

# TEXAS ENTERPRISE FUND

## 2017 Legislative Report

Reporting Period: January 2015 - December 2016



OFFICE OF THE GOVERNOR  
ECONOMIC DEVELOPMENT & TOURISM

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## **Overview of the Texas Enterprise Fund**

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The 78th Texas Legislature established the Texas Enterprise Fund (TEF) in 2003 to help attract new jobs and investment to the state. The fund was subsequently re-appropriated by the Legislature in 2005, 2007, 2009, 2011, 2013 and 2015. As the largest "deal-closing" fund of its kind in the nation, TEF continues to attract jobs to Texas. The fund is used only as a final incentive tool where a single Texas community is competing with another viable out-of-state option.

TEF is an application-driven program, where a prospective company considering relocating to or expanding in Texas submits an application to the Office of the Governor (OOG) for review. The OOG never advocates for one Texas community over another and has no input on which Texas community the company ultimately selects. While the OOG conducts the initial application review, the Governor, Lieutenant Governor and Speaker of the Texas House of Representatives must unanimously agree to grant an award.

Projects considered for a TEF award must demonstrate a significant rate of return on the public dollars being invested in the project. Additionally, every TEF project must meet several primary measures to be considered. These include competition with another state or country for the project, significant projected job creation, above-average projected wages, substantial capital investment by the company, and community involvement in the form of local economic incentive offers.

Each applicant to the fund undergoes a thorough 11-step due diligence process. Corporate activity, financial standing, tax status, legal issues, credit ratings, and estimated economic impacts are assessed for each project and considered in all award decisions. Award dollar amounts are determined using a standardized analytical model applied to each TEF applicant. This model projects that the State of Texas will see a full return on its investment within the period of a project contract, via estimated future sales tax revenues. Variations in award amounts are influenced by the number of jobs to be created, the expected timeframe for hiring, and the average wages to be paid.

TEF gives Texas a competitive advantage in attracting new businesses to the state and assisting in the expansion of existing businesses that might otherwise opt to expand in another state. In addition, the conservative and thorough methodology behind the grant process and the enforcement of contractual agreements with each awarded company ensure the public dollars invested through TEF produce a positive return on investment.

## Reporting Requirements

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The contents of the Texas Enterprise Fund legislative report are outlined in Section 481.079 of the Texas Government Code:

Sec. 481.079. REPORT ON USE OF MONEY IN TEXAS ENTERPRISE FUND. (a) Before the beginning of each regular session of the legislature, the governor shall submit to the lieutenant governor, the speaker of the House of Representatives, and each other member of the legislature a report on grants made under Section 481.078 that states:

- (1) the number of direct jobs each recipient committed to create in this state;
- (2) the number of direct jobs each recipient created in this state;
- (3) the median wage of the jobs each recipient created in this state;
- (4) the amount of capital investment each recipient committed to expend or allocate per project in this state;
- (5) the amount of capital investment each recipient expended or allocated per project in this state;
- (6) the total amount of grants made to each recipient;
- (7) the average amount of money granted in this state for each job created in this state by grant recipients;
- (8) the number of jobs created in this state by grant recipients in each sector of the North American Industry Classification System (NAICS); and
- (9) of the number of direct jobs each recipient created in this state, the number of positions created that provide health benefits for employees.

(a-1) For grants awarded for a purpose specified by Section 481.078(d-1), the report must include only the amount and purpose of each grant.

(b) The report may not include information that is made confidential by law.

(c) The governor may require a recipient of a grant under Section 481.078 to submit, on a form the governor provides, information required to complete the report.

## Summary of Historic Program Activity

The following chart provides a historical view of the Texas Enterprise Fund since its inception in FY 2004.

