

Chapter 501 of the Texas Local Government Code:

SUBCHAPTER C. AUTHORIZED PROJECTS

Sec. 501.101. PROJECTS RELATED TO CREATION OR RETENTION OF PRIMARY JOBS.

In this subtitle, “project” includes the land, buildings, equipment, facilities, expenditures, targeted infrastructure, and improvements that are:

- (1) for the creation or retention of primary jobs; and
- (2) found by the board of directors to be required or suitable for the development, retention, or expansion of:
 - (A) manufacturing and industrial facilities;
 - (B) research and development facilities;
 - (C) military facilities, including closed or realigned military bases;
 - (D) transportation facilities, including airports, hangars, airport maintenance and repair facilities, air cargo facilities, related infrastructure located on or adjacent to an airport facility, ports, mass commuting facilities, and parking facilities;
 - (E) sewage or solid waste disposal facilities;
 - (F) recycling facilities;
 - (G) air or water pollution control facilities;
 - (H) facilities for furnishing water to the public;
 - (I) distribution centers;
 - (J) small warehouse facilities capable of serving as decentralized storage and distribution centers;
 - (K) primary job training facilities for use by institutions of higher education; or
 - (L) regional or national corporate headquarters facilities.

Added by Acts 2007, 80th Leg., R.S., Ch. 885, Sec. 3.01, eff. April 1, 2009.

Sec. 501.102. PROJECTS RELATED TO CERTAIN JOB TRAINING.

In this subtitle, “project” includes job training required or suitable for the promotion of development and expansion of business enterprises and other enterprises described by this subtitle, as provided by Section 501.162.

Added by Acts 2007, 80th Leg., R.S., Ch. 885, Sec. 3.01, eff. April 1, 2009.

Sec. 501.103. CERTAIN INFRASTRUCTURE IMPROVEMENT PROJECTS.

In this subtitle, “project” includes expenditures that are found by the board of directors to be required or suitable for infrastructure necessary to promote or develop new or expanded business enterprises, limited to:

- (1) streets and roads, rail spurs, water and sewer utilities, electric utilities, or gas utilities, drainage, site improvements, and related improvements;
- (2) telecommunications and Internet improvements; or
- (3) beach remediation along the Gulf of Mexico.

Added by Acts 2007, 80th Leg., R.S., Ch. 885, Sec. 3.01, eff. April 1, 2009.

Sec. 501.104. PROJECTS RELATED TO CERTAIN MILITARY BASES OR MISSIONS.

In this subtitle, “project” includes the infrastructure, improvements, land acquisition, buildings, or expenditures that:

- (1) are for the creation or retention of primary jobs or jobs that are included in North American Industry Classification System (NAICS) sector number 926120, Regulation and Administration of Transportation Programs, for the corresponding index entry for Coast Guard (except the Coast Guard Academy); and
- (2) are found by the board of directors to be required or suitable for:
 - (A) promoting or supporting a military base in active use to prevent the possible future closure or realignment of the base;
 - (B) attracting new military missions to a military base in active use; or
 - (C) redeveloping a military base that has been closed or realigned, including a military base closed or realigned according to the recommendation of the Defense Base Closure and Realignment Commission under the Defense Base Closure and Realignment Act of 1990 (10 U.S.C. Section 2687 note).

Added by Acts 2007, 80th Leg., R.S., Ch. 885, Sec. 3.01, eff. April 1, 2009.

Sec. 501.105. CAREER CENTER PROJECTS OUTSIDE OF JUNIOR COLLEGE DISTRICT.

In this subtitle, “project” includes the land, buildings, equipment, facilities, improvements, and expenditures found by the board of directors to be required or suitable for use for a career center, if the area to be benefited by the career center is not located in the taxing jurisdiction of a junior college district.

Added by Acts 2007, 80th Leg., R.S., Ch. 885, Sec. 3.01, eff. April 1, 2009.

Chapter 502 of the Texas Local Government Code:

Sec. 502.052. USE OF TAX REVENUE FOR MASS TRANSIT-RELATED FACILITIES.

A corporation may, as authorized by the corporation’s board of directors, spend tax revenue received under this subtitle for the development, improvement, expansion, or maintenance of facilities relating to the operation of commuter rail, light rail, or motor buses.

Chapter 505 of the Texas Local Government Code:

Sec. 505.151. AUTHORIZED PROJECTS.

In this chapter, "project" means land, buildings, equipment, facilities, expenditures, and improvements included in the definition of "project" under Chapter 501, including:

- (1) job training as provided by Section 501.162; and
- (2) recycling facilities.

Added by Acts 2007, 80th Leg., R.S., Ch. 885, Sec. 3.01, eff. April 1, 2009.

Sec. 505.152. PROJECTS RELATED TO RECREATIONAL OR COMMUNITY FACILITIES.

For purposes of this chapter, “project” includes land, buildings, equipment, facilities, and improvements found by the board of directors to be required or suitable for use for professional and amateur sports, including children's sports, athletic, entertainment, tourist, convention, and public park purposes and events, including stadiums, ball parks, auditoriums, amphitheaters, concert halls, parks and park facilities, open space improvements, museums, exhibition facilities, and related store, restaurant, concession, and automobile parking facilities, related area transportation facilities, and related roads, streets, and water and sewer facilities, and other related improvements that enhance any of the items described by this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 885, Sec. 3.01, eff. April 1, 2009.

Sec. 505.153. PROJECTS RELATED TO AFFORDABLE HOUSING.

