

BILL ANALYSIS

Senate Research Center
88R14003 YDB-D

H.B. 3222
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Water, Agriculture & Rural Affairs
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Engrossed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

The Texas Division of Emergency Management's disaster recovery loan program provides vital assistance to smaller political subdivisions that do not regularly collect enough revenue to quickly repair infrastructure damaged by natural disasters. State law currently allows a political subdivision seeking a disaster recovery loan to apply for one only after submitting its most recent operating budget. This law is designed to allow the state to evaluate the political subdivision's ability or inability to pay off the damage on its own. The current deadline for budget submission is very narrow—only 15 days from adoption. H.B. 3222 seeks to give political subdivisions affected by natural disasters more time to apply for recovery loans by extending the budget submission deadline from 15 days after its adoption to 30 days after its adoption.

H.B. 3222 amends current law relating to eligibility for a loan under the disaster recovery loan program.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 418.062, Government Code, as follows:

Sec. 418.062. ELIGIBILITY FOR LOAN. Authorizes a political subdivision to apply to the Texas Division of Emergency Management (TDEM) for a loan under Subchapter C-1 (Disaster Recovery Loan Program) if:

(1) the political subdivision:

(A) makes no changes to this paragraph; and

(B) has met certain criteria before applying to TDEM for a loan under this subchapter, including having submitted to TDEM, within 30 days, rather than 15 days, of the date of its adoption by the governing body of the political subdivision, the political subdivision's operating budget for the most recent fiscal year; and

(2)-(3) makes no changes to these subdivisions.

SECTION 2. Makes application of this Act prospective.

SECTION 3. Effective date: September 1, 2023.