	FY 04-05	FY 06-07	FY 08-09	FY 10-11	FY 12-13	FY 14-15	FY 16 to Date*	Total
<b>Total Projects Funded</b>	22	15	17	34	25	19	14	146
<b>Total Amount Awarded</b>	\$ 279,664,000	\$ 68,250,000	\$32,389,196	\$37,929,000	\$67,614,500	\$86,065,000	\$ 37,642,000	\$ 609,553,696
<b>New Direct Jobs Committed</b>	29,245	12,248	6,766	7,423	11,822	10,437	5,346	83,287
<b>Capital Investment Committed</b>	\$6.5B	\$6.76B	\$770M	\$640M	\$6.9B	\$4.8B	\$600M	\$27B
<b>Est. Avg. Wage</b>	\$ 46,433	\$ 47,547	\$ 55,635	\$ 60,143	\$ 64,357	\$ 65,980	\$ 76,669	\$ 59,538

\*Through December 2016.

### Jobs by Industry Sector

TEF has helped attract businesses in a wide range of advanced industry sectors to Texas. The following table displays the number of direct created jobs, verified by the Office of the Governor's (OOG) Office of Compliance and Monitoring, created by grant recipients in each sector of the North American Industry Classification System (NAICS).

Sector	Sector Name	Jobs
21	Mining, Quarrying, and Oil and Gas Extraction	455
23	Construction	--
31-33	Manufacturing	10,822
42	Wholesale Trade	422
44-45	Retail Trade	--
48-49	Transportation and Warehousing	108
51	Information	4,865
52	Finance and Insurance	19,156
53	Real Estate and Rental and Leasing	--
54	Professional, Scientific, and Technical Services	11,654
55	Management of Companies and Enterprises	1,984
56	Administrative Support and Waste Management Services	651
61	Educational Services	5,903
62	Health Care	63
71	Arts, Entertainment & Recreation	0
92	Public Administration (Government)	--

