

TEDC Legislative Session Update (4/25)

Day 102 (out of 140) - 73%

8,984 bills filed (100+ bills in TEDC Bill tracker)

By the Numbers

- House
 - 2,347 bills heard in Committee
+333 bills this week* (estimated)
 - 288 bills passed the House
+235 bills this week* (estimated)
- Senate
 - 1,179 bills heard in Committee
+135 bills this week
 - 492 bills passed the Senate
+112 bills this week
- Sent to Governor – 1 bill

18 Days
First Major Deadline:
Pass out of first chamber

Review Major Actions This Week

- **School choice/vouchers/ESAs - SB 2 (Creighton)**
 - 4/24- Senate Concur (19-12)
- **Constitutional Amendments on Hold**
 - 2/3rds vote required = need Democratic lawmakers
 - Property tax relief?
 - TSTC permanent funds

Review Economic Development Policy (general)

- **SB 504 (Kolkhorst)** – Requires nonprofits to post their operating budget and salaries over \$115k if they have a contract with a city, county, or EDC exceeding \$500k
 - 4/22 – Passed Senate, Heard in House Intergovernmental Committee
- **HB 406 (Ordaz)** – Requires a city/county to provide written notice to their local workforce development board when they enter/amend/renew a 380/381 agreement.
 - House Floor 4/29
- **SB 840 (Hughes)** – Preempts certain local zoning regulations for cities over 300k in population.
 - 4/24 – Passed Senate, Hearing in House Land & Resource Mngt

Review Economic Development Policy (tax/incentives)

HB 112 (Button) – Develops a plan to develop a “Texas Science Park”

- **House Floor 4/29-** In House Calendars

HB 104 (Bonnen) – Creates the Texas Future Fund - Invests funds in the Economic Stabilization Fund (aka Rainy Day Fund) into innovative Texas companies.

- **4/24** – Voted out of House Approps (23-1)

HB 1268 (Button) – State grant funds for SBIR projects

- **No Change** - Passed House (116-29)

HB 134 (Meyer) – Destination versus origin-based sales tax

- **No Change** - In House Calendars Committee

SB 2206 (Bettencourt) – R&D Tax Credit renewal

- **On Senate Intent Calendar**

SB 878 (Birdwell) – Omnibus chapter 380/381 overhaul

- **Referred to House Ways & Means**

Review Economic Development Policy (tax/incentives)

HB 4751 (Capriglione) – Establishes the Texas Quantum Initiative

- No Change – In House Calendars

HB 5246 (Bonnen) – Space Commission Clean up

- No Change – In House Calendars

HB 5265 (Wilson) – Creates the health care professional education fund

- No Change – In House Calendars

HB 4735 (Ashby) – Creates "Rural Development Funds" offering tax credits to incentivize development/investment in rural areas.

- 4/25 – Voted out of TWED committee (7-2)

HB 4308 (Gates) – Creates a county industrial development district. Bracketed to Fort Bend County

- 4/25 – Voted out of TWED committee (9-0)

Review Economic Development Policy (energy)

SB 819 (Kolkhorst) – Creates burdensome siting requirements for wind/solar electric generation projects

- 4/22 – Referred to House State Affairs

SB 1754 (Birdwell) – Prohibits a chapter 380, 381, or 312 agreement from being used for a wind, solar, or battery project.

- No Change– Voted out of Senate EcoDev (3-1)

SB 6 (King) – Improves the interconnection process for large loads

- No Change – Passed Senate, In House State Affairs

Review Economic Development Policy (workforce)

HB 3260 (K Bell) – Improves the Texas Industry-Recognized Apprenticeship Grant Program

- 4/28 - House Floor

HJR 5 (Lambert) – \$850m in funding for TSTC

- 4/22 - Postponed

HB 322 (Guillen) – Expands the use of the JET program at TX Workforce Commission

- 4/28 - House Floor

Tracking TEDC Priorities



JETI Bills

- **HB 105 (Guillen)** – Broad/omnibus changes to program
 - 4/28 – Hearing in House Ways & Means
- ~~**HB 4022 (Lujan)**~~ – ~~Smaller focused changes~~
- **SB 2322 (King)** - exempts dispatchable energy from “compelling factor”
 - 4/15 – Voted out of Committee (3-2)
 - 4/23 – On Senate Intent

HB 3291 (Hefner) - Exempts property owned by a Type A EDC from property taxes (*no hearing in House Ways*)

Funding for **Texas Capital Fund** within Tx Dept. of Agriculture (*not in either House/Senate budget*)



TEXAS ECONOMIC DEVELOPMENT COUNCIL

Proposed Committee Substitute:

- Creates a “**priority project**” designation for projects with at least \$750 million in total investment
 - “Priority projects” would be exempt from the jobs and wage requirements
- Changes the **wage requirement** to apply only to the required jobs, not all jobs
- Changes the wages calculation to use the “**county manufacturing**” **average** versus the 6-digit NAICS code
- Requires the ISD to be **notified** of a new application



April 24, 2025

Members of the 89th Texas Legislature,

On behalf of the above members of the Texas business community, we write to express our strong support for HB 105. This legislation is essential to modernizing and strengthening the Texas Jobs, Energy, Technology, and Innovation (JETI) Act—ensuring Texas remains competitive for large-scale capital investment and job creation.

THANK YOU!!

New Developments/Discussion/Feedback

SB 2747 (Paxton) / HB 5169 (Shaheen)– Prohibits sales tax “funneling” in 380 agreements

- “...there is a potential to misuse Chapter 380 agreements to shift local sales tax revenue from one municipality to another in exchange for substantial sales tax rebates and payments to third-party consultants for facilitating the agreement.”
- Impacts incentive agreements with a business that:
 - Relocates from another city within Texas; and
 - Has a sales tax rebate agreement.
- Prohibits the rebate from the “new city” from being larger than the “old” city
- Lots of work needed on this. Looking to get more information
- 4/23 – SB 2747 heard in Senate EcoDev
- 4/28 – HB 5169 to be head in House Ways & Means

Preview Upcoming Activities

- **Monday, 4/28**

- Senate Economic Development Hearing - *not yet posted*
- House Ways & Means Committee (14 bills)
 - HB 105 (JETI Changes)
 - HB 5169 (sales tax “funneling”)

- **Tuesday, 4/29**

- Senate Business & Commerce - *not yet posted*
- Senate Floor
 - SB 2206 (Bettencourt) – R&D Tax Credit

- **Wednesday, 4/30**

- House Trade, Workforce, and Eco Dev Comm - *not yet posted*

Questions/Comments/Suggestions



Next Meeting: Friday, May 2nd