

**LEGISLATIVE BUDGET BOARD**  
**Austin, Texas**

**FISCAL NOTE, 84TH LEGISLATIVE REGULAR SESSION**

**April 21, 2015**

**TO:** Honorable Donna Campbell, Chair, Senate Committee on Veteran Affairs & Military Installations

**FROM:** Ursula Parks, Director, Legislative Budget Board

**IN RE:** SB1325 by Menéndez (Relating to the Texas Military Preparedness Commission and strategic planning regarding military bases and defense installations.), **As Introduced**

**No significant fiscal implication to the State is anticipated.**

This bill would amend Government Code, to attach Texas Military Preparedness Commission (TMPC) for administrative purposes to the Office of the Governor, moving it from the Governor's Texas Economic Development and Tourism Office. The bill would require the TMPC to assume administrative duties for the Texas Military Value Revolving Loan Fund and the Defense Economic Adjustment Assistance Grant Program, along with other activities to assist military communities. The bill would abolish the military base realignment and closure task force. The bill would increase the maximum grant allowed under the Defense Economic Adjustment Assistance Grant Program from \$2 million to \$5 million. The bill would also authorize the commission to make grants to local government entities to construct certain types of affordable housing. Grants for affordable housing would be limited to the lesser of ten percent of the total construction cost of the project or \$5 million. This bill would take effect September 1, 2015.

Most agencies indicate that any costs associated with implementation of the bill could be absorbed within existing resources. The Texas Public Finance Authority (TPFA) indicates there is a costs associated with the bill's provisions; However, it is assumed TPFA could absorb the costs associated with the bill within existing resources.

**Local Government Impact**

The bill would increase the maximum grant allowed under the Defense Economic Adjustment Assistance Grant Program from \$2 million to \$5 million. Eligible local government entities may receive increased funding as a result.

**Source Agencies:** 301 Office of the Governor, 304 Comptroller of Public Accounts, 347 Public Finance Authority, 580 Water Development Board, 601 Department of Transportation

**LBB Staff:** UP, FR, LBe, KVe