjustment assistance panel (panel) required to be established by the commission consists of at least three and not more than five professional full-time employees of the Office of the Governor, rather than the department, as set forth in this section. Makes conforming changes.

Sec 486.007. APPLICATION FOR GRANT. Makes conforming changes.

Sec. 486.008. EVALUATION OF APPLICATION. Requires the panel to evaluate each application and assign the applicant a score based on the significance of the adverse or positive effect within the applying local governmental entity, including the number of jobs lost or gained in relation to the workforce in the entity's jurisdiction, in addition to other criteria set forth in this section.

Sec. 486.009. MAKING OF GRANT. Makes conforming changes.

Sec. 486.010. New heading: DEFENSE COMMUNITY WITH MORE THAN ONE MILITARY FACILITY. Makes conforming changes.

SECTION 2. Repealer: Subchapter B (Revolving Loans to Communities Potentially Affected by Defense Base Reduction Process), Chapter 486, Government Code.

SECTION 3. Effective date: September 1, 2007.