

The Defense Economic Adjustment Assistance Grant Program (DEAAG)

- An infrastructure and training grant program designed to assist defense communities that have been positively or negatively impacted by a change in defense contracts or an announced/anticipated change.
- Funding can also be used proactively to support installations in the event of a change or announced/anticipated change by the Department of Defense.
- DEAAG funding is available to meet matching requirements for federal funding.
- Funding for affected communities can be used for the purchase of Department of Defense property, new construction or rehabilitation of facilities in support of job creating projects and opportunities. Funding for positively affected communities can be used for infrastructure projects directly supporting the military mission.
- Additionally, funds can be awarded to Public Junior Colleges or Texas State Technical College System for the purchase or leasing of capital equipment for the purpose of (re)training displaced defense workers.
- Grants awarded may range from \$50,000 to \$5 million per project.

Grant Eligibility

The following local governmental entities are eligible for a grant under this subchapter:

- a municipality or county that is a defense community;
- a regional planning commission that has a defense community within its boundaries;
- a public junior college district that is wholly or partly located in a defense community;
- a campus or education extension center of the Texas State Technical College System that is located in a defense community;
- a defense base development authority created under Chapter 379B, Local Government Code; and
- a political subdivision that has the power of a defense base development authority created under Chapter 379B, Local Government Code

Changes Made in the 84th Legislative Session

SB 318

- Section 1.a:“(3) construct infrastructure and other projects necessary to accommodate a new, ~~for~~ expanded, or retained military mission at a military base or to reduce the impact of an action of the United States Department of Defense that will negatively impact a defense facility located in or near the entity; or (4)construct infrastructure and other projects necessary to prevent the reduction or closing of a defense facility.”
- Section 1.b: “(b)The commission may not make a grant for an amount less than \$50,000 or an amount more than the lesser of: ... (3)\$5 ~~[\$2]~~ million.
- Section 2.c: “(c)An eligible local governmental entity described by Section 436.201(a)(3), ~~for~~(4), or (5) may use the proceeds of the grant to purchase or lease equipment to train defense workers whose jobs have been threatened or lost because of an event described by Section 436.201(b) or to train workers to support the mission at military installations or defense facilities.”

*Overlapping changes in separate bills have not been repeated

Changes Made in the 84th Legislative Session

SB 503

- (a)The office 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 1995 ~~[2005]~~ or later.
- (a)The office 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 base or defense 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 1995 ~~[2005]~~ or later.

Funding Levels for 2015-2016

The DEAAG program will receive a total of \$30 million for biennium. The funding will be split across the two fiscal years. \$15 million will be received on September 1, 2015 and the remaining \$15 million will be received on September 1, 2016.



Scoring DEAG Applications

Applications are currently being updated to reflect the changes made by the previous two bills (SB 318 and SB 503). Applicants will have at least 30 days to complete their application. Ideal candidates are those that have projects creating or saving jobs, significant impact on the community, have additional outside funding, and entities that have never received funding from DEAG. The scoring is completed with two panels: governor's office staff and TMPC commissioners.

These applications are scored on 10 general values:
(subject to change)

- Project probability
- Significance of project
- Innovation
- Cost per job
- Cost per retained job
- Percent of TMPC contribution
- Federal project funding
- Total other contribution project funding
- Area unemployment rate
- Previous DEAG assistance.



The screenshot shows the official website of the Office of the Governor, Greg Abbott. The header includes the state seal and navigation links for 'HOME', 'GOVERNOR ABBOTT', 'FIRST LADY', 'NEWS', 'INITIATIVES', 'ORGANIZATION', and 'CONTACT'. A search bar is also present. The main content area features a large banner image of military aircraft and personnel, with the text 'Texas Military Preparedness Commission' overlaid. Below the banner, a sidebar on the left lists navigation options: Home, Commissioners, Installations, Grant Program, Loan Program, and Contact. The main text area is titled 'DEFENSE ECONOMIC ADJUSTMENT ASSISTANCE GRANT PROGRAM' and provides a detailed description of the program's purpose, funding sources, and eligibility criteria. It includes links to view the DEAG Program Brochure and the Texas Administrative Code and Rules to the DEAG Program.