

By: Tepper

H.B. No. 1793

A BILL TO BE ENTITLED

AN ACT

relating to eligibility requirements to receive a grant from the Texas Enterprise Fund.

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

SECTION 1. Section 481.078(f-1), Government Code, is amended to read as follows:

(f-1) A grant agreement must contain a provision:

(1) requiring the creation of a minimum number of jobs in this state in accordance with Section 481.0785; [and]

(2) specifying the date by which the recipient intends to create those jobs; and

(3) requiring the recipient to make a minimum investment in the purposes for which the grant is intended in accordance with Section 481.0785.

SECTION 2. Subchapter E, Chapter 481, Government Code, is amended by adding Section 481.0785 to read as follows:

Sec. 481.0785. REQUIRED JOBS AND INVESTMENT. (a) In addition to the eligibility requirements under Section 481.078, to be eligible to enter into a grant agreement under that section, an entity must agree to:

(1) if the grant awarded is to be used in a county with a population of at least 750,000:

(A) create at least 75 jobs by the end of the first year after the creation of the grant agreement and

1 demonstrate an average of at least that number of jobs during each  
2 following year until the date the grant agreement expires; and

3 (B) make an investment in the purpose for which  
4 the grant is awarded in an amount of at least \$200 million by the end  
5 of the first year after the creation of the grant agreement;

6 (2) if the grant awarded is to be used in a county with  
7 a population of at least 250,000 but less than 750,000:

8 (A) create at least 50 jobs by the end of the  
9 first year after the creation of the grant agreement and  
10 demonstrate an average of at least that number of jobs during each  
11 following year until the date the grant agreement expires; and

12 (B) make an investment in the purpose for which  
13 the grant is awarded in an amount of at least \$100 million by the end  
14 of the first year after the creation of the grant agreement;

15 (3) if the grant awarded is to be used in a county with  
16 a population of at least 100,000 but less than 250,000:

17 (A) create at least 35 jobs by the end of the  
18 first year after the creation of the grant agreement and  
19 demonstrate an average of at least that number of jobs during each  
20 following year until the date the grant agreement expires; and

21 (B) make an investment in the purpose for which  
22 the grant is awarded in an amount of at least \$50 million by the end  
23 of the first year after the creation of the grant agreement; or

24 (4) if the grant awarded is to be used in a county with  
25 a population of less than 100,000:

26 (A) create at least 10 jobs by the end of the  
27 first year after the creation of the grant agreement and

1 demonstrate an average of at least that number of jobs during each  
2 following year until the date the grant agreement expires; and

3 (B) make an investment in the purpose for which  
4 the grant is awarded in an amount of at least \$20 million by the end  
5 of the first year after the creation of the grant agreement.

6 (b) For purposes of Subsection (a), each job created in  
7 connection with a grant agreement:

8 (1) must be a new permanent full-time job in this  
9 state, other than a construction job, that requires a total of at  
10 least 1,600 hours of work a year in connection with the purpose for  
11 which the grant is awarded;

12 (2) must be:

13 (A) maintained in the usual course and scope of  
14 the grant recipient's business, which may be performed by an  
15 individual who is a trainee under the Texans Work program  
16 established under Chapter 308, Labor Code; or

17 (B) performed by:

18 (i) an independent contractor, as that term  
19 is defined by Section 406.121, Labor Code; and

20 (ii) the independent contractor's employees  
21 at the site of the project; and

22 (3) may not be transferred by the grant recipient from  
23 an existing facility or location in this state or otherwise created  
24 to replace an existing job, unless the grant recipient fills the  
25 vacancy caused by the transfer.

26 (c) For purposes of Subsection (a), a grant recipient may  
27 demonstrate that the recipient has met the applicable minimum

1 investment requirement by any reasonable means that demonstrate  
2 that investment made in the purposes for which the grant is awarded  
3 is equal to or greater than the minimum investment requirement  
4 applicable to that purpose.

5 (d) If grant money awarded is used in more than one county,  
6 the jobs and investment requirements applicable to the grant  
7 recipient under this section are determined using the jobs and  
8 investment requirements applicable to the county with the smallest  
9 population in which any part of the purposes for which the grant is  
10 awarded is located.

11 (e) The governor may adopt rules necessary to interpret and  
12 administer this section, including rules regarding:

13 (1) the manner for determining:

14 (A) which jobs and investment requirements  
15 prescribed by Subsection (a) apply to the purposes for which a grant  
16 is awarded; and

17 (B) the circumstances under which a trainee under  
18 the Texans Work program established under Chapter 308, Labor Code,  
19 may be considered a full-time employee for purposes of this  
20 section; and

21 (2) the method by which a grant recipient must  
22 demonstrate an average of at least the number of required jobs for  
23 purposes of satisfying the jobs requirement prescribed by  
24 Subsection (a).

25 SECTION 3. The change in law made by this Act applies only  
26 to a grant agreement entered into on or after the effective date of  
27 this Act. A grant agreement entered into before the effective date

1 of this Act is governed by the law in effect on the date the grant  
2 agreement was entered into, and the former law is continued in  
3 effect for that purpose.

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