

By: Powell

S.B. No. 2131

A BILL TO BE ENTITLED

AN ACT

1  
2 relating to state assistance provided by the Texas Military  
3 Preparedness Commission to defense communities.

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

5 SECTION 1. Sections 436.153(e) and (f), Government Code,  
6 are amended to read as follows:

7 (e) The commission shall notify the Texas Public Finance  
8 Authority of the amount of the loan and the recipient of the loan  
9 and request the authority to issue general obligation bonds in an  
10 amount necessary to fund the loan. The commission and the  
11 authority shall determine the amount and time of a bond issue to  
12 best provide funds for one or multiple loans. The commission may  
13 request the authority to issue obligations under Section 436.1581  
14 to fund the loan if the commission and the authority determine that  
15 funding the loan in that manner is appropriate.

16 (f) The commission shall administer the loans to ensure full  
17 repayment of the general obligation bonds or other obligations  
18 issued to finance the project.

19 SECTION 2. Sections 436.1531(e) and (f), Government Code,  
20 are amended to read as follows:

21 (e) The commission shall notify the Texas Public Finance  
22 Authority of the amount of the loan and the recipient of the loan  
23 and request the authority to issue general obligation bonds in an  
24 amount necessary to fund the loan. The commission and the authority

1 shall determine the amount and time of a bond issue to best provide  
2 funds for one or multiple loans. The commission may request the  
3 authority to issue obligations under Section 436.1581 to fund the  
4 loan if the commission and the authority determine that funding the  
5 loan in that manner is appropriate.

6 (f) The commission shall administer the loans to ensure full  
7 repayment of the general obligation bonds or other obligations  
8 issued to finance the project.

9 SECTION 3. Sections 436.1532(e) and (f), Government Code,  
10 are amended to read as follows:

11 (e) The commission shall notify the Texas Public Finance  
12 Authority of the amount of the loan and the recipient of the loan  
13 and request the authority to issue general obligation bonds in an  
14 amount necessary to fund the loan. The commission and the authority  
15 shall determine the amount and time of a bond issue to best provide  
16 funds for one or multiple loans. The commission may request the  
17 authority to issue obligations under Section 436.1581 to fund the  
18 loan if the commission and the authority determine that funding the  
19 loan in that manner is appropriate.

20 (f) The commission shall administer the loans to ensure full  
21 repayment of the general obligation bonds or other obligations  
22 issued to finance the project.

23 SECTION 4. Section 436.154, Government Code, is amended by  
24 adding Subsection (c) to read as follows:

25 (c) Notwithstanding Section 436.054(b), the commission may  
26 allow for members' participation in a meeting by telephone or other  
27 means of telecommunication or electronic communication to consider

1 an application for a loan from the Texas military value revolving  
2 loan account established under Section 436.156. Any voting  
3 conducted by telephone or other means of telecommunication or  
4 electronic communication shall be subject to the same quorum  
5 requirements of meetings where members are present in person.

6 SECTION 5. Section 436.156(c), Government Code, is amended  
7 to read as follows:

8 (c) The commission shall deposit to the credit of the  
9 account all loan payments made by a political subdivision for a loan  
10 under Section 436.153, 436.1531, or 436.1532. The loan payments  
11 shall be used to reimburse the general revenue fund for money  
12 appropriated to pay the principal, premium if any, and interest on  
13 the bonds or other obligations issued under Section 436.158 or  
14 436.1581. If loan payments exceed the amounts required for  
15 reimbursement, the excess shall first be applied to reimburse the  
16 expenses of administering the program and secondly deposited to the  
17 credit of the Texas military value revolving loan account to fund  
18 subsequent loans.

19 SECTION 6. Subchapter D, Chapter 436, Government Code, is  
20 amended by adding Section 436.1581 to read as follows:

21 Sec. 436.1581. ISSUANCE OF OBLIGATIONS TO PROVIDE FINANCIAL  
22 ASSISTANCE. (a) The Texas Public Finance Authority may issue and  
23 sell obligations, including obligations in the form of commercial  
24 paper notes:

25 (1) to fund loans approved under Section 436.153,  
26 436.1531, or 436.1532; and

27 (2) to pay the costs of issuing and administering the

1 obligations.

2 (b) The proceeds of the obligations shall be deposited into:

3 (1) the Texas military value revolving loan account;

4 or

5 (2) as applicable, the fund or account from which the  
6 costs of issuing and administering the obligations are to be paid.

7 (c) Except as otherwise provided by this section, the  
8 obligations shall be issued in accordance with and subject to the  
9 provisions of Chapter 1232.

10 (d) An obligation issued under this section does not  
11 constitute:

12 (1) an indebtedness or liability of this state within  
13 the meaning of the Texas Constitution or of any statutory  
14 limitation; or

15 (2) a charge against the credit of this state or this  
16 state's taxing power.

17 (e) The limitations provided by Subsection (d) must be  
18 stated plainly on the face of each obligation issued under this  
19 section.

20 SECTION 7. Section 436.205(b), Government Code, is amended  
21 to read as follows:

22 (b) The panel shall evaluate each grant application and  
23 assign the applicant a score based on:

24 (1) the significance of the adverse or positive effect  
25 within the local governmental entity, including the number of jobs  
26 that may be lost or gained in relation to the workforce in the local  
27 governmental entity's jurisdiction and the effect on the entity's

1 and surrounding area's economy and tax revenue;

2 (2) the extent to which the local governmental entity  
3 may have used its existing resources to promote local economic  
4 development;

5 (3) the amount of any grant that the local  
6 governmental entity has previously received under this subchapter;

7 (4) the anticipated number of jobs that may be created  
8 or retained in relation to the amount of the grant sought; ~~and~~

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

11 (6) the eligibility of the local governmental entity  
12 to receive a loan for economic development purposes, including the  
13 entity's creditworthiness and ability to repay the loan.

14 SECTION 8. This Act takes effect September 1, 2019.