

# TEXAS ECONOMIC DEVELOPMENT & TOURISM



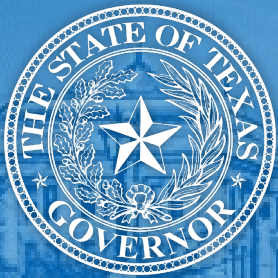
OFFICE OF  
THE GOVERNOR



OFFICE OF  
THE GOVERNOR

# TEXAS ECONOMIC DEVELOPMENT & TOURISM

## Expanding Economic Prosperity in Texas Communities



# ABOUT US: EDT

# EDT: Our Mission

*"To positively impact the economic prosperity of Texas"*



- Market and promote Texas as a premier business location & tourist destination
- Facilitate new jobs and investment through the location, expansion and retention of national & international investment
- Administer state incentive programs for business and community development
- Provide businesses assistance exporting products & services to international markets
- Serve as a central source of economic research
- Establish strategies to address economic growth in targeted industries



# Office of the Governor

## Texas Economic Development & Tourism

The Texas Economic Development & Tourism Office (EDT) promotes the state of Texas as a leading global business location and premier travel destination.



**Business &  
Community  
Development**

**Economic  
Development  
Finance**

**Texas  
CHIPS  
Office**

**Texas  
Workforce  
Investment  
Council**

**Texas  
Music  
Office**

**Travel  
Texas**

**Texas Film  
Commission**

# Texas CHIPS Office

The Texas CHIPS Office is a newly formed division within the Texas Economic Development & Tourism Office, within the Office of the Governor, created to provide support to the TSIC and assist in the administration of the TSIF.

- Texas Semiconductor Innovation Consortium (TSIC)
- Texas Semiconductor Innovation Fund (TSIF)

# Texas Workforce Investment Council (TWIC)



TWIC is responsible for promoting the development of a well-educated, highly skilled workforce for Texas and advocating for an integrated workforce system that provides quality, relevant services that address the needs of Texas businesses and its workers.

- Strategic planning
- Evaluation and performance measurement
- Research and continuous improvement
- Review of state and local workforce plans and reports to ensure alignment with statewide goals and objectives
- Maintenance of the Texas Skill Standards system



# Texas Music Office

Texas Music Office (TMO) informs members of the industry and the public about the resources available in the state for music production. TMO attracts businesses and talent to Texas for continued growth, attends tradeshows and conferences to foster business opportunities and promotes Texas as a music tourism destination.

- Music Friendly Community Program
- Music Trails
- Music Industry Resources
- Texas Music Education & Community Grant Program (aka the License Plate Grant)
- New Business Development
- Annual Events
- Music Education in Texas
- Texas Music Industry Economic Impact Report



# Travel Texas



Travel Texas is the state entity responsible for travel and tourism promotion to non-Texans and promotion of travel in Texas by Texans. The program's mission is to enhance and extend local economic development efforts by marketing Texas as a premier travel destination in out-of-state domestic and international markets, thereby generating non-Texan travel to the state and ultimately creating revenues and jobs for Texas communities.

- Domestic advertising campaign targeting out-of-state travelers and Texans
- Advertising in primary international source markets
- Public relations and marketing promotions targeting consumers, media and travel trade in domestic and primary international source markets
- Travel research and tracking available to Texas travel industry
- Tourism Friendly Texas Certified Community program

# Texas Film Commission



Texas Film Commission (TFC) is the first stop for resources that serve the film, television, commercial, animation, visual effects and video game industries of Texas. TFC supports the state's global position as a premier production destination across all media industries and acts as a liaison between various state agencies and production companies while also helping to administer requests pertaining to the use of state-owned properties for filming and encourage productions to hire locally.

- Film Friendly Texas
- Texas Moving Image Archive
- Texas Film Trails
- Texas Moving Image Industry Incentive Program
- Sales Tax Exemptions & Refunds
- Job Hotline
- Film Industry Resources
- Media Production Development Zone Program

# Office of the Governor

## Texas Economic Development & Tourism

The Texas Economic Development & Tourism Office (EDT) promotes the state of Texas as a leading global business location and premier travel destination.



**Business &  
Community  
Development**

**Economic  
Development  
Finance**

**Texas  
CHIPS  
Office**

**Texas  
Workforce  
Investment  
Council**

**Texas  
Music  
Office**

**Travel  
Texas**

**Texas Film  
Commission**

# Business & Community Development (BCD)

BCD focuses on the creation of new jobs and investment through domestic and international business recruitment, expansion and retention; increasing Texas exports; and small business development and entrepreneurship.

- Business Recruitment
- Business Retention & Expansion
- Small Business & Permit Assistance
- International Trade
- Economic Research
- Marketing & Promotion
- Regional Offices

# Industry Engagement & Business Retention

The Industry Engagement and Business Retention team assists in identifying and locating resources, programs and contacts necessary for businesses and communities to foster the growth, development and retention of industries and industry clusters in Texas. Industry Specialists serve as liaisons to industry allies statewide, including the private sector, trade and professional organizations, and other local and regional economic development stakeholders.

## **Initiatives:**

- Business retention
- Industry engagement and outreach
- Industry cluster research
- Subject-matter expertise
- Office of Aerospace & Aviation
- Governor's Broadband Development Council

# Office of Small Business Assistance

The Office of Small Business Assistance serves as the principal resource for small businesses and entrepreneurs in Texas. The team provides opportunities for effective education, training, management and technical assistance to entrepreneurs and small businesses in the state. The office is a comprehensive clearinghouse of resources to help entrepreneurs and small business owners start, grow and sustain their businesses.

- Governor's Small Business Summits and Webinar Series
- The Governor's Small Business Resource Portal
- Small Business Handbook
- Research and studies
- Technical business assistance

[gov.texas.gov/smallbusiness](http://gov.texas.gov/smallbusiness)

# Business Permit Office

The Business Permit Office (BPO) assists businesses of all sizes in navigating Texas' permitting, licensing and regulatory environment and aids in resolving permitting issues that arise.

- Ombudsman/liaison for permitting and licensing assistance
- Comprehensive Texas permit guide by business type

[gov.texas.gov/business/page/business-permits-office](https://gov.texas.gov/business/page/business-permits-office)

# International Business & Trade

The International Business and Trade team helps Texas companies looking to do business internationally. The team also assists foreign companies that are looking to expand or relocate to the Lone Star State.

## **Initiatives:**

- Texas Export Assistance Program
- State Trade Expansion Program (STEP) grants

## **State of Texas Mexico Office (STMO)**

STMO markets Texas as the premier business investment destination for Mexican companies looking to invest in the state. STMO also assists Texas businesses wishing to export to Mexico.



# Research & Economic Analysis

Research & Economic Analysis supports all areas of EDT. The team is responsible for data mining, industry analysis and GIS mapping in support of business and community development efforts. Research Specialists conduct research and coordinate and disseminate economic development data, reports, trends and analysis.

## **Research collects data and produces:**

- Texas economic overviews
- FDI in Texas analysis
- Texas industry profiles
- Workforce reports
- Texas rankings
- Business climate comparisons
- Specialized reports
- Governor's Cup data aggregation

# Marketing

The Marketing team coordinates outreach and communication efforts for BCD, promoting Texas as the best place for business. The team manages all online platforms, produces promotional materials and compiles reports for all BCD needs.

## Content Produced:

- Industry Reports & Publications
- Trade Show & Event Marketing
- Newsletters & Agency Updates
- Web & Social Media Content
- Social Media Channels Managed:

     @TexasEconDev

# Community Relations

The Community Relations team represents the office in six regions around the state. The Regional Representatives communicate directly with the local governments and stakeholders to assist with increasing economic development capacity, organize workshops and provide stakeholders with updates on state programs and resources.

