

By: West

S.B. No. 209

A BILL TO BE ENTITLED

AN ACT

relating to the creation of the Texas technology and innovation program.

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

SECTION 1. Chapter 489, Government Code, is amended by adding Subchapter G to read as follows:

SUBCHAPTER G. TEXAS TECHNOLOGY AND INNOVATION PROGRAM

Sec. 489.351. DEFINITIONS. In this subchapter:

(1) "Federal funding program" means the small business innovation research and small business technology transfer programs established by 15 U.S.C. Section 638.

(2) "Program" means the Texas technology and innovation program established under this subchapter.

Sec. 489.352. ESTABLISHMENT AND ADMINISTRATION OF PROGRAM.

The office shall establish and administer the Texas technology and innovation program to foster job creation and economic development in this state by matching or supplementing money received by a business entity through the federal funding program.

Sec. 489.353. ELIGIBILITY. To be eligible to receive money under the program, a business entity must:

(1) meet at least one of the following conditions:

(A) be organized under the laws of this state;

(B) maintain a domestic headquarters in this state;

1 (C) maintain at least one manufacturing facility
2 in this state; or

3 (D) have more than half of the entity's employees
4 residing in this state;

5 (2) meet all requirements to receive money under the
6 federal funding program;

7 (3) not receive concurrent funding from another state
8 program or fund that serves the same purpose as the program; and

9 (4) meet any additional requirements under this
10 subchapter for the applicable phase under which the business entity
11 applies to receive money.

12 Sec. 489.354. APPLICATION. (a) A business entity may apply
13 to receive money under the program by submitting an application
14 under oath to the office on a form prescribed by the office. The
15 application must include:

16 (1) the business entity's name;

17 (2) the business entity's business organization
18 structure;

19 (3) the business entity's address and any principals
20 listed at a different address;

21 (4) certification of the information required under
22 Section 489.353; and

23 (5) any other information required by the office.

24 (b) In addition to the requirements of Subsection (a), a
25 business entity must provide to the office, as applicable:

26 (1) for "phase zero" or a similar stage of the federal
27 funding program process, a notification of receipt for an

1 application for funding under the federal funding program;

2 (2) for "phase one" or a similar stage of the federal
3 funding program process:

4 (A) a notice of award to the entity from a funding
5 agency under the federal funding program;

6 (B) a final report for the applicable stage as
7 required by the federal funding program; and

8 (C) a proposal for money under the next stage of
9 the federal funding program; and

10 (3) for "phase two" or a similar stage of the federal
11 funding program process:

12 (A) a notice of award to the entity from a funding
13 agency under the federal funding program; and

14 (B) a final report for the applicable stage as
15 required by the federal funding program.

16 Sec. 489.355. AWARD OF GRANT; LIMITATIONS. (a) The office
17 may award a "phase zero" grant under this subchapter immediately on
18 fulfillment of the requirements under Section 489.354(b)(1).

19 (b) The office may award a "phase one" grant under this
20 subchapter immediately on fulfillment of the requirements under
21 Section 489.354(b)(2).

22 (c) The office may award a "phase two" grant under this
23 subchapter immediately on fulfillment of the requirements under
24 Section 489.354(b)(3).

25 (d) A business entity may assign a grant received under this
26 subchapter only with the prior written consent of the office.

27 (e) A business entity may not receive more than:

1 (1) one grant in each state fiscal year; and

2 (2) five grants in each phase under this section.

3 Sec. 489.356. FUNDING. (a) The office shall award grants
4 as provided by this subchapter from available money and any
5 additional money appropriated for purposes of this subchapter.

6 (b) The office may solicit and receive gifts, grants, and
7 donations from any source to provide additional funding for grants
8 awarded under this subchapter.

9 SECTION 2. As soon as practicable after the effective date
10 of this Act, the Texas Economic Development and Tourism Office
11 shall adopt the rules necessary to implement Subchapter G, Chapter
12 489, Government Code, as added by this Act.

13 SECTION 3. (a) Notwithstanding any other section of this
14 Act, in a state fiscal year, the Texas Economic Development and
15 Tourism Office is not required to implement a provision found in
16 another section of this Act that is drafted as a mandatory provision
17 imposing a duty on the office to take an action unless money is
18 specifically appropriated to the office for that fiscal year to
19 carry out that duty. The Texas Economic Development and Tourism
20 Office may implement the provision in that fiscal year to the extent
21 other funding is available to the office to do so.

22 (b) If, as authorized by Subsection (a) of this section, the
23 Texas Economic Development and Tourism Office does not implement
24 the mandatory provision in a state fiscal year, the office, in its
25 legislative budget request for the next state fiscal biennium,
26 shall certify that fact to the Legislative Budget Board and include
27 a written estimate of the costs of implementing the provision in

1 each year of that next state fiscal biennium.

2 SECTION 4. This Act takes effect September 1, 2025.