## Funded Project Statistics

Average amount granted per job committed: \$7,318.71

Grantee	Award Amount	Effective Date of Contract	# of Jobs Committed	Created Jobs to Date	Median Wage of Created Jobs	Capital Investment Committed	Capital Investment Expended or Allocated	Created Jobs Offered Health Benefits
3M Company	\$ 194,000	5/1/2010	55	60	\$ 56,250	\$ 21,200,000	\$ 25,744,203	60
Active Network, LLC	\$ 8,600,000	6/27/2014	1,000	552	\$ 63,041	\$ 13,000,000	\$ 2,428,642	552
ADP, LLC (Helping Hand)	\$ 2,400,000	12/10/2012	585	522	\$ 36,130	\$ 22,000,000	\$ 41,000,000	522
ADP, Inc. (Kirk) <sup>4</sup>	\$ 3,000,000	5/31/2006	1,028	721	— <sup>4</sup>	\$ 23,900,000	\$ 39,098,254	721
Albany Engineered Composites <sup>4</sup>	\$ 300,000	1/24/2008	55	— <sup>4</sup>	— <sup>4</sup>	\$ 41,635,000	— <sup>4</sup>	— <sup>4</sup>
Alloy Polymers <sup>4</sup>	\$ 100,000	10/12/2006	52	— <sup>4</sup>	— <sup>4</sup>	\$ 15,600,000	— <sup>4</sup>	— <sup>4</sup>
Allstate Insurance Company	\$ 1,100,000	2/1/2010	200	286	\$ 44,825	\$ 11,607,475	\$ 10,873,582	286
AmeriCredit (d/b/a GM Financial) <sup>1</sup>	\$ 2,500,000	4/15/2016	490	— <sup>1</sup>	— <sup>1</sup>	\$ 20,000,000	— <sup>1</sup>	— <sup>1</sup>
Apple Inc. <sup>1</sup>	\$ 21,000,000	3/5/2012	3,635	— <sup>1</sup>	— <sup>1</sup>	\$ 304,000,000	— <sup>1</sup>	— <sup>1</sup>
Ascend Performance Materials Texas, Inc. <sup>4</sup>	\$ 350,000	2/22/2013	100	— <sup>4</sup>	— <sup>4</sup>	\$ 1,200,000,000	\$ 53,000,000	— <sup>4</sup>
Associated Hygienic Products, LLC	\$ 520,000	12/10/2008	115	163	\$ 43,836	\$ 31,078,039	\$ 70,200,000	163
athenahealth, inc. <sup>2</sup>	\$ 5,000,000	1/31/2014	607	63	\$ 107,462	\$ 13,000,000	\$ 15,364,034	63
Authentix <sup>4</sup>	\$ 750,000	10/25/2007	120	— <sup>4</sup>	— <sup>4</sup>	\$ 6,550,000	— <sup>4</sup>	— <sup>4</sup>
Bank of America (formerly Countrywide Financial) <sup>4</sup>	\$ 20,000,000	— <sup>4</sup>	3,876	— <sup>4</sup>	— <sup>4</sup>	\$ 200,000,000	— <sup>4</sup>	— <sup>4</sup>
BASF Corporation	\$ 2,400,000	10/9/2015	163	9	\$ 80,000	\$ 1,750,000,000	\$ 145,000,000	9
Baylor College of Medicine <sup>4</sup>	\$ 2,000,000	— <sup>4</sup>	— <sup>4</sup>	— <sup>4</sup>	— <sup>4</sup>	\$ 51,000,000	— <sup>4</sup>	— <sup>4</sup>
Becton, Dickinson & Company	\$ 1,560,000	8/12/2010	296	312	\$ 42,314	\$ 6,350,000	\$ 10,014,388	312
Board of Regents of UT fbo UTD/Texas Instruments <sup>4</sup>	\$ 50,000,000	— <sup>4</sup>	— <sup>4</sup>	— <sup>4</sup>	— <sup>4</sup>	\$ 3,000,000,000	— <sup>4</sup>	— <sup>4</sup>
Borusan Mannesmann Pipe U.S., Inc.	\$ 1,625,000	3/11/2013	250	213	\$ 58,709	\$ 148,000,000	\$ 161,115,912	213
Cabela's <sup>4</sup>	\$ 400,000	11/10/2004	241	— <sup>4</sup>	— <sup>4</sup>	\$ 120,000,000	— <sup>4</sup>	— <sup>4</sup>
Cardiovascular Systems, Inc.	\$ 600,000	6/3/2010	100	55	\$ 37,629	\$ 25,500,000	\$ 1,716,077	56