**Panhandle - Vacant**

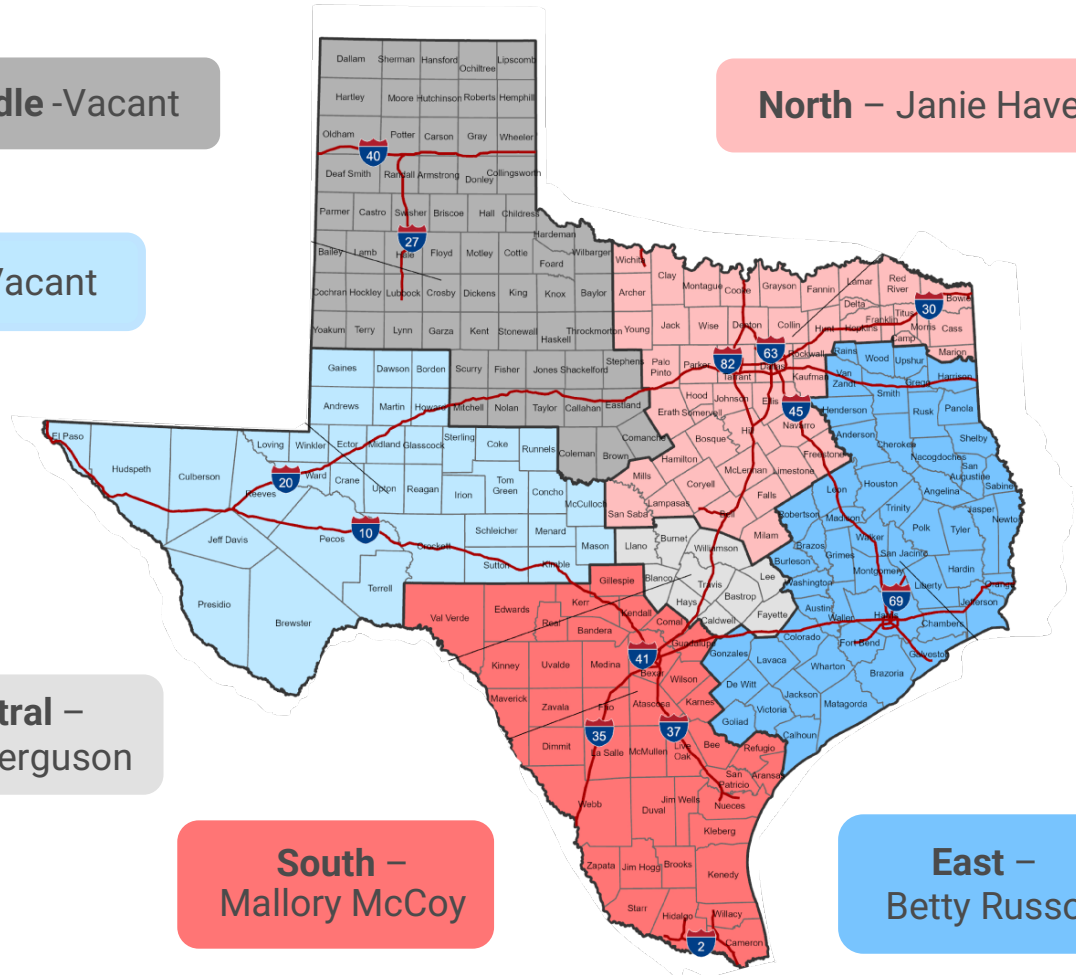
**North – Janie Havel**

**West - Vacant**

**Central – Sean Ferguson**

**South – Mallory McCoy**

**East – Betty Russo**



# Economic Development Finance

Economic Development Finance provides globally competitive, cost-effective financial tools and incentives to support and facilitate business expansion and relocation to Texas, ensuring Texas communities and businesses have access to capital for economic development purposes.

- Texas Enterprise Fund
- Spaceport Trust Fund
- Texas Enterprise Zone Program
- Governor's University Research Initiative (GURI)
- Product Development & Small Business Incubator Fund
- Major Events Reimbursement Program
- Event Trust Funds



**WHY TEXAS?**

# Economic Strength



Texas is the 8th largest economy in the world based on GDP, ahead of Russia, Canada, Italy & Brazil.



In 2023, Texas was the nation's top exporter for the 22nd year in a row.



Texas has the second largest civilian labor force in the nation—more than 15.2 million industrious people



With no corporate income tax and no individual income tax, Texas has one of the lowest tax burdens in the country.



Texas was #1 in the nation for jobs added in 2023 with 369,600 jobs.



Texas ranks #1 in the nation for foreign trade zone economic impact.

# Awards & Accolades



Texas named the nation's 'Best State for Business' for the 19th consecutive time



Texas is ranked as the 'Best Business Climate' in America for 2023



Texas received Area Development Magazine's 'Silver Shovel Award'



Texas awarded Site Selection Magazine's Governor's Cup for the 12th year in a row



Texas ranked as #1 growth state in the nation for 2023



Texas is home to three of the top 10 most diverse cities in the nation

# Awards & Accolades



Texas named '2023 State of the Year' by Business Facilities Magazine



Texas ranked #1 for jobs created by African American, Hispanic women and veteran business owners



Texas is among the Best States to Start a Business in the country



Texas ranked as the 'Best Business Climate' in the U.S. by corporate executives and site selectors



Texas ranked #1 in the nation for Foreign Trade Zone activity



Six Texas colleges ranked among the top 100 schools on the 'Best National Universities' list for 2022-23



# Diverse & Growing Population



More than 15.2 million strong, Texas' civilian labor force is the **second largest in the nation** and continues to grow.



Texas' population grew **more in 2023 than any other state**, for the 18th year in a row.



With a population of **30.5 million**, Texas is a popular location for talent to relocate.



Texas has added nearly **4.8 million new residents** since 2010—more than California and New York combined.



# Texas universities ranked among top 100 in the U.S.

- U.S. News & World Best Colleges Report 2022-2023



# Higher Education

Texas has a robust network of higher education institutions that vary in size and program specializations but are all united by one commonality—producing top talent across the state. Texas universities and research institutions are **national and global leaders in R&D** in many industries, including electronics, medical, biotechnology, aerospace, advanced materials and energy.

37

PUBLIC FOUR-YEAR  
UNIVERSITIES

7

PUBLIC UNIVERSITY  
SYSTEMS

44

INDEPENDENT FOUR-YEAR  
UNIVERSITIES

50

COMMUNITY COLLEGE  
DISTRICTS

15

MEDICAL UNIVERSITIES

11

TIER-ONE UNIVERSITIES

# Education: K-12



Texas high school graduation rate is 89.7%.

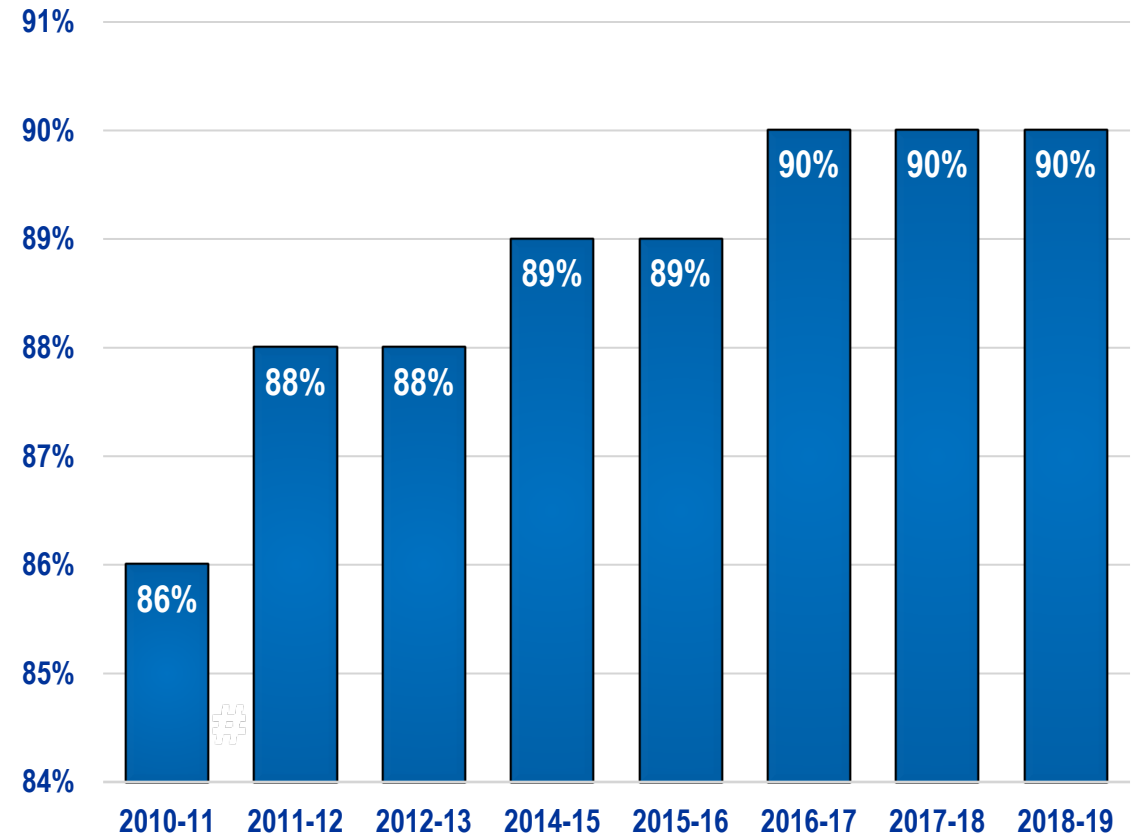


Texas has 29 Blue Ribbon schools in 2023.



