

## **BILL ANALYSIS**

Senate Research Center

S.B. 1815  
By: Truan  
Veteran Affairs & Military Installations  
4/24/2001  
Committee Report (Amended)

### **DIGEST AND PURPOSE**

Recently legislation was introduced in the United States Congress to authorize additional rounds of federal base closures throughout the United States. Texas needs to be prepared should any military base be closed or realigned. As proposed, S.B. 1815 authorizes the Office of Defense Affairs to administer a revolving loan program to help an eligible community develop infrastructure to minimize the possibility of or the negative effects of a base closure on that community.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Office of Defense Affairs in SECTION 2 (Section 486.052, Government Code) and SECTION 3 in this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Designates Sections 486.001-486.009, Government Code, as Chapter 486A, Government Code, and adds subchapter heading, as follows:

#### **SUBCHAPTER A. GRANTS TO LOCAL AREAS AFFECTED BY DEFENSE BASE REDUCTION**

SECTION 2. Amends Chapter 486, Government Code, by adding Subchapter B, as follows:

#### **SUBCHAPTER B. REVOLVING LOANS TO COMMUNITIES POTENTIALLY AFFECTED BY DEFENSE BASE REDUCTION PROCESS**

Sec. 486.051. DEFINITIONS. Defines “account,” “eligible community,” and “office.”

Sec. 486.052. REVOLVING LOAN PROGRAM. Requires the Office of Defense Affairs (office) to administer a revolving loan program for assistance to an eligible community in developing infrastructure to minimize the possibility of or the negative effects of defense base reduction on the eligible community. Authorizes the loans to be granted to an eligible community before the neighboring defense base is closed. Requires the office by rule to establish criteria and procedures for evaluations of applications for loans under the program. Requires the office by rule to establish categories of eligible infrastructure projects for which an eligible community is authorized to apply for a loan.

Sec. 486.053. REVOLVING LOAN ACCOUNT. Provides that the community infrastructure development revolving loan account is an account in the general revenue fund. Authorizes the account to be used only for loans made under this subchapter. Authorizes the office to accept gifts or grants from any source for the purposes of this subchapter. Requires the office to deposit gifts or grants to the credit of the account. Requires the office deposit to the credit of the account all loan payments made by an eligible community.

SECTION 3. Requires the Office of Defense Affairs to adopt rules and procedures so that the office

may begin to offer loans under Chapter 486B, Government Code, as added by this Act, on or before September 1, 2003. Provides that the Office of Defense Affairs has no duty to act under this section or Subchapter B, Chapter 486, Government Code, as added by this Act, unless the infrastructure development revolving loan account in the general revenue fund is funded sufficiently to enable the Office of Defense Affairs to make loans under that subchapter and to pay the office's costs of administering that subchapter.

SECTION 4. Effective date: September 1, 2001.

**SUMMARY OF COMMITTEE CHANGES**

Amends As Filed S.B. 1815 by adding language to SECTION 3 regarding the Office of Defense Affairs and its duty to act.