Grantee	Award Amount	Effective Date of Contract	# of Jobs Committed	Created Jobs to Date	Median Wage of Created Jobs	Capital Investment Committed	Capital Investment Expended or Allocated	Created Jobs Offered Health Benefits
Caterpillar, Inc. (Victoria)	\$ 1,175,000	2/5/2011	238	414	\$ 37,694	\$ 122,725,000	\$ 185,309,000	414
Caterpillar, Inc. (Seguin)	\$ 8,500,000	8/18/2009	1,714	1,472	\$ 36,069	\$ 176,800,000	\$ 319,357,000	1,472
Centene Corporation	\$ 460,500	5/2/2012	307	64	\$ 36,019	\$ 15,000,000	\$ 14,690,881	64
Cerealto Seguin (f/k/a Siro Group) <sup>1</sup>	\$ 800,000	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	— <sup>1</sup>	\$ 58,500,000	\$ 51,364	— <sup>1</sup>
CGI Technologies and Solutions Inc.	\$ 1,800,000	10/10/2011	350	224	\$ 51,257	\$ 7,000,000	\$ 5,707,921	224
CGT U.S. Limited <sup>1</sup>	\$ 2,000,000	3/1/2016	275	— <sup>1</sup>	— <sup>1</sup>	\$ 81,000,000	— <sup>1</sup>	— <sup>1</sup>
CH2M HILL, Inc.	\$ 2,300,000	1/2/2012	285	278	\$ 71,400	\$ 5,250,000	\$ 1,168,425	278
Charles Schwab & Co., Inc. (Austin)	\$ 4,500,000	7/11/2014	823	353	\$ 80,000	\$ 210,852,690	\$ 59,505,953	353
Charles Schwab & Co., Inc. (El Paso)	\$ 1,450,000	5/16/2014	445	111	\$ 27,000	\$ 21,568,574	\$ 15,866,408	111
Charles Schwab & Co., Inc. (Westlake) <sup>1</sup>	\$ 6,000,000	9/15/2016	1,200	— <sup>1</sup>	— <sup>1</sup>	\$ 100,000,000	— <sup>1</sup>	— <sup>1</sup>
Chevron U.S.A. Inc.	\$ 12,000,000	6/25/2013	1,752	427	\$ 123,500	\$ 662,000,000	\$ 88,018,630	427
CITGO Petroleum Corp.	\$ 5,000,000	4/30/2004	820	285	\$ 117,431	\$ 828,000,000	\$ 831,626,909	285
CK Technologies, LLC	\$ 425,000	10/18/2010	121	138	\$ 37,307	\$ 18,200,000	\$ 22,499,6968	138
Coll Materials <sup>4</sup>	\$ 200,000	4/5/2011	111	— <sup>4</sup>	— <sup>4</sup>	\$ 5,900,000	— <sup>4</sup>	— <sup>4</sup>
Comerica Incorporated	\$ 3,500,000	8/29/2007	200	309	\$ 87,512	\$ 16,250,000	\$ 22,609,769	309
Consolidated Electrical Distributors, Inc.	\$ 1,200,000	10/1/2010	120	108	\$ 81,831	\$ 3,300,000	\$ 6,609,513	108
Continental Automotive Systems, Inc. <sup>1</sup>	\$ 1,200,000	1/27/2012	300	— <sup>1</sup>	— <sup>1</sup>	\$ 113,000,000	\$ 119,789,000	— <sup>1</sup>
Corrigan OSB, L.L.C. <sup>1</sup>	\$ 1,140,000	12/22/2014	165	— <sup>1</sup>	— <sup>1</sup>	\$ 262,000,000	\$ 51,508,950	— <sup>1</sup>
Dow Chemical Company, The (Beta)	\$ 1,500,000	7/19/2013	96	44	\$ 100,167	\$ 846,000,000	\$ 346,274,541	44
Dow Chemical Company, The (New Spring)	\$ 1,000,000	4/30/2012	150	73	\$ 96,264	\$ 1,700,000,000	\$ 1,393,263,955	73
Dropbox, Inc.	\$ 1,500,000	2/5/2014	170	67	\$ 63,190	\$ 5,500,000	\$ 4,828,114	67
eBay Inc.	\$ 2,800,000	3/30/2011	1,050	138	\$ 104,614	\$ 5,180,000	\$ 48,766,624.00	138
Emerson Process Management Valve Automation, Inc. <sup>4</sup>	\$ 1,000,000	1/1/2013	126	— <sup>4</sup>	— <sup>4</sup>	\$ 9,500,000	\$ 32,829,685	— <sup>4</sup>