Texas has 9 public high schools ranked among the top 100 in the U.S.

Texas High School Graduation Rates 2010-2019



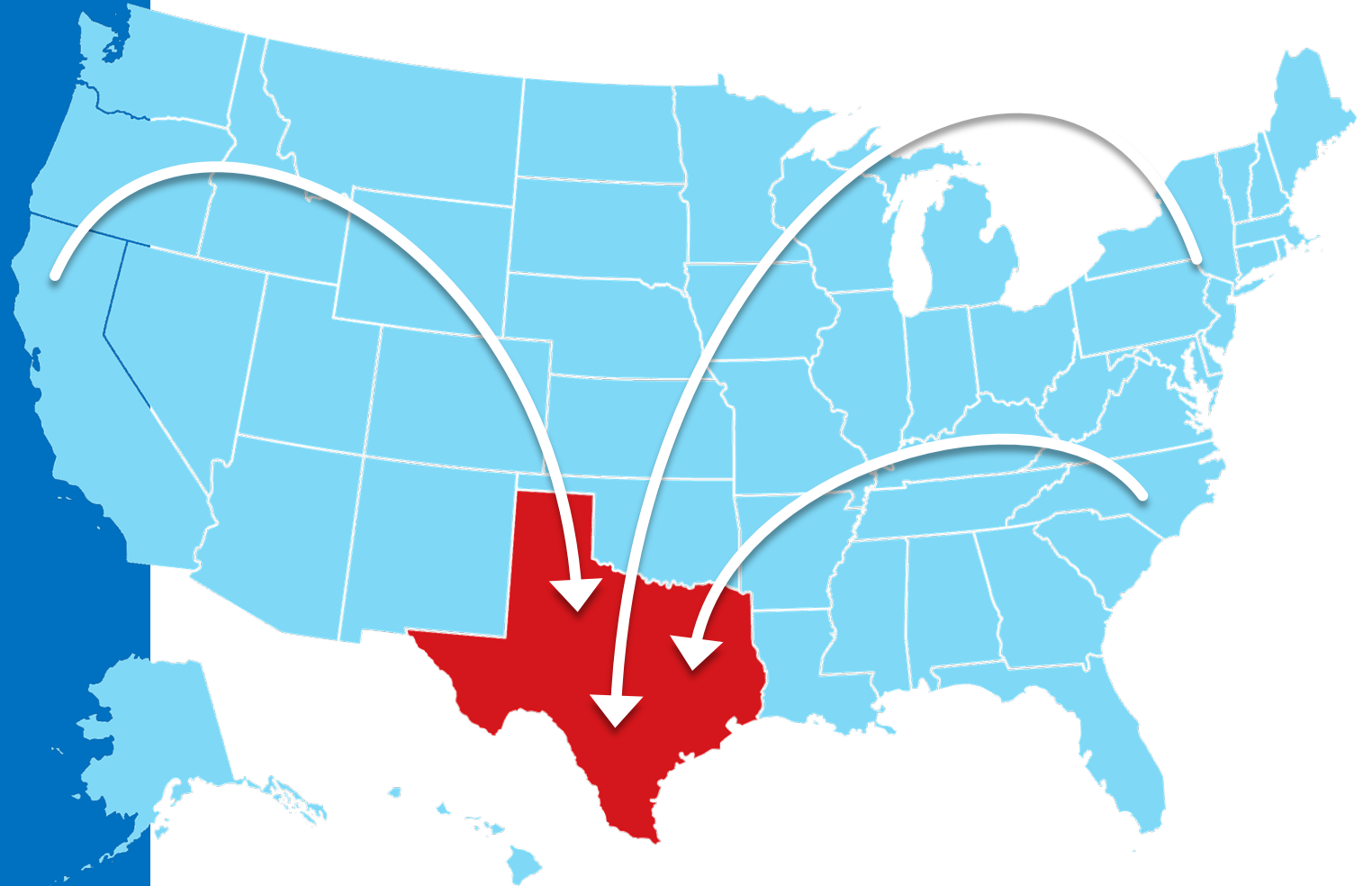
# Location & Access

Texas' central location, strategically located in the center of North America, allow for easy access to markets around the world.



# Central Location

Texas is located in the center of the U.S., allowing for easy access to domestic and global markets. Companies can quickly reach customers around the nation and the world.



# Infrastructure

## MULTIMODAL ACCESS TO THE WORLD

Reach all major domestic and international markets from Texas by land, sea and air. Texas' central location, ports and investment in road, rail and air networks has put it above all other states when it comes to the movement of people and goods.



**380+ AIRPORTS**, 26 commercial airports



Of Texas' **19 SEAPORTS**, 11 are deep seaports



**10,500 MILES** of freight rail, more than any state



**More than 314,600 MILES** of public roads connect Texas

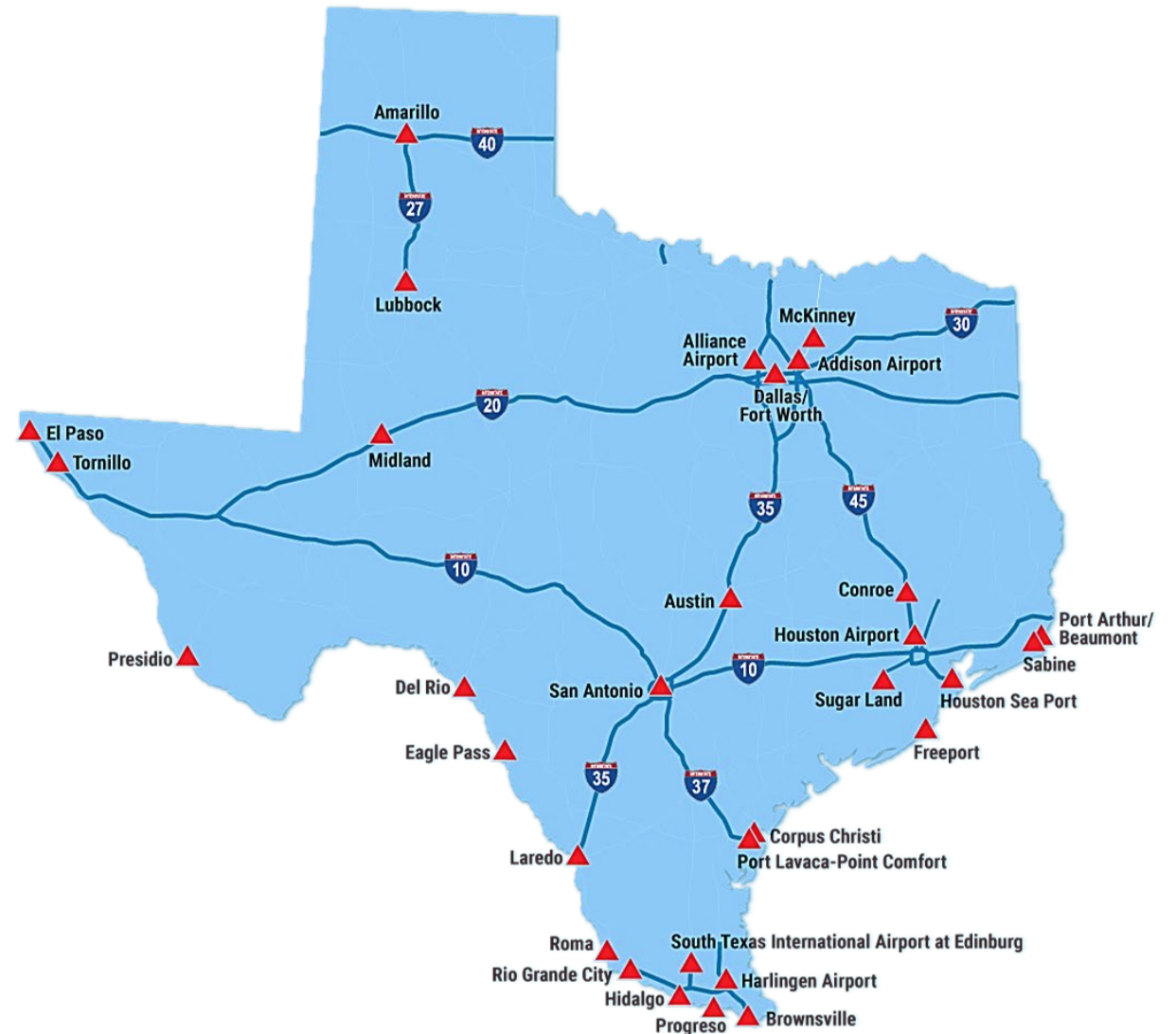


# U.S. Ports of Entry in Texas

Texas offers international companies approximately 31 ports of entry. The state's transportation network keeps getting stronger with continued investment in infrastructure.

