

By: Hunter

H.B. No. 2252

A BILL TO BE ENTITLED

AN ACT

relating to grants for local areas adversely affected by a reduction in defense-related activity.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 486.002(b), Government Code, is amended to read as follows:

(b) The commission shall establish criteria and procedures and award grants equitably based on evaluations. In awarding grants under this chapter, the commission shall give a preference to:

(1) adversely affected defense communities over positively affected defense communities; and

(2) any municipality with a population of less than 20,000 that is a defense community.

SECTION 2. Section 486.003(b), Government Code, is amended to read as follows:

(b) A municipality or county is an adversely affected defense community if the department determines that:

(1) the municipality or county includes within its boundaries a defense facility that the department of defense or applicable military department has publicly proposed for closure or realignment; or

(2) the municipality or county:

(A) requires assistance because of:

1 (i) the proposed or actual establishment,
2 realignment, or closure of a defense facility;

3 (ii) the cancellation or termination of a
4 United States Department of Defense contract or the failure of the
5 department of defense to proceed with an approved major weapon
6 system program;

7 (iii) a publicly announced planned major
8 reduction in department of defense spending that would directly and
9 adversely affect the municipality or county; or

10 (iv) the closure or a significant reduction
11 of the operations of a defense facility as the result of a merger,
12 acquisition, or consolidation of a defense contractor operating the
13 facility; and

14 (B) is expected to experience, during the period
15 between the beginning of the federal fiscal year during which an
16 event described by Subdivision (2)(A) is finally approved and the
17 date that the event is to be substantially completed, a direct loss
18 of:

19 (i) 2,500 or more defense worker jobs in any
20 area of the municipality or county that is located in an urbanized
21 area of a metropolitan statistical area;

22 (ii) 1,000 or more defense worker jobs in
23 any area of the municipality or county that is not located in an
24 urbanized area of a metropolitan statistical area; ~~or~~

25 (iii) defense worker jobs representing one
26 percent of the jobs in the municipality or county; or

27 (iv) tax or utility revenue as a result of

1 the closure or realignment of a defense facility.

2 SECTION 3. Section 486.004(a), Government Code, is amended
3 to read as follows:

4 (a) From money appropriated for this purpose, the
5 commission may make a grant to an eligible local governmental
6 entity to:

7 (1) allow the entity to meet a matching money or
8 investment requirement in order to receive from the United States
9 assistance that is provided to allow the local governmental entity
10 to respond to or recover from an event described by Section
11 486.003(b)(1);

12 (2) match the entity's contribution for a purpose
13 described in Section 486.005 on a closed or realigned defense
14 facility; ~~or~~

15 (3) plan or construct infrastructure and other
16 projects necessary to accommodate the new or expanded military
17 missions at a military facility located in or near the local
18 governmental entity; or

19 (4) offset tax or utility revenue lost by a
20 municipality or county that is a defense community as a result of
21 closure or realignment of a defense facility.

22 SECTION 4. Section 486.005, Government Code, is amended by
23 amending Subsection (a) and adding Subsection (d) to read as
24 follows:

25 (a) The local governmental entity may use the proceeds of
26 the grant for:

27 (1) purchase of property from the department of

1 defense or its designated agent;

2 (2) planning for redevelopment of a defense facility
3 after closure or realignment;

4 (3) [✓] new construction, rehabilitation, or
5 renovation of facilities or infrastructure; [✓] or

6 (4) purchase of capital equipment or facilities
7 insurance.

8 (d) A municipality or county that is a defense community may
9 use the proceeds of the grant to offset tax or utility revenue lost
10 by the municipality or county as a result of the closure or
11 realignment of a defense facility.

12 SECTION 5. Section 486.008, Government Code, is amended to
13 read as follows:

14 Sec. 486.008. EVALUATION OF APPLICATION. The panel shall
15 evaluate each application and assign the applicant a score based
16 on:

17 (1) the significance of the adverse or positive effect
18 within the local governmental entity, including:

19 (A) the number of jobs [~~lost or gained in~~
20 ~~relation to the workforce~~] in the local governmental entity's
21 jurisdiction that are directly or indirectly affected by the
22 closure or realignment of a defense facility, considered as a
23 percentage of the workforce in the local governmental entity's
24 jurisdiction; and

25 (B) the effect on the area's economy and tax and
26 utility revenue;

27 (2) the extent to which the local governmental entity

1 has used its existing resources to promote local economic
2 development;

3 (3) the amount of any grant that the local
4 governmental entity has previously received under this chapter;

5 (4) the anticipated number of jobs to be created in
6 relation to the amount of the grant sought; ~~and~~

7 (5) the extent to which the grant will affect the
8 region in which the local governmental entity is located; and

9 (6) the extent to which the grant is needed to offset
10 tax or utility revenue lost by a municipality or county that is a
11 defense community as a result of the closure or realignment of a
12 defense facility.

13 SECTION 6. This Act takes effect immediately if it receives
14 a vote of two-thirds of all the members elected to each house, as
15 provided by Section 39, Article III, Texas Constitution. If this
16 Act does not receive the vote necessary for immediate effect, this
17 Act takes effect September 1, 2009.