

GOVERNMENT CODE
CHAPTER 436. TEXAS MILITARY PREPAREDNESS COMMISSION
SUBCHAPTER A. GENERAL PROVISIONS

Sec. 436.001. DEFINITION. In this chapter, "commission" means the Texas Military Preparedness Commission.

Amended by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Sec. 436.002. COMMISSION. The commission is within the office of the governor and shall report to the governor or the governor's designee.

Amended by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Sec. 436.003. SUNSET PROVISION. The commission is subject to Chapter 325 (Texas Sunset Act). Unless continued in existence as provided by that chapter, the commission is abolished and this chapter expires September 1, 2009.

Amended by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003; Acts 2005, 79th Leg., ch. 1227, Sec. 2.01, eff. Sept. 1, 2005.

SUBCHAPTER B. ORGANIZATION AND ADMINISTRATION

Sec. 436.051. COMPOSITION; ELIGIBILITY. (a) The commission is composed of:

- (1) 13 public members, appointed by the governor; and
- (2) the following ex officio members:

(A) the chair of the committee of the Texas House of Representatives that has primary jurisdiction of matters concerning defense affairs and state-federal relations; and

(B) one member of the Texas Senate appointed by the lieutenant governor.

(b) To be eligible for appointment as a public member to the commission, a person must have demonstrated experience in economic development, the defense industry, military installation operation, environmental issues, finance, local government, or the use of airspace or outer space for future military missions.

(c) Appointments to the commission shall be made without regard to the race, color, disability, sex, religion, age, or national origin of the appointee.

Amended by Acts 2003, 78th Leg., ch. 149, S 3, eff. May 27, 2003; Acts 2003, 78th Leg., ch. 1328, Sec. 8, eff. June 21, 2003. Reenacted and amended by Acts 2005, 79th Leg., ch. 655, Sec. 1, eff. Sept. 1, 2005; Acts 2005, 79th Leg., ch. 1160, Sec. 1, eff. Sept. 1, 2005.

Sec. 436.052. TERMS AND OFFICERS. (a) The 13 public members of the commission serve staggered terms of six years with the terms of four or five members expiring February 1 of each odd-numbered year. A legislative member vacates the person's position on the commission if the person ceases to be the chair of the applicable legislative committee.

(b) The governor shall designate a member of the commission as the presiding officer of the commission to serve in that capacity at the pleasure of the governor.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003. Amended by Acts 2005, 79th Leg., ch. 655, Sec. 2, eff. Sept. 1, 2005; Acts 2005, 79th Leg., ch. 1160, Sec. 2, eff. Sept. 1, 2005.

Sec. 436.053. COMPENSATION AND EXPENSES. A public member of the commission is not entitled to compensation but is entitled to reimbursement, from commission funds, for the travel expenses incurred by the member while conducting the business of the commission, as provided by the General Appropriations Act. The entitlement of a legislative member to compensation or reimbursement for travel expenses is governed by the law applying to the member's service in that underlying position, and any payments to the member shall be made from the appropriate funds of the applicable house of the legislature.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Sec. 436.054. MEETINGS. (a) The commission shall meet at least quarterly. The commission may meet at other times at the call of the presiding officer or as provided by the rules of the commission.

(b) The commission is a governmental body for purposes of the open meetings law, Chapter 551.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Sec. 436.055. CONFLICT OF INTEREST. (a) In this section, "Texas trade association" means a cooperative and voluntarily joined statewide association of business or professional competitors in this state designed to assist its members and its industry or profession in dealing with mutual business or professional problems and in promoting their common interest.

(b) A person may not be a public member of the commission and may not be a commission employee employed in a "bona fide executive, administrative, or professional capacity," as that phrase is used for purposes of establishing an exemption to the overtime provisions of the federal Fair Labor Standards Act of 1938 (29 U.S.C. Section 201 et seq.), and its subsequent amendments, if:

(1) the person is an officer, employee, or paid consultant of a Texas trade association in the field of military affairs; or

(2) the person's spouse is an officer, manager, or paid consultant of a Texas trade association in the field of military affairs.

