Amend **HB 3275** (senate committee printing) by adding the following appropriately numbered SECTIONS to the bill and renumbering the subsequent SECTIONS of the bill accordingly:

SECTION ____. 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 property or other property in a blighted area or in a federally assisted new community in the zone for the preservation or restoration of historic sites, beautification or conservation, the provision of public works or public facilities, or other public purposes;

(B) acquire, construct, reconstruct, or install public works, facilities, or sites or other public improvements, including utilities, streets, street lights, water and sewer facilities, pedestrian malls and walkways, parks, flood and drainage facilities, or parking facilities, but not including educational facilities; [or]

(C) in a reinvestment zone created on or before September 1, 1999, acquire, construct, or reconstruct educational facilities in the municipality; or

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(D) in a reinvestment zone created in a county that has a population of less than 1.5 million but in which a municipality is primarily located that has a population of at least 775,000, acquire, construct, reconstruct, renovate, rehabilitate, install, or equip public improvements used or to be used for social services programs in the zone, including improvements determined by the municipality or county to be beneficial to:

(i) providing basic necessities such as food, clothing, shelter, health care, and mental health care;

(ii) helping provide individuals and families a transition out of poverty by ensuring the availability of educational, employment, and other services that promote self-reliance;

(iii) preventing social problems through education, preventive physical and mental health programs, crime prevention programs, and other preventive programs;

(iv) providing family and societal support services, including education, child care, counseling and assistance for the aging, youth, the homeless, and the unemployed, rehabilitation services, and other similar support services; and

(v) encouraging personal development and community enrichment through cultural and educational programs.

SECTION ____. Section 311.010, Tax Code, is amended by adding Subsections (b-1) and (b-2) to read as follows:

(b-1) An agreement under Subsection (b) relating to the project plan or the reinvestment zone financing plan for a reinvestment zone described by Section 311.008(b)(4)(D) may:

(1) during the term of the agreement dedicate, pledge, or otherwise provide for the use of revenue in the tax increment fund to pay project costs relating to the cost of public improvements described by Section 311.008(b)(4)(D); or

(2) dedicate revenue from the tax increment fund to pay the costs of operating or administering programs described by Section 311.008(b)(4)(D).

(b-2) A municipality or county may not use revenue from a tax increment fund dedicated, pledged, or otherwise provided for a purpose described by Subsection (b-1) to replace revenue the municipality or county would otherwise have spent from other sources for that purpose.