

- SUBJECT:** Modifying assistance to localities affected by defense restructuring
- COMMITTEE:** Defense Affairs and State-Federal Relations — favorable, without amendment
- VOTE:** 6 ayes — Corte, Escobar, Garcia, Herrero, Hodge, Raymond
0 nays
3 absent — Noriega, Merritt, Moreno
- SENATE VOTE:** On final passage, April 18 — 31–0 on Local and Uncontested Calendar
- WITNESSES:** For — (*Registered, but did not testify:* Sarah Zotarelli, Bexar County Commissioners Court)

Against — None
- BACKGROUND:** Government Code, ch. 486 provides for assistance to areas affected by defense restructuring. The chapter calls for the Texas Department of Commerce to establish criteria and procedures for evaluating applications from “defense dependent” communities and establishes standards for awarding grants of funds through the Defense Economic Adjustment Assistance Grant Program. The department is charged with awarding grants equitably based on evaluations that do not disproportionately favor one defense-dependent community over another and that grant a preference to restructuring decisions that adversely have affected defense-dependent communities over those that positively have affected such communities.
- DIGEST:** HB 1956 would repeal the provision in current law prohibiting the dispensation of grants from favoring disproportionately one defense community over another. It also would transfer program duties from the Texas Department of Commerce to the Texas Military Preparedness Commission (TMPC) and would refer to “defense” communities rather than “defense-dependent” communities.

The bill also would specify that grants could be awarded based on the positive effects, as well as the adverse effects, of base restructuring decisions within the applicant local governmental entities. Statutory provisions authorizing the release of revolving loans to communities affected by base reduction processes would be repealed.

The bill would take effect September 1, 2007.

**SUPPORTERS
SAY:**

SB 1956 is a clean-up bill that would implement limited but important changes to statutes governing loan and grant programs for communities affected by defense restructuring. The bill would eliminate ambiguous language requiring the dispensation of grants in a way that did not favor one defense community over another. It also would delete references to the defunct Department of Commerce and formally would transfer grant functions to TMPC, which would have the benefit of clarified statutory injunctions concerning the release of grant funds.

SB 1956 is necessary to accommodate a 2005 U.S. Department of Defense recommendation to restructure Fort Bliss, near El Paso, by adding an estimated 11,500 troops from divisions stationed in Germany. The bill would clarify that grants could be awarded based on the positive effect of defense restructuring decisions, as in the case of base augmentation in Fort Bliss. Finally, the bill would repeal duplicative statutes that authorize the issuance of loans to communities affected by defense restructuring.

**OPPONENTS
SAY:**

No apparent opposition.

NOTES:

The House-passed version of HB 1 by Chisum, the general appropriations act for fiscal 2008-09, contains rider 19 under Art. 1, Office of the Governor, which would allocate \$20 million in general revenue next biennium to provide Defense Economic Adjustment Assistance Grants to defense communities.