(c) A person may not be a public member of the commission or act as the general counsel to the commission if the person is required to register as a lobbyist under Chapter 305 because of the person's activities for compensation on behalf of a profession related to the operation of the commission.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Sec. 436.056. REMOVAL. (a) It is a ground for removal from the commission that a public member:

(1) does not have at the time of taking office the qualifications required by Section 436.051(b);

(2) does not maintain during service on the commission the qualifications required by Section 436.051(b);

(3) is ineligible for membership under Section 436.055;

(4) cannot, because of illness or disability, discharge the member's duties for a substantial part of the member's term; or

(5) is absent from more than half of the regularly scheduled commission meetings that the member is eligible to attend during a calendar year without an excuse approved by a majority vote of the commission.

(b) The validity of an action of the commission is not affected by the fact that it is taken when a ground for removal of a commission member exists.

(c) If the director has knowledge that a potential ground for removal exists, the director shall notify the presiding officer of the commission of the potential ground. The presiding officer shall then notify the governor and the attorney general that a potential ground for removal exists. If the potential ground for removal involves the presiding officer, the director shall notify the next highest ranking officer of the commission, who shall then notify the governor and the attorney general that a potential ground for removal exists.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Sec. 436.057. DIRECTOR. (a) The commission shall, subject to approval of the governor, hire a director to serve as the chief executive officer of the commission and to perform the administrative duties of the commission.

(b) The director serves at the will of the commission.

(c) The director may hire staff within guidelines established by the commission.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Sec. 436.058. PUBLIC ACCESS. The commission shall develop and implement policies that provide the public with a reasonable opportunity to appear before the commission and to speak on any issue under the jurisdiction of the commission.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Sec. 436.059. EQUAL EMPLOYMENT OPPORTUNITY. (a) The director or the director's designee shall prepare and maintain a written policy statement that implements a program of equal employment opportunity to ensure that all personnel decisions are made without regard to race, color, disability, sex, religion, age, or national origin.

(b) The policy statement must include:

(1) personnel policies, including policies relating to recruitment, evaluation, selection, training, and promotion of personnel, that show the intent of the commission to avoid the unlawful employment practices described by Chapter 21, Labor Code; and

(2) an analysis of the extent to which the composition of the commission's personnel is in accordance with state and federal law and a description of reasonable methods to achieve compliance with state and federal law.

- (c) The policy statement must:
- (1) be updated annually;
 - (2) be reviewed by the state Commission on Human Rights for compliance with Subsection (b)(1); and
 - (3) be filed with the governor's office.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Sec. 436.060. QUALIFICATIONS AND STANDARDS OF CONDUCT. The director or the director's designee shall provide to members of the commission and to commission employees, as often as necessary, information regarding the requirements for office or employment under this chapter, including information regarding a person's responsibilities under applicable laws relating to standards of conduct for state officers or employees.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Sec. 436.061. STATE EMPLOYEE INCENTIVE PROGRAM. The director or the director's designee shall provide to commission employees information and training on the benefits and methods of participation in the state employee incentive program.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Sec. 436.062. COMPLAINTS. (a) The commission shall maintain a file on each written complaint filed with the commission. The file must include:

- (1) the name of the person who filed the complaint;
- (2) the date the complaint is received by the commission;
- (3) the subject matter of the complaint;
- (4) the name of each person contacted in relation to the complaint;
- (5) a summary of the results of the review or investigation of the complaint; and
- (6) an explanation of the reason the file was closed, if the commission closed the file without taking action other than to investigate the complaint.

(b) The commission shall provide to the person filing the complaint and to each person who is a subject of the complaint a copy of the commission's policies and procedures relating to complaint investigation and resolution.

(c) The commission, at least quarterly until final disposition of the complaint, shall notify the person filing the complaint and each person who is a subject of the complaint of the status of the investigation unless the notice would jeopardize an undercover investigation.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Sec. 436.063. USE OF ALTERNATIVE PROCEDURES. (a) The commission shall develop and implement a policy to encourage the use of:

- (1) negotiated rulemaking procedures under Chapter 2008 for the adoption of commission rules; and
- (2) appropriate alternative dispute resolution procedures under Chapter 2009 to assist in the resolution of internal and external disputes under the commission's jurisdiction.