Grantee	Award Amount	Effective Date of Contract	# of Jobs Committed	Created Jobs to Date	Median Wage of Created Jobs	Capital Investment Committed	Capital Investment Expended or Allocated	Created Jobs Offered Health Benefits
Facebook, Inc.	\$ 1,400,000	2/24/2010	200	317	\$ 81,255	\$ 3,150,000	\$ 4,140,922	317
Ferris Mfg. Corp.	\$ 420,000	1/27/2012	80	54	\$ 57,303	\$ 5,500,000	\$ 2,061,359	54
Fidelity Global Brokerage Group, Inc.	\$ 8,500,000	2/5/2007	850	2,285	\$ 48,000	\$ 200,000,000	\$ 230,042,645	2,285
FlexSteel Pipeline Technologies, Inc.	\$ 650,000	8/1/2011	130	103	\$ 79,498	\$ 94,800,000	\$ 108,231,003	103
ForcePoint LLC	\$ 4,500,000	2/3/2004	445	405	\$ 66,979	\$ 9,900,000	\$ 6,672,084	405
Forum Energy Services, Inc.	\$ 800,000	10/29/2007	200	103	\$ 55,300	\$ 16,325,000	\$ 15,000,000	103
Frito-Lay North America, Inc.	\$ 1,125,000	12/1/2009	125	109	\$ 120,000	\$ 4,500,000	\$ 68,500,000	109
Fritz Industries, Inc. <sup>4</sup>	_ <sup>4</sup>	1/1/2013	250	37	\$ 41,600	\$ 37,500,000	\$ 30,327,460	37
Galderma Laboratories, L.P. <sup>1</sup>	\$ 2,052,000	12/15/2015	343	_ <sup>1</sup>	_ <sup>1</sup>	\$ 22,000,000	_ <sup>1</sup>	_ <sup>1</sup>
G-Con, LLC	\$ 3,000,000	5/1/2010	408	3	\$ 85,990	\$ 86,000,000	\$ 64,762,231	3
General Electric Company	\$ 2,100,000	5/12/2011	330	724	\$ 41,733	\$ 96,000,000	\$ 246,356,115	724
Gestamp Wind Steel U.S. Inc.	\$ 1,800,000	10/2/2015	339	1	\$ 140,000	\$ 43,131,040	\$ 12,662,492	0
GGNSC Holdings LLC	\$ 2,100,000	2/16/2011	100	77	\$ 100,000	\$ 8,400,000	\$ 2,623,357	77
Green Star Products <sup>4</sup>	\$ 175,000	6/1/2010	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>
Grifols Shared Services North America, Inc.	\$ 250,000	10/15/2009	90	100	\$ 40,651	\$ 76,623,300	\$ 22,860,359	100
Gulfstream <sup>4</sup>	\$ 375,000	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>
Hanger, Inc.	\$ 1,500,000	1/8/2010	236	236	\$ 94,625	\$ 4,700,000	\$ 22,578,299	236
Health Management Systems, Inc.	\$ 1,600,000	8/1/2010	350	425	\$ 69,000	\$ 17,687,439	\$ 53,162,995	425
HelioVolt Corp.	\$ 500,000	3/21/2008	51	_ <sup>4</sup>	_ <sup>4</sup>	\$ 62,900,000	_ <sup>4</sup>	_ <sup>4</sup>
Hewlett-Packard <sup>4</sup>	\$ 3,000,000	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>
HID Global Corporation	\$ 1,900,000	8/31/2012	239	358	\$ 57,694	\$ 35,250,000	\$ 67,098,737	358
Hilmar Cheese <sup>4</sup>	\$ 7,500,000	11/30/2005	1,962	_ <sup>4</sup>	_ <sup>4</sup>	\$ 190,000,000	_ <sup>4</sup>	_ <sup>4</sup>
Hirschfeld Energy (formerly Martifer) <sup>4</sup>	\$ 500,000	9/9/2008	93	_ <sup>4</sup>	_ <sup>4</sup>	\$ 40,000,000	_ <sup>4</sup>	_ <sup>4</sup>
Home Depot <sup>4</sup>	\$ 8,500,000	7/31/2004	843	_ <sup>4</sup>	_ <sup>4</sup>	\$ 809,170,000	_ <sup>4</sup>	_ <sup>4</sup>
Huntsman Corporation	\$ 2,750,000	8/8/2005	285	450	\$ 96,141	\$ 226,725,000	\$ 477,973,075	450
iDx Corp. <sup>4</sup>	\$ 125,000	2/28/2011	28	_ <sup>4</sup>	_ <sup>4</sup>	\$ 5,100,000	_ <sup>4</sup>	_ <sup>4</sup>
Ineos USA <sup>4</sup>	\$ 750,000	_ <sup>4</sup>	150	_ <sup>4</sup>	_ <sup>4</sup>	\$ 5,720,000	_ <sup>4</sup>	_ <sup>4</sup>

