

By: Guillen, Hunter, Lujan, Gervin-Hawkins,
et al.

H.B. No. 105

Substitute the following for H.B. No. 105:

By: Button

C.S.H.B. No. 105

A BILL TO BE ENTITLED

AN ACT

relating to the Texas Jobs, Energy, Technology, and Innovation Act.

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

SECTION 1. Section 403.602, Government Code, as added by Chapter 377 (H.B. 5), Acts of the 88th Legislature, Regular Session, 2023, is amended by adding Subdivision (14-a) to read as follows:

(14-a) "Priority project" means an eligible project for which an applicant agrees to make an investment in an amount of at least \$750 million by the end of the first tax year of the incentive period prescribed by the agreement pertaining to the project.

SECTION 2. Section 403.604(a), Government Code, as added by Chapter 377 (H.B. 5), Acts of the 88th Legislature, Regular Session, 2023, is amended to read as follows:

(a) A jobs requirement prescribed by this section does not apply to an eligible project that is:

(1) an electric generation facility described by Section 403.602(8)(A)(i)(b); or

(2) a priority project.

SECTION 3. Section 403.607, Government Code, as added by Chapter 377 (H.B. 5), Acts of the 88th Legislature, Regular Session, 2023, is amended by adding Subsection (a-1) to read as follows:

(a-1) The comptroller shall notify a school district when an

1 application applicable to the school district is received.

2 SECTION 4. Section 403.609(b), Government Code, as added by
3 Chapter 377 (H.B. 5), Acts of the 88th Legislature, Regular
4 Session, 2023, is amended to read as follows:

5 (b) The comptroller may not recommend an application for
6 approval unless the comptroller finds that:

7 (1) the proposed project that is the subject of the
8 application is an eligible project;

9 (2) the proposed project is reasonably likely to
10 generate, before the 20th anniversary of the first day of the
11 construction period, state or local tax revenue, including ad
12 valorem tax revenue attributable to the effect of the project on the
13 economy of this state, in an amount sufficient to offset the school
14 district maintenance and operations ad valorem tax revenue lost as
15 a result of the agreement;

16 (3) for a proposed project other than an electric
17 generation facility described by Section 403.602(8)(A)(i)(b), the
18 agreement is a compelling factor in a competitive site selection
19 determination and that, in the absence of the agreement, the
20 applicant would not make the proposed investment in this state; and

21 (4) if the application indicates that the eligible
22 project is proposed to be located in a qualified opportunity zone,
23 the project is located in the zone.

24 SECTION 5. Section 403.612(b), Government Code, as added by
25 Chapter 377 (H.B. 5), Acts of the 88th Legislature, Regular
26 Session, 2023, is amended to read as follows:

27 (b) An agreement entered into under this section between the

governor, a school district, and an applicant pertaining to an eligible project shall:

(1) specify the project to which the agreement applies;

(2) specify the term of the agreement, which must:

(A) begin on the date the agreement is entered into; and

(B) end on December 31 of the third tax year following the end of the incentive period;

(3) specify the construction and incentive periods for the project;

(4) specify the manner for determining the taxable value for school district maintenance and operations ad valorem tax purposes during the incentive period under Section 403.605 for the eligible property subject to the agreement;

(5) specify the applicable jobs and investment requirements prescribed by Section 403.604 and require the applicant to comply with those requirements;

(6) require that the average annual wage paid to all persons employed by the applicant in required jobs in connection with the project be not less than ~~[used to calculate total jobs exceed]~~ 110 percent of the county average annual wage for manufacturing ~~[all]~~ jobs in the county where the project is located ~~[applicable industry sector]~~ during the most recent four quarters for which data is available, as computed by the Texas Workforce Commission, with the applicant's average annual wage being equal to the quotient of:

1 (A) the applicant's total wages paid to all
2 persons holding required jobs~~[, other than wages paid for~~
3 ~~construction jobs, as reported under Section 403.616(c)(4)]~~; and

4 (B) the applicant's number of required ~~[total]~~
5 jobs as certified ~~[reported]~~ under Section 403.616(c)(1)(A)(ii)
6 ~~[403.616(c)(3)]~~;

7 (7) require the applicant to pay a penalty prescribed
8 by Section 403.614 if the applicant fails to comply with an
9 applicable jobs or wage requirement;

10 (8) require the applicant to offer and contribute to a
11 group health benefit plan for each employee of the applicant who is
12 employed in a full-time job;

13 (9) require the applicant, at the time the applicant
14 executes the agreement, to execute a performance bond in an amount
15 the comptroller determines to be reasonable and necessary to
16 protect the interests of the state and the district and conditioned
17 on the applicant's compliance with the terms of the agreement;

18 (10) authorize the governor or the district to
19 terminate the agreement as provided by Subsection (d); and

20 (11) incorporate each relevant provision of this
21 subchapter.

22 SECTION 6. The changes in law made by this Act to Subchapter
23 T, Chapter 403, Government Code, as added by Chapter 377 (H.B. 5),
24 Acts of the 88th Legislature, Regular Session, 2023, apply only to
25 an agreement entered into under that subchapter pursuant to an
26 application submitted under that subchapter on or after the
27 effective date of this Act. An agreement entered into under that

1 subchapter pursuant to an application submitted before the
2 effective date of this Act is governed by the law in effect on the
3 date the application was submitted, and the former law is continued
4 in effect for that purpose.

5 SECTION 7. This Act takes effect September 1, 2025.