(b) The commission's procedures relating to alternative dispute resolution must conform, to the extent possible, to any model guidelines issued by the State Office of Administrative Hearings for the use of alternative dispute resolution by state agencies.

(c) The commission shall designate a trained person to:

- (1) coordinate the implementation of the policy adopted under Subsection (a);

- (2) serve as a resource for any training needed to implement the procedures for negotiated rulemaking or alternative dispute resolution; and

- (3) collect data concerning the effectiveness of those procedures, as implemented by the commission.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Sec. 436.064. TECHNOLOGY POLICY. The commission shall develop and implement a policy requiring the director and commission employees to research and propose appropriate technological solutions to improve the commission's ability to perform its functions. The technological solutions must:

- (1) ensure that the public is able to easily find information about the commission on the Internet;
- (2) ensure that persons who want to use the commission's services are able to:

(A) interact with the commission through the Internet; and

(B) access any service that can be provided effectively through the Internet; and

(3) be cost-effective and developed through the commission's planning processes.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

SUBCHAPTER C. POWERS AND DUTIES

Sec. 436.101. POWERS AND DUTIES OF COMMISSION. The commission shall:

(1) advise the governor and the legislature on military issues and economic and industrial development related to military issues;

(2) make recommendations regarding:

(A) the development of policies and plans to support the long-term viability and prosperity of the military, active and civilian, in this state, including promoting strategic regional alliances that may extend over state lines; and

(B) the development of methods to assist defense-dependent communities in the design and execution of programs that enhance a community's relationship with military installations and defense-related businesses;

(3) provide information to communities, the legislature, the state's congressional delegation, and state agencies regarding federal actions affecting military installations and missions;

(4) serve as a clearinghouse for:

(A) defense economic adjustment and transition information and activities along with the Texas Business and Community Economic Development Clearinghouse; and

(B) information about:

(i) issues related to the operating costs, missions, and strategic value of federal military installations located in the state;

(ii) employment issues for communities that depend on defense bases and in defense-related businesses; and

(iii) defense strategies and incentive programs that other states are using to maintain, expand, and attract new defense contractors;

(5) provide assistance to communities that have experienced a defense-related closure or realignment;

(6) assist communities in the design and execution of programs that enhance a community's relationship with military installations and defense-related businesses, including regional alliances that may extend over state lines;

(7) assist communities in the retention and recruiting of defense-related businesses, including fostering strategic regional alliances that may extend over state lines; and

(8) encourage economic development in this state by fostering the development of industries related to defense affairs.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Amended by Acts 2005, 79th Leg., ch. 396, Sec. 1, eff. June 17, 2005; Acts 2005, 79th Leg., ch. 1160, Sec. 3, eff. Sept. 1, 2005.

Sec. 436.102. CONSULTING AGREEMENTS. With prior approval of the governor, the commission may enter into an agreement with a consulting firm to provide information and assistance on a pending decision of the United States Department of Defense or other federal agency regarding the status of military installations and defense-related businesses located in this state.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Sec. 436.103. ANNUAL REPORT; ANNUAL MEETING. (a) In this section, "state agency" has the meaning assigned by Section 2151.002.

(b) Not later than July 1 of each even-numbered year, the commission shall prepare and submit a report to the governor and the legislature about the active military installations, communities that depend on military installations, and defense-related businesses in this state. The commission may update the report in an odd-numbered year. The report must include:

(1) an economic impact statement describing in detail the effect of the military on the economy of this state;

(2) a statewide assessment of active military installations and current missions;

(3) a statewide strategy to attract new military missions and defense-related business and include specific actions

that add military value to existing military installations;

(4) a list of state and federal activities that have significant impact on active military installations and current missions;

(5) a statement identifying:

(A) the state and federal programs and services that assist communities impacted by military base closures or realignments and the efforts to coordinate those programs; and

(B) the efforts to coordinate state agency programs and services that assist communities in retaining active military installations and current missions;

(6) an evaluation of initiatives to retain existing defense-related businesses; and

(7) a list of agencies with regulations, policies, programs, or services that impact the operating costs or strategic value of federal military installations and activities in the state.