**\$142 BILLION**

COMMITMENT TO INVESTMENT  
IN TEXAS TRANSPORTATION  
INFRASTRUCTURE





# Airports

## CONNECTION TO MAJOR MARKETS

In Texas, more than 380 airports, including 26 commercial airports, make up the second-largest state airport system in the U.S.

Texas is home to six of the top 50 busiest airports in the country, by annual passengers boarded.

Texas has more airports than any other state, two international airline headquarters and a major hub for a third.



# Seaports

## EASY ACCESS TO THE WORLD

Texas' seaports and Foreign Trade Zones (FTZs) are among those handling some of the nation's top amounts of cargo.

With 19 seaports, including 11 deep water ports with channels at least 30 feet deep, Texas ranks as the top U.S. state for manufacturing exports and shipment value.



# Foreign Trade Zones (FTZs)

## EASY ACCESS TO THE WORLD

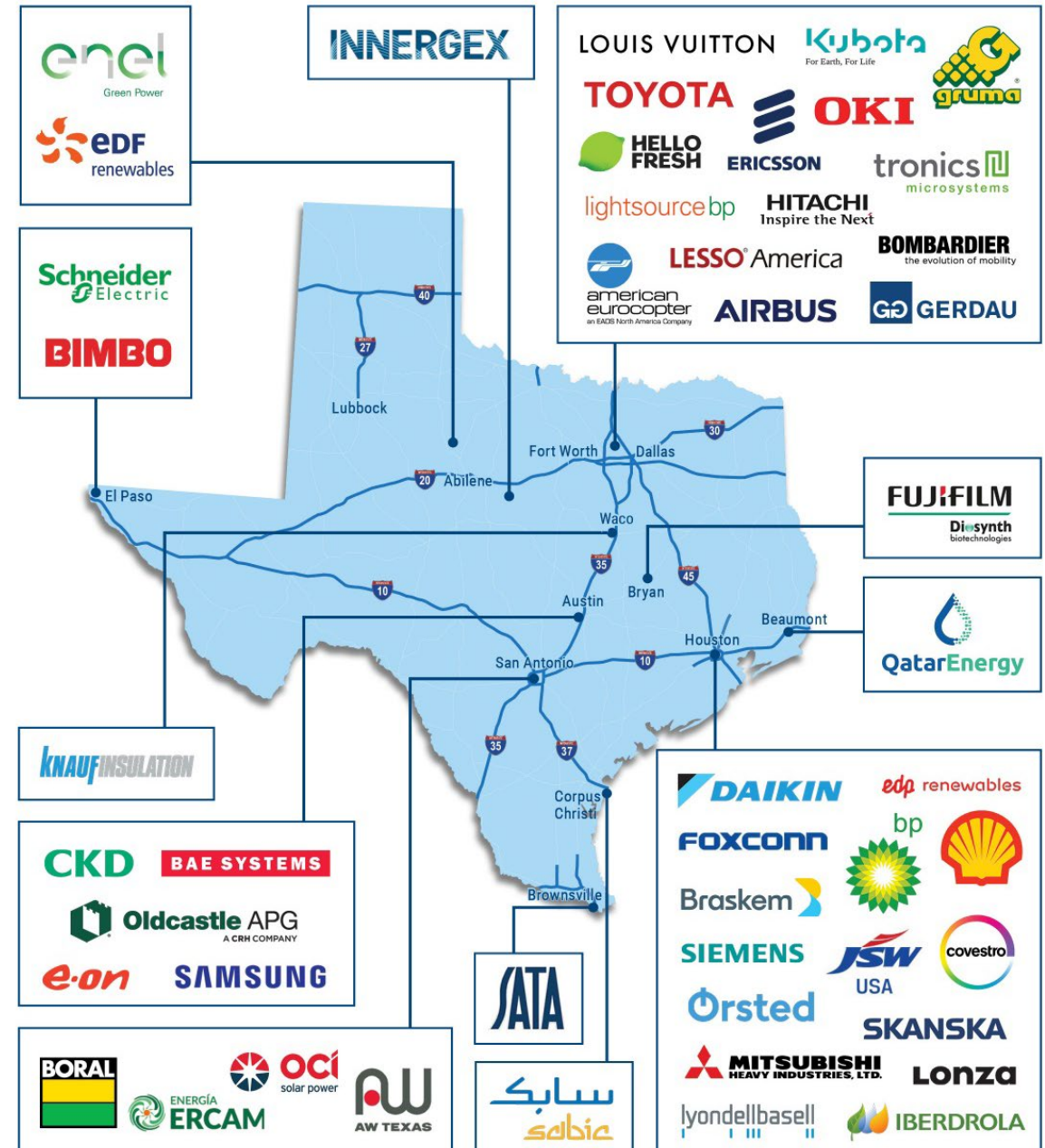
Texas' seaports and Foreign Trade Zones (FTZs) are among those handling some of the nation's top amounts of cargo.

34 FTZs allow the flow of goods without formal customs entry, import quotas or most other restrictions.



# International Companies in Texas

Texas is the #1 U.S. destination for foreign direct investment capital expenditures over the last two decades.



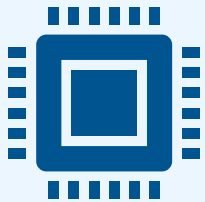
# International Trade & FDI



Texas ranked as the #1 exporter in the U.S. for 22 years in a row in 2023—more than a decade of dominance.



Texas leads the nation in jobs supported by exports at more than 1 million jobs.



For the 11th consecutive year in 2023, Texas led the nation in high-tech exports.



Texas' top trade partners include Mexico, Canada, China, South Korea & Japan.

# Low Tax Burden

## THE NATION'S TOP CORPORATE TAX ENVIRONMENT

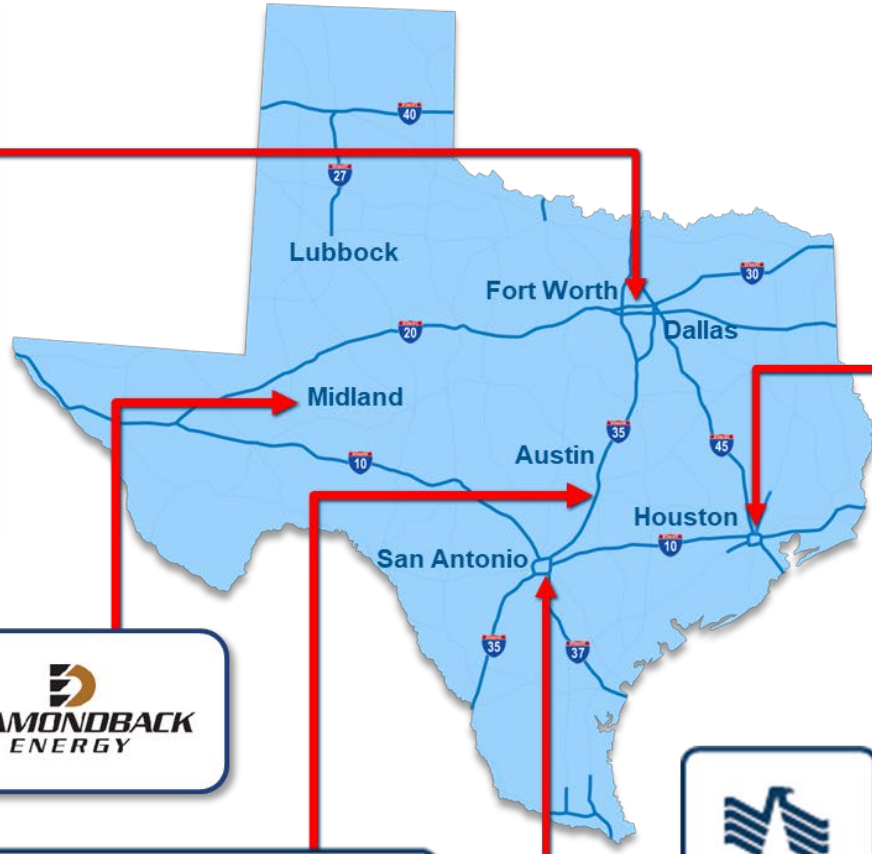
With no corporate or personal income tax, Texas has one of the lowest tax burdens in the nation.

