

Amend CSHB 4525 (house committee printing) as follows:

(1) On page 1, strike lines 5-8 and substitute "a qualified manufacturing project, as defined in this Act, and the enhancement of manufacturing workforce development serve the public purposes of development and diversification of the employment of this state, elimination of unemployment or".

(2) On page 1, line 9, strike "the".

(3) On page 1, line 13, strike "CHAPTER 399. QUALIFIED" and substitute "CHAPTER 399. QUALIFIED".

(4) On page 1, line 16, strike "section 399.002" and substitute "Section 399.002".

(5) On page 2, strike lines 3-7 and substitute the following:

(4) the owner of which is:

(A) considering at least one alternative site for the facility that is not located in this state; or

(B) competing against similar projects located outside this state for federal funds or financial support, including loan guarantees, that would benefit the project.

(6) On page 2, strike lines 16 and 17 and substitute "not later than the 120th day after the date the owner files an election for that designation under Section 399.002."

(7) On page 2, line 24, strike "10 year".

(8) On page 3, line 1, strike "and/or" and substitute "or".

(9) On page 3, strike lines 12 and 13 and substitute the following:

determines that:

(1) the study accurately estimates the information required by Sections 399.003(b)(2)-(4); or

(2) the study:

(A) was conducted by an independent third party;

(B) was conducted using generally accepted economic impact forecasting methods; and

(C) contains the information required by Section 399.003(b).

(10) On page 3, lines 16 and 17, strike "Section 399.003(b)(2-4)" and substitute "Sections 399.003(b)(2)-(4) or

that the study does not meet the requirements of Subsection (a)(2), as applicable".

(11) On page 3, lines 17 and 18, strike "after receiving the study" and substitute "after the date of receiving the study".

(12) On page 3, strike lines 24-27.

(13) On page 4, line 3, between "study" and "may", insert "in accordance with Section 399.004".

(14) On page 4, line 6, strike "upon" and substitute "on".

(15) On page 4, lines 9 and 10, strike "date of approval of a request for designation as a qualified manufacturing project zone" and substitute "date of approval of an application for designation of the county as a qualified manufacturing project zone".

(16) On page 4, lines 16 and 17, strike "the qualified request or requests" and substitute "the qualified application".

(17) On page 4, line 26, strike "benefits" and substitute "state benefits".

(18) Strike page 4, line 27, through page 5, line 5, and substitute the following:

project in a qualified manufacturing project zone must make the following applicable annual certification to the comptroller, as of the last day of the state fiscal year for each year of the zone's designation:

(1) if the qualified manufacturing project zone designation has been in effect for three years or less and the qualified manufacturing project has not commenced commercial operation, the owner

(19) On page 5, line 7, strike "commence" and substitute "begin".

(20) On page 5, strike lines 9-20 and substitute the following:

(2) if the qualified manufacturing project zone designation has been in effect for more than three years and the qualified manufacturing project has not started commercial operation, the owner must certify:

(A) the creation of at least 300 full-time equivalent employment positions; or

(B) all of the following:

(i) the expenditure of at least \$1 billion on the new or expanded facility has occurred;

(ii) the year in which the facility will begin commercial operation; and

(iii) the forecast of at least 300 full-time equivalent employment positions that will be created not later than the eighth anniversary of the date of the zone's designation; or

(3) if the qualified manufacturing project has started

(21) On page 5, strike lines 24-26 and substitute the following:

(b) If the owner of a qualified manufacturing project fails to make the applicable certification required under Subsection (a), the owner forfeits the right to receive future benefits under this chapter and shall pay to the

(22) On page 6, strike lines 2-4 and substitute the following:

(c) For purposes of this section, "commercial operation," with respect to a facility, means that the facility has begun to operate for the facility's intended purpose.

(23) On page 6, line 8, strike "Section 151.429(h-1), Tax Code" and substitute "Section 151.4292, Tax Code".

(24) On page 6, lines 11-13, strike "taxable proceeds generated, paid, or collected by a qualified manufacturing project zone that are a direct or indirect result of" and substitute "taxable proceeds collected in a qualified manufacturing project zone by a local governmental entity that are a direct or indirect result of".

(25) On page 6, between lines 26 and 27, insert the following:

Sec. 399.009. COMPTROLLER DUTIES. The comptroller shall adopt rules and forms necessary to perform the comptroller's duties under this chapter.

(26) Strike page 6, line 27, through page 8, line 27, and substitute the following:

SECTION 3. Subchapter I, Chapter 151, Tax Code, is amended by adding Section 151.4292 to read as follows:

Sec. 151.4292. TAX REFUNDS FOR QUALIFIED MANUFACTURING PROJECTS. (a) In this section:

(1) "Additional sales and use tax" means the total amount of sales and use taxes collected under this chapter on purchases of all taxable items purchased within a qualified manufacturing project zone for each state fiscal year for the duration of the qualified manufacturing project zone designation less the sales tax base, not otherwise due as a rebate or refund under any other applicable law.

(2) "Manufacturing workforce development" means any expenditures incurred in the state by the owner, or a contractor or subcontractor of the owner, of a qualified manufacturing project for recruiting or training present, prospective, or potential employees for jobs in this state presently available or expected to be available for the planning, designing, construction, fabrication, or operation of a qualified manufacturing project, and the salaries, wages, and benefits of those employees through the first two years of commercial operation of the qualified manufacturing project.

(3) "Qualified manufacturing project" has the meaning assigned that term by Section 399.001, Local Government Code.

(4) "Sales tax base" means the amount of the sales and use taxes collected under this chapter on purchases of all taxable items purchased within the boundaries of a qualified manufacturing project zone for the state fiscal year ending before the date the zone is designated.

(b) The owner of a qualified manufacturing project in a qualified manufacturing project zone is entitled to receive a payment of a refund of 50 percent of the additional sales and use tax for the preceding state fiscal year provided the owner has made the applicable employment certification to the comptroller required under Section 399.006, Local Government Code. For the duration of a qualified manufacturing project zone designation, but not to exceed 10 years, the comptroller shall pay the refund not later than the 60th day after the later of the date of receipt of the employment certification or the last day of the state fiscal year.

(c) The total amount of refunds that a qualified

manufacturing project may receive over the course of the designation of the county in which it is located as a qualified manufacturing project zone may not exceed an amount equal to the lesser of \$50 million or five percent of the qualified manufacturing project's investments in the facility under Chapter 399, Local Government Code.

(d) A refund received under this section shall be used to pay for or to refund eligible expenses incurred before or after designation of the county in which the project is located as a qualified manufacturing project zone for manufacturing workforce development for the project.

(e) If the owner of a qualified manufacturing project fails to make the applicable certification required by Section 399.006, Local Government Code, the owner forfeits the right to receive all future benefits under this section and shall pay to the comptroller, not later than the 60th calendar day after the date the certification is due, the entire amount of all refunds previously received under this section.

(27) On page 9, line 1, strike "SECTION 5" and substitute "SECTION 4".