

- SUBJECT:** Loans to local governments, defense communities affected by BRAC
- COMMITTEE:** Defense and Veterans' Affairs — committee substitute recommended
- VOTE:** 7 ayes — S. King, Frank, Aycock, Blanco, Farias, Schaefer, Shaheen
0 nays
- WITNESSES:** For — (*Registered, but did not testify:* Seth Mitchell, Bexar County Commissioners Court; Brie Franco, City of El Paso; TJ Patterson, City of Fort Worth; Sam Fugate, City of Kingsville; Jim Allison, County Judges and Commissioners Association of Texas; Chris Shields, Port San Antonio; Dick Messbarger, Texas Defense, Aviation, Aerospace Alliance; Stephanie Simpson, Texas Association of Manufacturers; James Cunningham, Texas Coalition of Veterans Organizations, Texas Council of Chapters of the Military Officers Association of America; Shanna Igo, Texas Municipal League; Snapper Carr, Texas Mayors of Military Communities)

Against — None

On — Keith Graf, Office of the Governor
- BACKGROUND:** Funds from the Texas Military Value Revolving Loan Fund and grants from the Defense Economic Adjustment Assistance Grant Program are used to help local governments and defense communities redevelop and repurpose abandoned property left after military base realignments and closures. The grants and loans also may be used for infrastructure projects on current bases to prevent closure. Currently, only military installations that have been affected by base realignment and closure (BRAC) during or after 2005 may qualify for a loan.

Government Code, sec. 436.1531 allows the Economic Development and Tourism Office to provide a loan to a defense community for an economic development project that minimizes the negative effects of a defense base reduction as a result of a base realignment process that occurred during

2005 or later.

Section 436.1532 allows the Economic Development and Tourism Office to provide a loan to these communities for an infrastructure project for new or expanded military missions resulting from a base realignment that occurred during 2005 or later.

DIGEST:

CSHB 3808 would change the year during or after which a base realignment process would be required to have occurred for a local government entity or defense community to be eligible for an economic development project loan or an infrastructure project loan. The Economic Development and Tourism Office would be authorized to provide grants or loans if the realignment process occurred in 1995 or after, rather than 2005 or after as under current law.

The bill would add the construction of infrastructure and other projects necessary to prevent the reduction or closing of a defense facility as another criterion for which the Texas Military Preparedness Commission could make a grant to an eligible local government entity. The bill also would increase from \$2 million to \$5 million one of the restrictions placed on the amount of a grant the commission could provide to a local government entity.

The bill would add a defense base development authority as an eligible local government entity that could use the grant money to purchase or lease equipment to train workers. In addition to using the equipment to train defense workers whose jobs had been threatened or lost because of a realignment of defense worker jobs or facilities, the equipment also could be used to train workers to support military installations or defense facilities.

This bill would take immediate effect if finally passed by a two-thirds record vote of the membership of each house. Otherwise, it would take effect September 1, 2015.