Governor Abbott and the Texas Legislature continue efforts to make the state even more competitive from a tax perspective:

- **Franchise tax reduction:** 25% reduction in the franchise tax
- **Property tax reform:** Reduction of property taxes and limit on the ability for local governments to increase property taxes
- **No personal income tax:** Constitutional ban on personal income tax

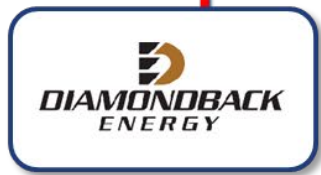


# Texas: The HQ of HQs



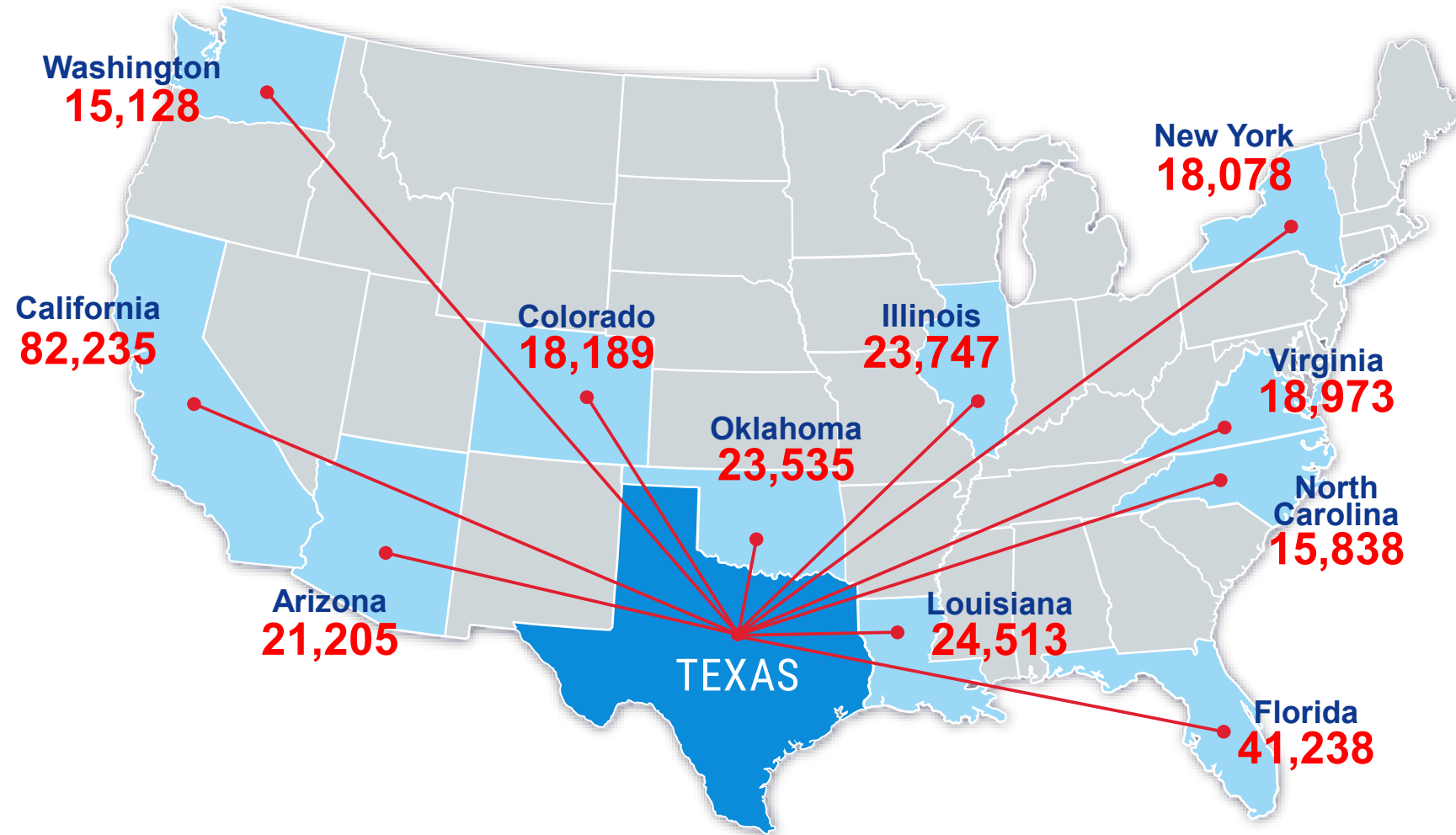
**FORTUNE  
500**

Texas is home to 55 Fortune 500 corporate headquarters, more than any other state.



# Population Growth

**PEOPLE MOVING TO TEXAS  
FROM ACROSS THE U.S.**





# Quality of Life

The Lone Star State continues to attract businesses and workers from across the nation and around the world to take advantage of its comparatively low cost of living and dynamic cultural and recreational opportunities.

## TEXAS SPORTS

Sports rule in Texas, and the state is renowned for its sporting events, with professional teams including:

- Basketball (NBA): Dallas Mavericks, Houston Rockets, San Antonio Spurs; (WNBA): Houston Comets
- Football (NFL): Dallas Cowboys, Houston Texans
- Baseball (MLB): Houston Astros, Texas Rangers
- Hockey (NHL): Dallas Stars
- Soccer (MLS): Dallas Burn, Austin FC
- Formula 1
- X Games
- Texas Motor Speedway, Circuit of the Americas

## TEXAS PARKS & RECREATION

Texas is an immense state second only to Alaska in size. Texas boasts:

- More than 90 state parks
- 191,000 miles of rivers and streams
- 360 miles of coastline
- More than 70 working ranches
- Over 770 golf courses accessible year round due to the weather in Texas

