

Amend CSSB 1016 (house committee printing) by adding the following appropriately numbered SECTION to the bill and renumbering subsequent SECTIONS accordingly:

SECTION _____. Chapter 12, Agriculture Code, is amended by adding Section 12.0271 to read as follows:

Sec. 12.0271. RURAL ECONOMIC DEVELOPMENT AND INVESTMENT PROGRAM. (a) From funds appropriated for that purpose, the commissioner shall establish and administer a financial assistance program to encourage private economic development in rural areas. Financial assistance under the program may be provided only to:

- (1) a county with a population of not more than 75,000;
- (2) a municipality with a population of not more than 50,000; or
- (3) an economic development corporation that primarily represents a county or municipality described by this subsection.

(b) Financial assistance under Subsection (a) may be used only for a project relating to:

- (1) the acquisition or development of land, easements, or rights-of-way;
- (2) attracting new private enterprises to the county or municipality, including:
 - (A) manufacturing facilities;
 - (B) freight storage facilities;
 - (C) distribution warehouse centers; and
 - (D) other nonretail private enterprises;
- (3) the construction, extension, or other improvement of:
 - (A) water or waste disposal facilities; or
 - (B) transportation infrastructure; or
- (4) any other activity relating to private economic development that the commissioner determines will encourage economic and infrastructure development in a rural area.

(c) To further a purpose described by Subsection (b), the commissioner may provide financial assistance to an eligible county, municipality, or economic development corporation by:

- (1) extending credit by direct loan, based on the

credit of the county, municipality, or economic development corporation;

(2) providing a credit enhancement;

(3) effectively lowering interest rates;

(4) financing a purchase or lease agreement in connection with an economic or infrastructure development project;
or

(5) providing methods of leveraging money from sources other than this state that are related to the project for which the assistance is provided.

(d) A county, municipality, or economic development corporation that receives funds under Subsection (c) shall segregate the funds from other funds under the control of the county, municipality, or economic development corporation and use the funds only for a purpose described by this section. Any funds disbursed through the program must be repaid on terms determined by the department.

(e) The department shall adopt rules necessary to implement this section.