

By: Villarreal

H.B. No. 1294

A BILL TO BE ENTITLED

AN ACT

relating to the use of revenue from a tax increment fund to acquire, construct, or reconstruct educational facilities.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 311.008(b), Tax Code, is amended to read as follows:

(b) A municipality or county may exercise any power necessary and convenient to carry out this chapter, including the power to:

(1) cause project plans to be prepared, approve and implement the plans, and otherwise achieve the purposes of the plan;

(2) acquire real property by purchase, condemnation, or other means to implement project plans and sell that property on the terms and conditions and in the manner it considers advisable;

(3) enter into agreements, including agreements with bondholders, determined by the governing body of the municipality or county to be necessary or convenient to implement project plans and achieve their purposes, which agreements may include conditions, restrictions, or covenants that run with the land or that by other means regulate or restrict the use of land; and

(4) consistent with the project plan for the zone:

(A) acquire blighted, deteriorated, deteriorating, undeveloped, or inappropriately developed real

1 property or other property in a blighted area or in a federally
2 assisted new community in the zone for the preservation or
3 restoration of historic sites, beautification or conservation, the
4 provision of public works or public facilities, or other public
5 purposes; or

6 (B) acquire, construct, reconstruct, or install
7 public works, facilities, or sites or other public improvements,
8 including utilities, streets, street lights, water and sewer
9 facilities, pedestrian malls and walkways, parks, flood and
10 drainage facilities, educational facilities, or parking
11 facilities [~~, but not including educational facilities, or~~

12 [~~(C) in a reinvestment zone created on or before~~
13 ~~September 1, 1999, acquire, construct, or reconstruct educational~~
14 ~~facilities in the municipality].~~

15 SECTION 2. Section 311.0085, Tax Code, is amended to read as
16 follows:

17 Sec. 311.0085. DEDICATION OF REVENUE TO SCHOOL DISTRICT FOR
18 EDUCATIONAL FACILITIES [~~POWER OF CERTAIN MUNICIPALITIES~~]. (a)

19 [~~This section applies only to a municipality that has:~~

20 [~~(1) territory in three counties, and~~

21 [~~(2) a population of less than 120,000.~~

22 [~~(b)~~] In this section, "educational facility" has the
23 meaning assigned by Section 311.008.

24 (b) [~~(c)~~] In addition to exercising the powers described by
25 Section 311.008, a municipality may enter into a new agreement, or
26 amend an existing agreement, with a school district that is located
27 in whole or in part in a reinvestment zone created by the

1 municipality to dedicate revenue from the tax increment fund to the
2 school district for acquiring, constructing, or reconstructing an
3 educational facility located in or outside of the zone.

4 SECTION 3. This Act takes effect immediately if it receives
5 a vote of two-thirds of all the members elected to each house, as
6 provided by Section 39, Article III, Texas Constitution. If this
7 Act does not receive the vote necessary for immediate effect, this
8 Act takes effect September 1, 2007.