# Quality of Life: Cost of Living

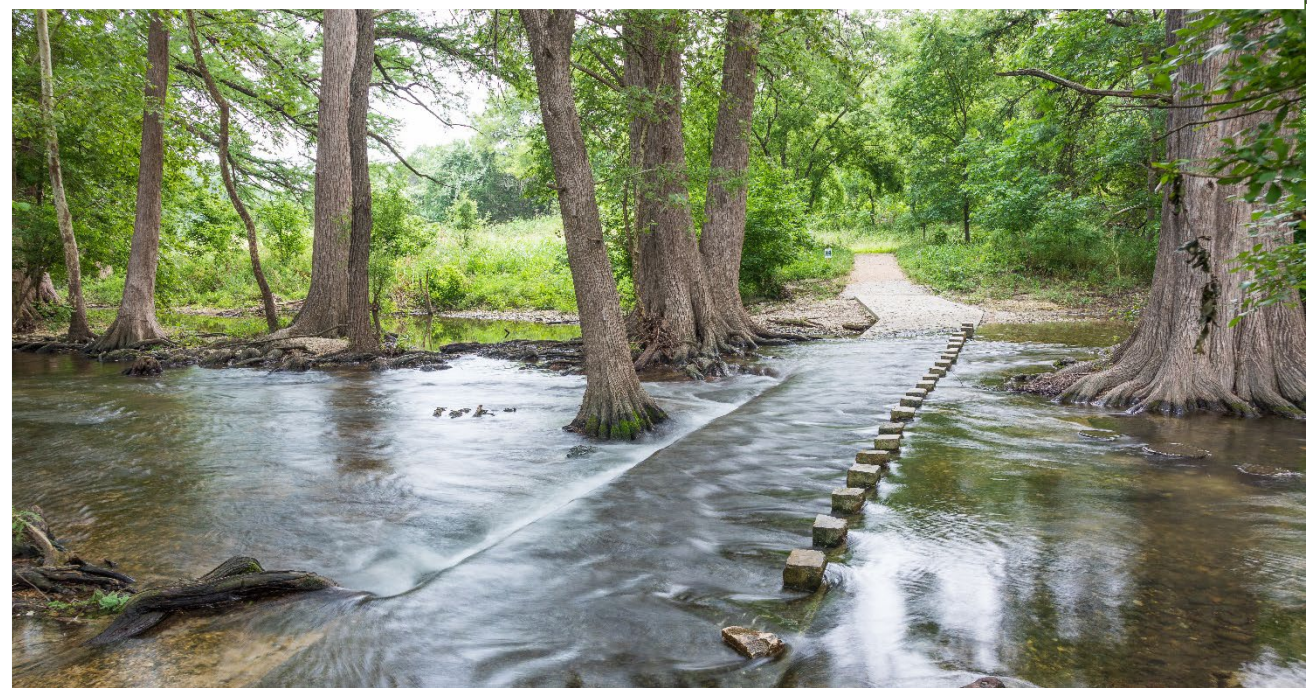
## 2022 Q3 AVERAGE COST OF LIVING

The **Texas Housing Index** is **84.8**, well below the base of 100 for the U.S.

Among the top 5 most populous states, **Texas ranks #2** for most affordable single family home cost.

State	Rank	Index	Grocery	Housing	Utilities	Transportation	Heath	Misc
<b>Texas</b>	17	92.6	91.0	84.8	105.9	91.9	94.8	96.8
<b>Florida</b>	33	104.5	106.4	112.2	99.0	97.7	98.0	100.2
<b>California</b>	49	138.7	112.3	194.0	122.4	124.4	109.7	110.0
<b>New York</b>	48	135.7	109.2	194.1	100.6	105.6	103.1	114.9



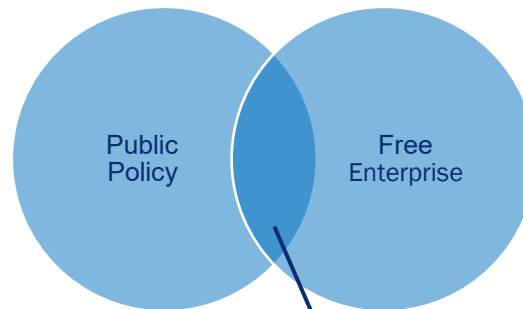




# ECONOMIC AND BUSINESS DEVELOPMENT UPDATE

# Economic Development

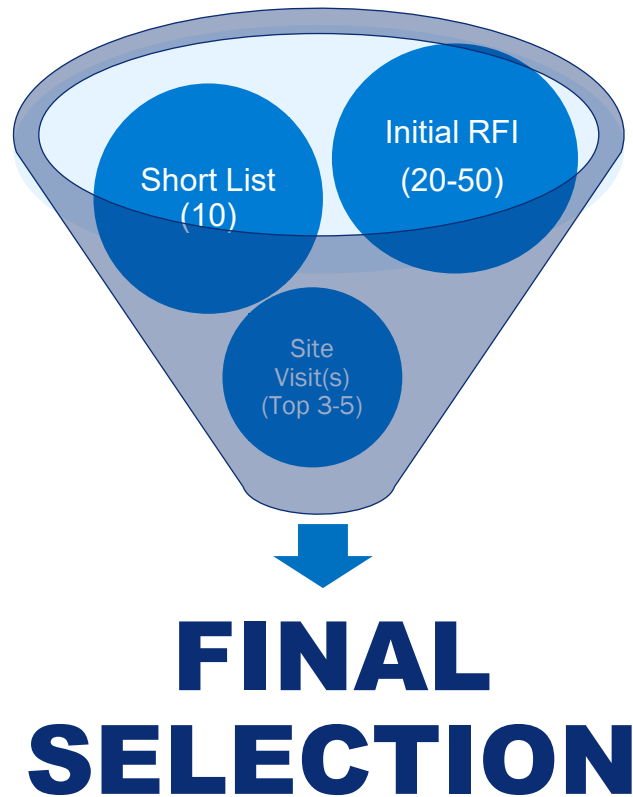
- Creates **economic diversity** that sustains each local economy throughout business cycles
- **Goal: to increase the per capita income levels of residents.**



**Economic Development**

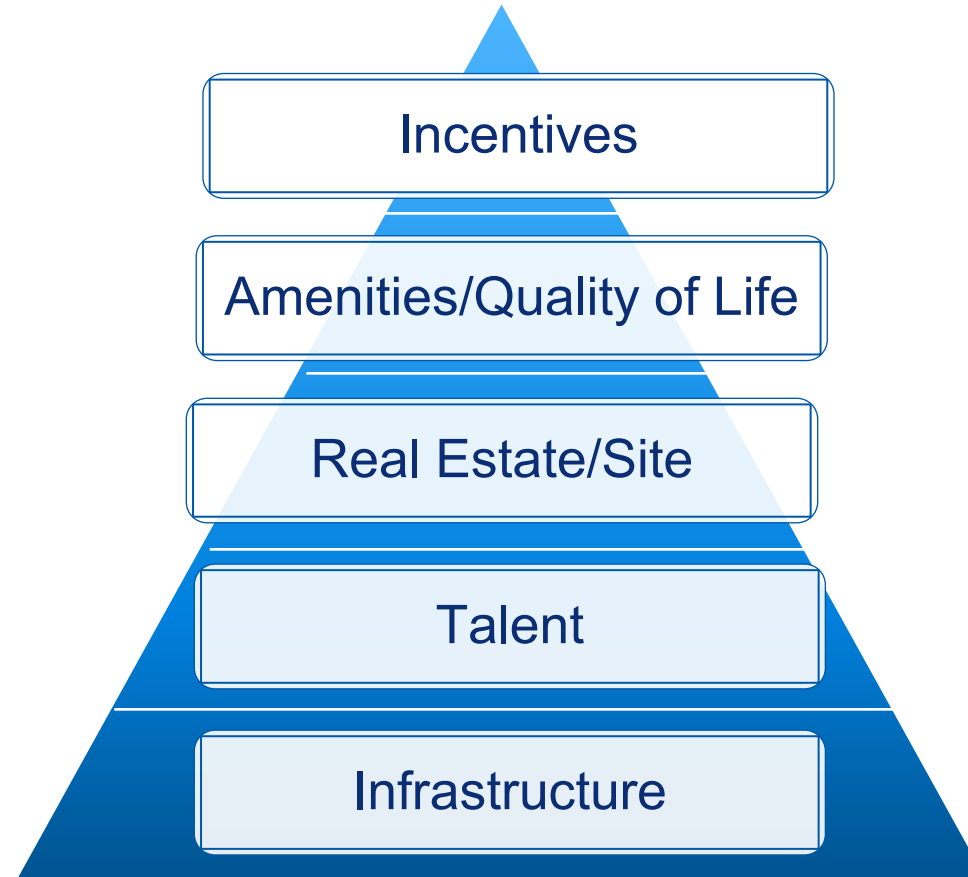
# Economic Development

- Not “Site Selection” but “Site Elimination”



# Economic Development

- “Hierarchy of Needs”





# Economic Development

## What Differentiates Your Locality?

- What is our comparative advantage?
  - Workforce
  - “Business Friendly”
  - Tax Structure
  - Reasonable Regulations
  - Universities & Innovation
  - Infrastructure
  - Geographic location
  - Cost of doing business
  - Affordability

THE GONNETT  
TO THE XAS

# TEXAS ECONOMIC DEVELOPMENT MODEL



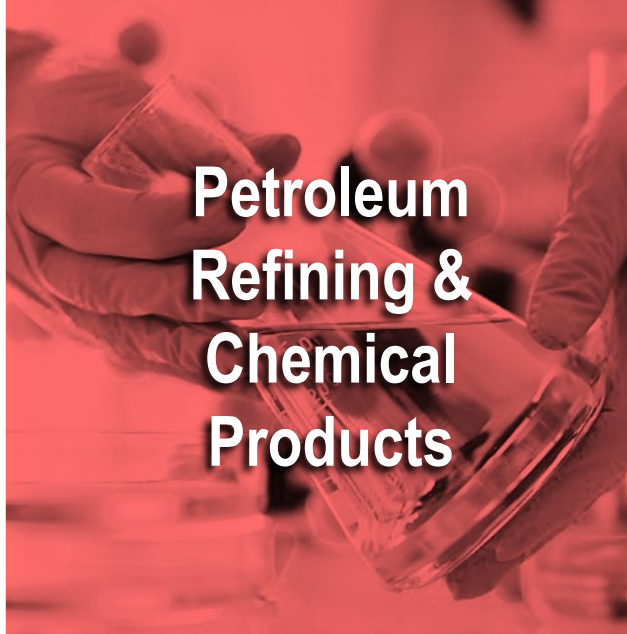
The State of Texas' economic development model provides decentralized and local control to Economic Development Organizations (EDO).