For purposes of this chapter, "project" includes land, buildings, equipment, facilities, and improvements found by the board of directors to be required or suitable for the promotion of development and expansion of affordable housing, as described by 42 U.S.C. Section 12745.

Added by Acts 2007, 80th Leg., R.S., Ch. 885, Sec. 3.01, eff. April 1, 2009.

Sec. 505.154. PROJECTS RELATED TO WATER SUPPLY FACILITIES AND WATER CONSERVATION PROGRAMS.

For purposes of this chapter, "project" includes land, buildings, equipment, facilities, and improvements found by the board of directors to be required or suitable for:

- (1) the development or improvement of water supply facilities, including dams, transmission lines, well field developments, and other water supply alternatives; or
- (2) the development and institution of water conservation programs, including incentives to install water-saving plumbing fixtures, educational programs, brush control programs, and programs to replace malfunctioning or leaking water lines and other water facilities.

Added by Acts 2007, 80th Leg., R.S., Ch. 885, Sec. 3.01, eff. April 1, 2009.

Sec. 505.155. PROJECTS RELATED TO BUSINESS ENTERPRISES THAT CREATE OR RETAIN PRIMARY JOBS.

For purposes of this chapter, "project" includes land, buildings, equipment, facilities, and improvements found by the board of directors to promote or develop new or expanded business enterprises that create or retain primary jobs, including:

- (1) a project to provide public safety facilities, streets and roads, drainage and related improvements, demolition of existing structures, general municipally owned improvements, and any improvements or facilities related to a project described by this subdivision; and
- (2) any other project that the board of directors in the board's discretion determines promotes or develops new or expanded business enterprises that create or retain primary jobs.

Added by Acts 2007, 80th Leg., R.S., Ch. 885, Sec. 3.01, eff. April 1, 2009.

Promotional Expenditures:

Sec. 505.103. LIMITATION ON USE OF REVENUES FOR PROMOTIONAL PURPOSES.

A Type B corporation may spend not more than 10 percent of the corporate revenues for promotional purposes.

Added by Acts 2007, 80th Leg., R.S., Ch. 885, Sec. 3.01, eff. April 1, 2009.

Job Training:

Sec. 501.162. USE OF TAX REVENUE FOR JOB TRAINING.

A corporation may spend tax revenue received under this subtitle for job training offered through a business enterprise only if the business enterprise has committed in writing to:

- (1) create new jobs that pay wages that are at least equal to the prevailing wage for the applicable occupation in the local labor market area; or
- (2) increase its payroll to pay wages that are at least equal to the prevailing wage for the applicable occupation in the local labor market area.

Added by Acts 2007, 80th Leg., R.S., Ch. 885, Sec. 3.01, eff. April 1, 2009.

Definition of “Cost”:

Sec. 501.152. DEFINITION OF COST WITH RESPECT TO PROJECT.

In this subtitle, "cost," with respect to a project, means the cost of the acquisition, cleanup, construction, reconstruction, improvement, or expansion of a project, including:

- (1) the cost of acquiring all land, rights-of-way, property rights, easements, and interests;
- (2) the cost of all machinery and equipment;
- (3) financing charges;
- (4) the cost of inventory, raw materials, and other supplies;
- (5) research and development costs;
- (6) interest accruing before and during construction and until the first anniversary of the date the construction is completed, regardless of whether capitalized;
- (7) necessary reserve funds;
- (8) the cost of estimates, including estimates of cost and revenue;
- (9) the cost of engineering or legal services;
- (10) the cost of plans, specifications, or surveys;
- (11) other expenses necessary or incident to determining the feasibility and practicability of acquiring, cleaning, constructing, reconstructing, improving, and expanding the project;
- (12) administrative expenses; and
- (13) other expenditures necessary or incident to:
 - (A) acquiring, cleaning, constructing, reconstructing, improving, and expanding the project;
 - (B) placing the project in operation; and
 - (C) financing or refinancing the project, including refunding any outstanding obligations, mortgages, or advances issued, made, or given by a person for a cost described by this section.

Added by Acts 2007, 80th Leg., R.S., Ch. 885, Sec. 3.01, eff. April 1, 2009.

Definition of “Primary Job”:

Sec. 501.002. DEFINITIONS. In this subtitle:

(12) "Primary job" means:

(A) a job that is:

- (i) available at a company for which a majority of the products or services of that company are ultimately exported to regional, statewide, national, or international markets infusing new dollars into the local economy; and
- (ii) included in one of the following sectors of the North American Industry Classification System (NAICS):

NAICS Sector #	Description
111	Crop Production
112	Animal Production
113	Forestry and Logging
11411	Commercial Fishing
115	Support Activities for Agriculture and Forestry
211-213	Mining
221	Utilities
311-339	Manufacturing
42	Wholesale Trade
48-49	Transportation and Warehousing
51 (excluding 512131 and 512132)	Information (excluding motion picture theaters and drive-in motion picture theaters)
523-525	Securities, Commodity Contracts, and Other Financial Investments and Related Activities; Insurance Carriers and Related Activities; Funds, Trusts, and Other Financial Vehicles
5413, 5415, 5416, 5417, and 5419	Architectural, Engineering, and Related Services; Computer System Design and Related Services; Management, Scientific, and Technical Consulting Services; Scientific Research and Development Services; Other Professional, Scientific, and Technical Services
551	Management of Companies and Enterprises
56142	Telephone Call Centers
922140	Correctional Institutions; or

(B) a job that is included in North American Industry Classification System (NAICS) sector number 928110, National Security, for the corresponding index entries for Armed Forces, Army, Navy, Air Force, Marine Corps, and Military Bases.