(c) State agencies shall cooperate with and assist the commission in the preparation of the report required under Subsection (b), including providing information about regulations, policies, programs, and services that may impact communities dependent on military installations, defense-related businesses, and the viability of existing Texas military missions.

(d) The commission shall periodically meet with each state agency that has defense-related programs or is engaged in a project in a defense-dependent community and with each member of the legislature whose district contains an active, closed, or realigned military installation to discuss defense-related issues and the implementation of the recommendations outlined in the report required under Subsection (b).

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003. Amended by Acts 2005, 79th Leg., ch. 396, Sec. 2, eff. June 17, 2005; Acts 2005, 79th Leg., ch. 1160, Sec. 4, eff. Sept. 1, 2005.

Sec. 436.104. COORDINATING ASSISTANCE FOR EVALUATION OF MILITARY BASE. When a commander of a military installation receives a copy of the evaluation criteria for the base under the United States Department of Defense base realignment or closure process, the base commander may request that the commission coordinate assistance from other state agencies to assist the commander in preparing the evaluation. If the commission asks a state agency for assistance under this section, the state agency shall make the provision of that assistance a top priority.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

SUBCHAPTER D. FISCAL PROVISIONS

Sec. 436.151. DEFINITIONS. In this subchapter, "defense community" has the meaning assigned by Section 397.001, Local Government Code.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Sec. 436.152. ANALYSIS OF PROJECTS THAT ADD MILITARY VALUE; FINANCING. (a) A defense community may submit the community's military value enhancement statement prepared under Chapter 397, Local Government Code, to the commission.

(b) On receiving a defense community's military value enhancement statement, the commission shall analyze the projects included in the statement using the criteria it has developed. The commission shall develop project analysis criteria based on the criteria the United States Department of Defense uses for evaluating military facilities in the department's base realignment and closure process.

(c) The commission shall determine whether each project identified in the defense community's military value enhancement statement will enhance the military value of the military facility. The commission shall assist the community in prioritizing the projects that enhance the military value of a military facility, giving the highest priority to projects that add the most military value under the commission's project analysis criteria.

(d) The commission shall refer the defense community to the appropriate state agency that has an existing program to provide financing for each project identified in the community's military value enhancement statement that adds military value to a military facility. If there is no existing program to finance a project, the commission may provide a loan of financial assistance to the defense community for the project.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003. Amended by Acts 2005, 79th Leg., ch. 1160, Sec. 5, eff. Sept. 1,

2005.

Sec. 436.153. LOANS. (a) The commission may provide a loan of financial assistance to a defense community for a project that will enhance the military value of a military facility located in, near, or adjacent to the defense community. The loan shall be made from the Texas military value revolving loan account established under Section 436.156.

(b) On receiving an application for a loan under this section, the commission shall confirm that the project adds military value to the military facility.

(c) If the commission determines that a project will enhance the military value of the military facility, the commission shall, in accordance with the criteria adopted by the commission under Section 436.154(a):

(1) analyze the creditworthiness of the defense community to determine the defense community's ability to repay the loan; and

(2) evaluate the feasibility of the project to be financed to ensure that the defense community has pledged a source of revenue or taxes sufficient to repay the loan for the project.

(d) If the commission determines that the funds will be used to enhance the military value of the military facility based on the base realignment and closure criteria and that the project is financially feasible, the commission may award a loan to the defense community for the project. The commission shall enter into a written agreement with a defense community that is awarded a loan. The agreement must contain the terms and conditions of the loan, including the loan repayment requirements.

(e) The commission shall notify the Texas Public Finance Authority of the amount of the loan and the recipient of the loan and request the authority to issue general obligation bonds in an amount necessary to fund the loan. The commission and the authority shall determine the amount and time of a bond issue to best provide funds for one or multiple loans.

(f) The commission shall administer the loans to ensure full repayment of the general obligation bonds issued to finance the project.

(g) The commission may provide a loan only for a project that is included in the political subdivision's statement under Section 397.002, Local Government Code, or to prepare a comprehensive defense installation and community strategic impact plan under Section 397.003, Local Government Code.

(h) A project financed with a loan under this section must be completed on or before the fifth anniversary of the date the loan is awarded.