**Information  
Technology**



**Advanced  
Manufacturing**



**Petroleum  
Refining &  
Chemical  
Products**



**Biotechnology  
& Life Sciences**

## TARGETED GROWTH INDUSTRIES IN TEXAS



**Corporate  
Services**



**Aerospace,  
Aviation  
& Defense**



**Energy**



**Creative**

# TEXAS ECONOMIC DEVELOPMENT — FY 2023 — YEAR IN REVIEW



THE BUSINESS & COMMUNITY DEVELOPMENT TEAM ASSISTED WITH:

316

INVESTMENT  
PROSPECTS

50

PROJECTS  
ANNOUNCED

EXPECTED TO CREATE AT LEAST:

16,760  
NEW JOBS



\$24.5B  
IN CAPEX



582

BUSINESS  
ASSISTANCES

497

PERMIT  
ASSISTANCES

85

INDUSTRY  
ENGAGEMENTS

695

COMMUNITY  
ENGAGEMENTS

11,740



The Governor's  
Small Business  
Resource Portal

SMALL BUSINESS RESOURCE  
PORTAL ENGAGEMENTS



THE OFFICE OF SMALL BUSINESS ASSISTANCE HOSTED

20

SMALL BUSINESS WITH  
EVENTS & WEBINARS

+2,800

PARTICIPANTS

# Business Development Update

IN DECEMBER 2023, THERE WERE 31  
PROJECTS ANNOUNCED IN THE NEWS:

**31** 

**NEW PROJECTS**

WITH A TOTAL INVESTMENT OF:

**\$28.8 MILLION**

TOP PROJECT BY INVESTMENT:

Petrosmith  
**\$25 MILLION**

Expand manufacturing facilities  
Abilene, Texas

AND TOTAL NEW JOB CREATION:

**908 JOBS**

TOP PROJECT BY JOBS CREATED:

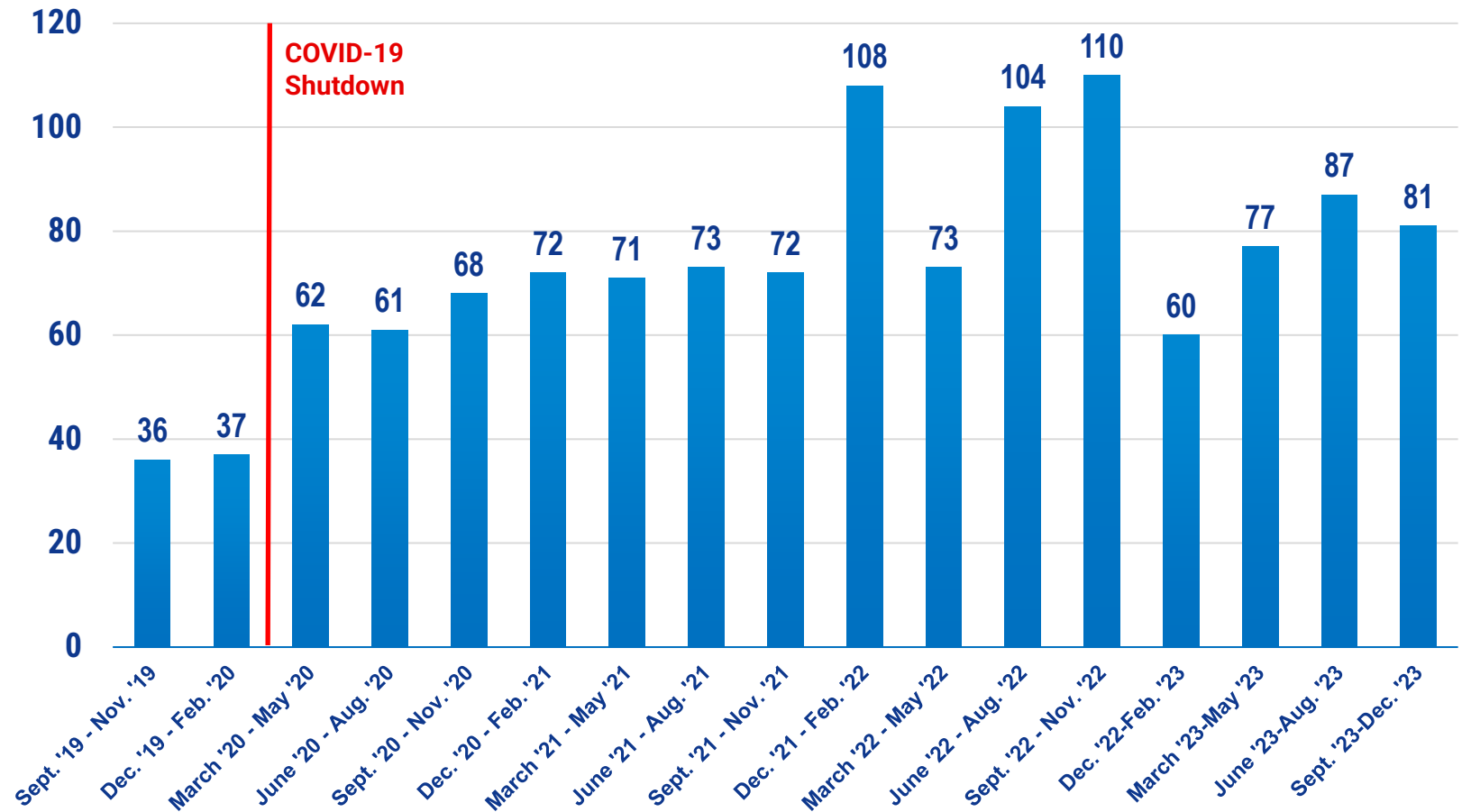
Calpine Corporation  
**300 JOBS**

Expansion of Energy Center  
Houston, Texas

# Prospects Developed

**335+**

PROJECTS CURRENTLY  
IN THE PIPELINE

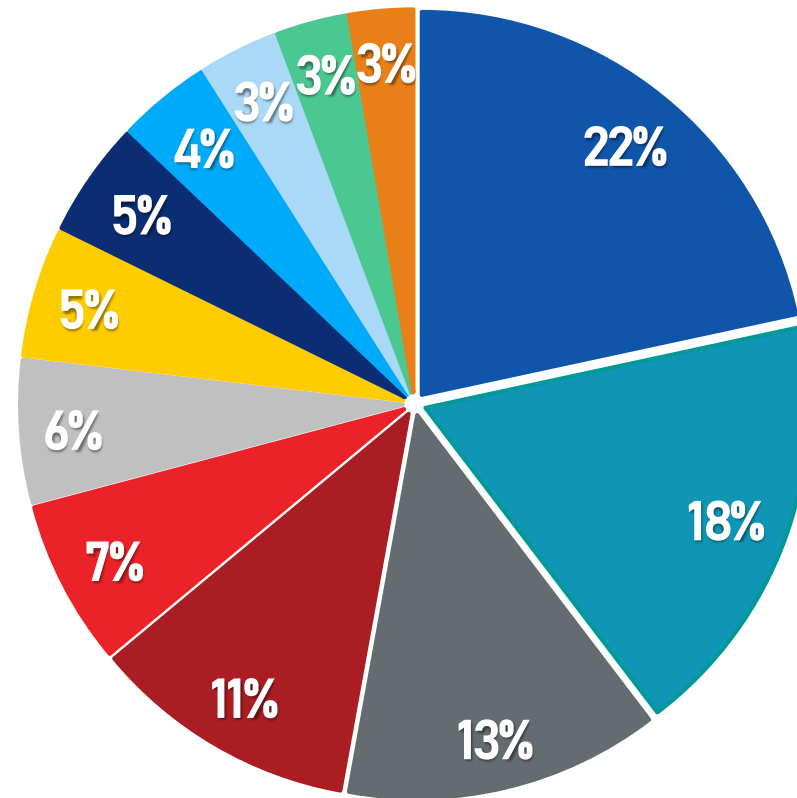


# Business Development Update

## INDUSTRY OVERVIEW

### ACTIVE PROJECTS

(AS OF Q4 2023)



