

BILL ANALYSIS

H.B. 2546
By: Isett
Defense & Veterans' Affairs
Committee Report (Unamended)

BACKGROUND AND PURPOSE

The Texas Military Preparedness Commission, created in 2003 by the 78th Legislature, Regular Session, to preserve and expand Texas' 18 major military installations and their missions, and to assist communities impacted by a base realignment or closure, is subject to the Texas Sunset Act. The commission assists defense communities primarily through two programs, the defense economic adjustment assistance grant and the Texas military value revolving loan fund, and advises the governor and legislature on defense-related issues affecting Texas military installations. The Sunset Advisory Commission, following a review, recommended that the Texas Military Preparedness Commission be administratively tied to the Texas Economic Development and Tourism Office within the office of the governor for better administration of its financial programs, and that the commission's individual sunset date be removed.

H.B. 2546 establishes that the Texas Military Preparedness Commission is within the Texas Economic Development and Tourism Office and repeals provisions subjecting the commission to the Texas Sunset Act. The bill also makes several additional statutory modifications.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority previously granted to the Texas Military Preparedness Commission is transferred to the Texas Economic Development and Tourism Office in SECTION 13 of this bill.

ANALYSIS

H.B. 2546 amends the Government Code to establish that the Texas Military Preparedness Commission is within the Texas Economic Development and Tourism Office in the office of the governor, rather than within the governor's office, and to require the commission to report to the executive director of the office, rather than the governor or the governor's designee, and makes conforming changes. The bill repeals the sunset provision that subjects the commission to the Texas Sunset Act. The bill defines "office" to mean the Texas Economic Development and Tourism Office in the office of the governor, in addition to defining "commission" as the Texas Military Preparedness Commission.

H.B. 2546 prohibits a person from being a public member of the commission if the person or the person's spouse is employed by or participates in the management of a business entity or other organization regulated by or receiving money from the commission; owns or controls, directly or indirectly, more than a 10 percent interest in a business entity or other organization regulated by or receiving money from the commission; or uses or receives a substantial amount of tangible goods, services, or money from the commission other than compensation or reimbursement authorized by law for commission membership, attendance, or expenses. The bill includes a violation of this prohibition in the grounds for removal from the commission and makes these provisions applicable only to a person appointed or reappointed to the commission on or after September 1, 2009.

H.B. 2546 prohibits a person who is appointed to and qualifies for office as a commission member from voting, deliberating, or being counted as a member in attendance at a commission meeting until the person completes a training program that provides the person with information regarding the legislation that created the commission; the commission's programs, functions, rules, and budget; the results of the most recent formal audit of the commission; the requirements of laws relating to open meetings, public information, administrative procedure, and conflicts of interest; and any applicable ethics policies adopted by the office, the commission, and the Texas Ethics Commission. The bill entitles a person appointed to the commission to reimbursement, as provided by the General Appropriations Act, for travel expenses incurred in attending the program regardless of whether program attendance occurs before or after the person qualifies for office. The bill requires the governor, rather than the director, to determine the commission staff.

H.B. 2546 adds the requirement that the commission advocate for the preservation and expansion of missions of reservists at Texas military installations to existing commission powers and duties.

H.B. 2546 transfers authority from the commission to the office as it relates to the provision of a loan of financial assistance from the Texas military value revolving loan account 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 and makes conforming changes, while the commission retains the authority to confirm that a proposed project adds military value to the military facility and that the loaned funds will be used for that purpose.

H.B. 2546 transfers authority from the commission to the office as it relates to the provision of a loan to a defense community for an economic development project that minimizes the negative effects of a defense base reduction on the defense community as a result of a U.S. Department of Defense base realignment process that occurs during 2005 or later and makes conforming changes, while the commission retains the authority to determine that a proposed project will reduce the negative effects of a base reduction.

H.B. 2546 transfers authority from the commission to the office as it relates to the provision of a loan to the defense community for an infrastructure project to accommodate new or expanded military missions assigned to a military facility located in, near, or adjacent to the defense community as a result of a base realignment process and makes conforming changes, while the commission retains the authority to determine that a proposed project will assist the defense community in accommodating new or expanded military missions that are assigned to the military facility and that the loaned funds will be used for that purpose.

H.B. 2546 transfers from the commission to the office the authority to adopt rules relating to the loan process and the authority to deposit loan payments made by a political subdivision to the Texas military value revolving loan account and makes conforming changes.

H.B. 2546 prohibits the office, rather than the commission, from accepting a loan application, unless it is submitted in a certain form, requires the office to prescribe the affidavit form required for a loan from the Texas military value revolving loan account, and makes conforming changes. The bill includes payments to loans for defense communities adversely affected by a defense base reduction and loans for defense communities positively affected by a defense base restructuring to the payments to be deposited in the Texas military value revolving loan account and authorizes these loan categories to be funded through the account. The bill removes the requirement that the office coordinate with the Texas Strategic Planning Military Planning Commission in assisting defense communities to obtain financing for development projects that seek to address future realignment or closure of a base.

H.B. 2546 requires the office to monitor the implementation of provisions concerning assistance for a local area affected by defense restructuring and authorizes the office to assist a local governmental entity in applying for a grant to an affected area under those provisions. The bill

includes the anticipated number of jobs retained, in addition to those created, in relation to the amount of the grant sought in the evaluation of a grant application of an affected area.

H.B. 2546 repeals the following sections in the Government Code:

- Section 436.003
- Section 436.057(b)
- Section 436.1531, as added by Chapter 1160 (H.B. 3302), Acts of the 79th Legislature, Regular Session, 2005
- Section 436.1531, as added by Chapter 1280 (H.B. 2340), Acts of the 79th Legislature, Regular Session, 2005
- Section 436.1532, as added by Chapter 1280 (H.B. 2340), Acts of the 79th Legislature, Regular Session, 2005
- Section 481.501(3)

EFFECTIVE DATE

September 1, 2009.