(i) The amount of a loan under this section may not exceed the total cost of the project.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Sec. 436.1531. LOANS FOR COMMUNITIES ADVERSELY AFFECTED BY DEFENSE BASE REDUCTION. (a) The commission may provide a loan of financial assistance to a defense community for an economic development project that minimizes the negative effects of a defense base reduction on the defense community as a result of a United States Department of Defense base realignment process that occurs during 2005 or later. The loan shall be made from the Texas military value revolving loan account established under Section 436.156.

(b) On receiving an application for a loan under this section, the commission shall evaluate the economic development project to determine how the project will minimize the negative effects of a defense base reduction on the defense community, including the number of jobs that the project will create and the economic impact the project will have on the community.

(c) If the commission determines that a project will reduce the negative effects of a defense base reduction on the defense community, the commission shall:

(1) analyze the creditworthiness of the defense community to determine the defense community's ability to repay the loan; and

(2) evaluate the feasibility of the project to be financed to ensure that the defense community has pledged a source of revenue or taxes sufficient to repay the loan for the project.

(d) If the commission determines that the funds will be used to finance an economic development project that will reduce the negative effects of a defense base reduction on the defense

community and that the project is financially feasible, the commission may award a loan to the defense community for the project. The commission shall enter into a written agreement with a defense community that is awarded a loan. The agreement must contain the terms and conditions of the loan, including the loan repayment requirements.

(e) The commission shall notify the Texas Public Finance Authority of the amount of the loan and the recipient of the loan and request the authority to issue general obligation bonds in an amount necessary to fund the loan. The commission and the authority shall determine the amount and time of a bond issue to best provide funds for one or multiple loans.

(f) The commission shall administer the loans to ensure full repayment of the general obligation bonds issued to finance the project.

(g) A project financed with a loan under this section must be completed on or before the fifth anniversary of the date the loan is awarded.

(h) The amount of a loan under this section may not exceed the total cost of the project.

Added by Acts 2005, 79th Leg., ch. 396, Sec. 3, eff. June 17, 2005; Acts 2005, 79th Leg., ch. 1160, Sec. 6, eff. Sept. 1, 2005; Acts 2005, 79th Leg., ch. 1280, Sec. 1, eff. Sept. 1, 2005.

Sec. 436.1532. LOANS FOR COMMUNITIES POSITIVELY AFFECTED BY DEFENSE BASE RESTRUCTURING. (a) The commission may provide a loan of financial assistance to a defense community for an infrastructure project to accommodate new or expanded military missions assigned to a military facility located in, near, or adjacent to the defense community as a result of a United States Department of Defense base realignment process that occurs during 2005 or later. The loan shall be made from the Texas military value revolving loan account established under Section 436.156.

(b) On receiving an application for a loan under this section, the commission shall evaluate the infrastructure project to determine how the project will assist the defense community in accommodating the new or expanded military missions that are assigned to the military facility.

(c) If the commission determines that the project will assist the defense community in accommodating the new or expanded military missions that are assigned to the military facility, the commission shall:

(1) analyze the creditworthiness of the defense community to determine the defense community's ability to repay the loan; and

(2) evaluate the feasibility of the project to be financed to ensure that the defense community has pledged a source of revenue or taxes sufficient to repay the loan for the project.

(d) If the commission determines that the funds will be used to finance an infrastructure project to accommodate new or expanded military missions assigned to the military facility located in, near, or adjacent to the defense community and that the project is financially feasible, the commission may award a loan to the defense community for the project. The commission shall enter into a written agreement with a defense community that is awarded a loan. The agreement must contain the terms and conditions of the loan, including the loan repayment requirements.

(e) The commission shall notify the Texas Public Finance Authority of the amount of the loan and the recipient of the loan and request the authority to issue general obligation bonds in an amount necessary to fund the loan. The commission and the authority shall determine the amount and time of a bond issue to best provide funds for one or multiple loans.

(f) The commission shall administer the loans to ensure full repayment of the general obligation bonds issued to finance the project.

(g) A project financed with a loan under this section must be completed on or before the fifth anniversary of the date the loan is awarded.

(h) The amount of a loan under this section may not exceed the total cost of the project.