- General Manufacturing
- Advanced Technology & Manufacturing
- Energy
- Petroleum Refining & Chemical Products
- Aerospace, Aviation & Defense
- Automotive Manufacturing
- Food & Agriculture
- Biotechnology & Life Sciences
- Other
- Corporate Services
- Distribution & Supply Chain
- Information & Computer Technology



# Business Development: 2023 Recap

IN 2023, THERE WERE MORE THAN 1,200  
NEW PROJECTS ANNOUNCED IN TEXAS:

**1,200**  
**NEW PROJECTS**

WITH A TOTAL INVESTMENT OF:

**\$58+ BILLION**

AND TOTAL NEW JOB CREATION:

**38,600+ JOBS**

IN 2023, THERE WERE 16 CORPORATE HEADQUARTER RELOCATIONS TO TEXAS:

**16** **HEADQUARTER RELOCATIONS**

# 2023 Announcements



# Total HQ Relocations To Texas (2015 - Jan. 2024)

**291**

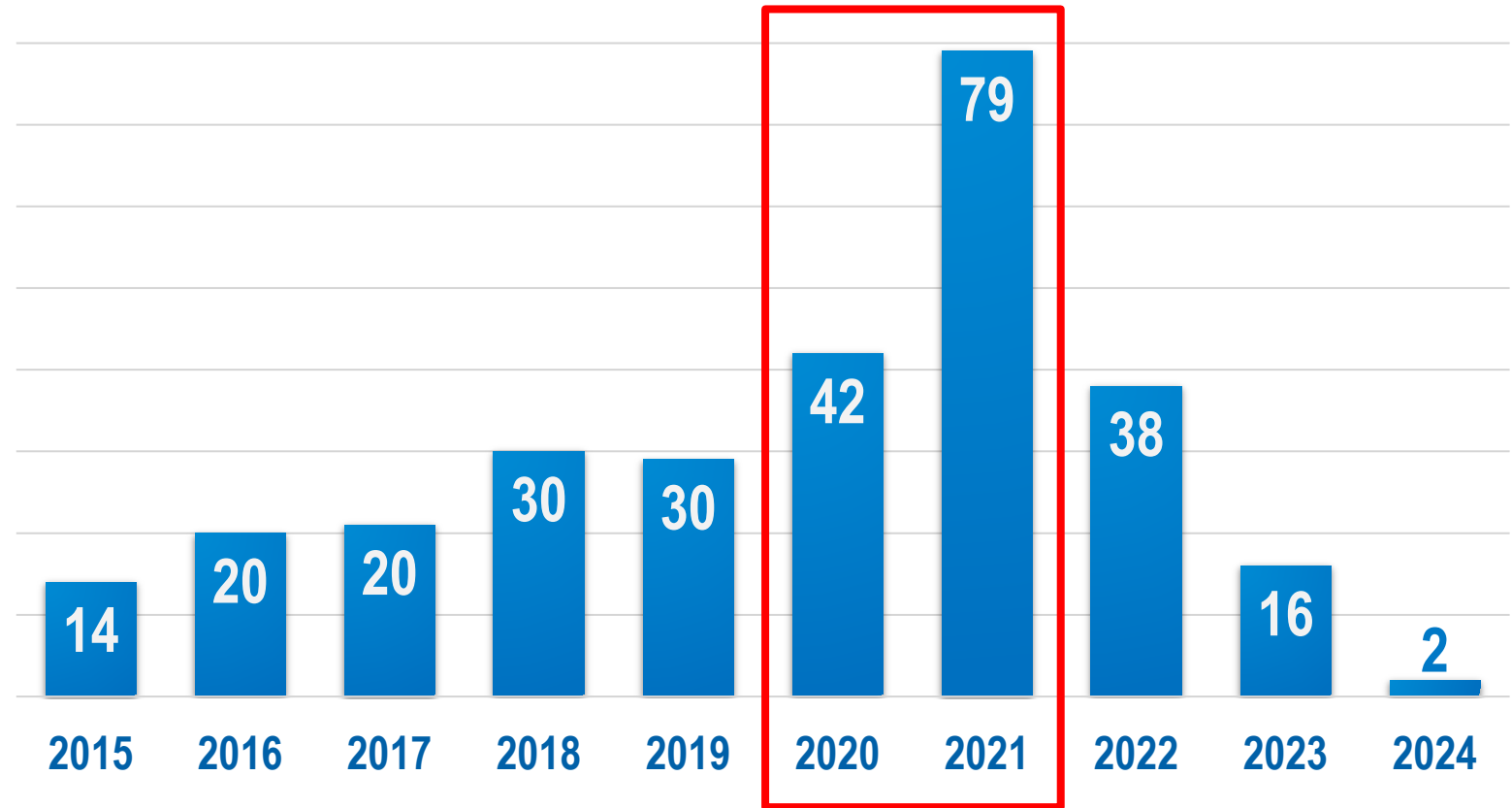
HQ RELOCATIONS

**6,490+**

NEW JOBS CREATED

**50%**

CALIFORNIA  
COMPANIES



# Incentives & Financing

## COMMUNITY INCENTIVES

- Local funding to business-related infrastructure and recruitment, equipment, land and economic development purposes
- Property tax abatements
- Permitting fee waivers
- Local cash grants and agreements
- Type A and Type B funding
- Chapter 380/381 agreements

## GRANTS

- Texas Enterprise Fund (TEF)
- Skills Development Fund
- Self-Sufficiency Fund
- Governor's University Research Initiative (GURI)
- Spaceport Trust Fund
- Cancer Prevention & Research General Obligation Bonds
- The Defense Economic Adjustment Assistance Grant Program (DEAAG)
- Texas Moving Image Industry Incentive Program
- Texas Music Venue Incubator Rebate Program
- The Texas Semiconductor Innovation Fund (TSIF) - NEW

## TAX INCENTIVES

- Texas Enterprise Zone Program
- Manufacturing Exemptions
- Freeport Exemptions
- Pollution Control Equipment Incentive
- Renewable Energy Incentives
- Defense Economic Readjustment Zone Program
- Research & Development Tax Credit
- Data Center Tax Incentives
- Business Relocation Tax Deduction
- Economic Development & Diversification In-State Tuition for Employees
- Texas JETI Act (Chapter 403) – NEW

## FINANCING

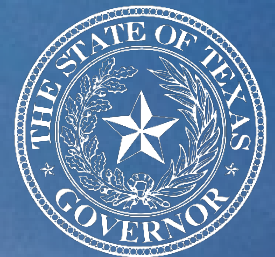
- The State of Texas Industrial Revenue Bond Program (IRB)
- The Texas Military Value Revolving Loan Fund (TMVRLF)
- Texas Small Business Credit Initiative (TSBCI)

# 88<sup>th</sup> Legislative Session

- Texas Jobs, Energy, Technology & Innovation Act (JETI)
- Texas Small and Rural Community Success Fund
- Texas Moving Image Industry Incentive Program
- Media Production Development Zones
- Texas Music Venue Incubator Rebate Program
- Texas Enterprise Zone
- Texas Space Commission and Texas Aerospace Research and Space Economy Consortium
- Texas CHIPS Act and Texas CHIPS Office
  - Texas Semiconductor Innovation Consortium
  - Texas Semiconductor Innovation Fund (TSIF)
- Texas Space Commission and Texas Aerospace Research and Space Economy Consortium

# Thank you!

Office of the Governor  
Texas Economic Development & Tourism  
P.O. Box 12428 | Austin, Texas 78711



512.936.0100 | [gov.texas.gov/business](http://gov.texas.gov/business) |      @TexasEconDev