

By: Watson

S.B. No. 1574

A BILL TO BE ENTITLED

AN ACT

1
2 relating to the use of money in a tax increment fund to pay costs
3 related to public improvements used for social services programs
4 that promote the development or redevelopment of a reinvestment
5 zone.

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

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

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

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

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

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

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

1 (A) acquire blighted, deteriorated,
2 deteriorating, undeveloped, or inappropriately developed real
3 property or other property in a blighted area or in a federally
4 assisted new community in the zone for the preservation or
5 restoration of historic sites, beautification or conservation, the
6 provision of public works or public facilities, or other public
7 purposes;

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

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

17 (D) in a reinvestment zone created in a county
18 that has a population of less than 1.5 million but in which a
19 municipality is primarily located that has a population of at least
20 775,000, acquire, construct, reconstruct, or install public
21 improvements used for social services programs that promote the
22 development or redevelopment of the zone, including improvements
23 related to programs designed to:

24 (i) provide a social safety net through the
25 provision of basic necessities such as food, clothing, shelter,
26 health care, and mental health care and the protection of
27 constitutionally guaranteed legal rights;

1 (ii) help disadvantaged people make the
2 transition out of poverty by ensuring the availability of
3 educational, employment, and other opportunities for furthering
4 self-reliance;

5 (iii) prevent problematic conditions at the
6 individual and community level through education, preventive
7 physical and mental health programs, crime prevention programs, and
8 other preventive programs;

9 (iv) provide family and societal support
10 services, including education, child care, counseling and
11 assistance for the aging, youth, the homeless, and the unemployed,
12 rehabilitation services, and other support services; and

13 (v) encourage personal development and
14 community enrichment through cultural and educational programs.

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

17 (b-1) An agreement under Subsection (b) relating to a
18 reinvestment zone described by Section 311.008(b)(4)(D) may:

19 (1) during the term of the agreement dedicate, pledge,
20 or otherwise provide for the use of revenue in the tax increment
21 fund to pay project costs relating to the cost of public
22 improvements described by that paragraph; or

23 (2) dedicate revenue from the tax increment fund to
24 pay the costs of operating or administering programs described by
25 that paragraph.

26 (b-2) A municipality or county may not use revenue from a
27 tax increment fund dedicated, pledged, or otherwise provided for a

1 purpose described by Subsection (b-1) to replace revenue the
2 municipality or county would otherwise have spent from other
3 sources for that purpose.

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, 2011.