Added by Acts 2005, 79th Leg., ch. 396, Sec. 3, eff. June 17, 2005; Acts 2005, 79th Leg., ch. 1280, Sec. 1, eff. Sept. 1, 2005.

Sec. 436.154. LOAN PROCESS. (a) The commission shall adopt rules, in consultation with the Texas Public Finance Authority, that contain the criteria for evaluating the credit of a loan

applicant and the financial feasibility of a project. The commission shall also adopt a loan application form. The application form may include:

- (1) the name of the defense community and its principal officers;
- (2) the total cost of the project;
- (3) the amount of state financial assistance requested;
- (4) the plan for repaying the loan; and
- (5) any other information the commission requires to perform its duties and to protect the public interest.

(b) The commission may not accept an application for a loan from the Texas military value revolving loan account unless the application is submitted in affidavit form by the officials of the defense community. The board shall prescribe the affidavit form. Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Sec. 436.155. INCURRENCE OF DEBT BY PUBLIC ENTITY. (a) A defense community in this state may borrow money from the state, including by direct loan, based on the credit of the defense community to finance a project included in the community's military value enhancement statement.

(b) A defense community may enter into a loan agreement with the state to provide financing for a project. The defense community may pledge the taxes of the community or provide any other guarantee for the loan.

(c) Money borrowed must be segregated from other funds under the control of the defense community and may only be used for purposes related to a specific project.

(d) The authority granted by this section does not affect the ability of a defense community to incur debt using other statutorily authorized methods.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Sec. 436.156. TEXAS MILITARY VALUE REVOLVING LOAN ACCOUNT. (a) The Texas military value revolving loan account is an account in the general revenue fund.

(b) The account may be used only for loans made under this subchapter.

(c) The commission shall deposit to the credit of the account all loan payments made by a political subdivision for a loan under Section 436.153. The loan payments shall be used to reimburse the general revenue fund for money appropriated to pay the principal, premium if any, and interest on the bonds issued under Section 436.158. If loan payments exceed the amounts required for reimbursement, the excess shall first be applied to reimburse the expenses of administering the program and secondly deposited to the credit of the Texas military value revolving loan account to fund subsequent loans.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Sec. 436.157. GIFTS AND GRANTS. The commission may solicit and accept gifts and grants from any source for the purposes of this chapter. The commission shall deposit a gift or grant to the credit of the specific account that is established for the purpose for which the gift or grant was made. If a gift or grant is not made for a specific purpose, the commission may deposit the gift or grant to the credit of any of the commission's accounts created under this chapter.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. May 27, 2003.

Sec. 436.158. ISSUANCE OF GENERAL OBLIGATION BONDS AND NOTES FOR MILITARY VALUE ACCOUNT. (a) The Texas Public Finance Authority may issue and sell general obligation bonds and notes of the state, as authorized by Section 49-n, Article III, Texas Constitution, for the purpose of providing money to establish the Texas military value revolving loan account.

(b) The proceeds of the bonds and notes shall be deposited into the Texas military value revolving loan account or into other separate funds as may be required to provide for payment of issuance and administrative costs and may be used as authorized by Section 49-n, Article III, Texas Constitution, including:

- (1) to fund loans approved by the commission under Section 436.153;
- (2) to pay the costs of issuing and selling bonds and notes; and
- (3) to pay the costs of administering the bonds and notes and the loan program, including the payment of fees and expenses of advisors.

(c) The bonds and notes shall be issued in accordance with and subject to the provisions of Chapters 1201, 1207, 1231, 1232, and 1371.

(d) In connection with bonds or notes issued under this section, the Texas Public Finance Authority may enter into one or more credit agreements at any time for a period and on conditions the authority approves.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. Sept. 13, 2003.

Sec. 436.159. APPROPRIATION REQUIRED. In accordance with Section 49-n, Article III, Texas Constitution, general revenue is to be appropriated to the Texas Public Finance Authority in an amount determined by the authority to be necessary to pay the principal, premium if any, and interest on the bonds, and that amount shall be specified in biennial appropriations acts.

Added by Acts 2003, 78th Leg., ch. 149, Sec. 3, eff. Sept. 13, 2003.