Grantee	Award Amount	Effective Date of Contract	# of Jobs Committed	Created Jobs to Date	Median Wage of Created Jobs	Capital Investment Committed	Capital Investment Expended or Allocated	Created Jobs Offered Health Benefits
Jacobs Engineering Group Inc. <sup>1</sup>	\$ 1,332,000	7/15/2016	111	_ <sup>1</sup>	_ <sup>1</sup>	\$ 4,000,000	_ <sup>1</sup>	_ <sup>1</sup>
Jamba Juice Company <sup>1</sup>	\$ 800,000	7/8/2016	126	_ <sup>1</sup>	_ <sup>1</sup>	\$ 2,000,000	_ <sup>1</sup>	_ <sup>1</sup>
James Skinner Co. <sup>4</sup>	_ <sup>4</sup>	12/19/2012	393	94	\$ 34,832	\$ 25,000,000	\$ 12,600,000	94
JPMorgan Chase (formerly Washington Mutual)	\$ 15,000,000	8/31/2005	4,200	14121	\$ 35,699	\$ 50,000,000	\$ 22,578,299	14,121
JTEKT Automotive Texas, L.P.	\$ 333,000	2/14/2005	200	357	\$ 40,918	\$ 30,000,000	\$ 74,000,000	357
Jyoti Americas, LLC	\$ 865,000	10/28/2010	157	125	\$ 39,890.00	\$ 27,610,250	\$ 36,743,675	125
KLN Steel Products <sup>4</sup>	\$ 450,000	8/4/2008	156	_ <sup>4</sup>	_ <sup>4</sup>	\$ 25,000,000	_ <sup>4</sup>	_ <sup>4</sup>
Kohl's Department Stores, Inc. (Dallas)	\$ 864,000	6/11/2013	144	104	\$ 57,025	\$ 54,900,000	\$ 49,946,302	104
Kohl's Department Stores, Inc. (San Antonio)	\$ 750,000	4/9/2010	150	164	\$ 48,375	\$ 18,000,000	\$ 48,948,580	164
Kubota Tractor Corporation <sup>1</sup>	\$ 3,800,000	7/27/2015	344	_ <sup>1</sup>	_ <sup>1</sup>	\$ 57,000,000	_ <sup>1</sup>	_ <sup>1</sup>
Kuraray America, Inc.	\$ 965,000	5/24/2012	107	130	\$ 108,569	\$ 302,000,000	\$ 287,708,355	130
Latex Foam International Holdings, Inc. <sup>3</sup>	\$ 350,000	10/1/2010	190	_ <sup>3</sup>	_ <sup>3</sup>	_ <sup>3</sup>	_ <sup>3</sup>	_ <sup>3</sup>
Layne Christensen Company	\$ 450,000	12/5/2012	210	100	\$ 89,212	\$ 6,700,000	\$ 8,000,000	100
Learn & Tigre <sup>4</sup>	\$ 9,781,000	2/28/2005	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>
Lee Container Corporation, Inc.	\$ 300,000	4/4/2005	105	42	\$ 22,941	\$ 5,636,000	\$ 4,658,572	42
LegalZoom.Com Texas, LLC	\$ 1,000,000	2/1/2010	465	404	\$ 49,390	\$ 11,750,000	\$ 37,616,238	404
LiveOps Cloud Platform, LLC <sup>1</sup>	\$ 1,200,000	9/9/2015	155	_ <sup>1</sup>	_ <sup>1</sup>	\$ 5,000,000	_ <sup>1</sup>	_ <sup>1</sup>
Lockheed Martin <sup>4</sup>	\$ 4,000,000	4/15/2007	550	_ <sup>4</sup>	_ <sup>4</sup>	\$ 58,000,000	_ <sup>4</sup>	_ <sup>4</sup>
Lorimer (Natura World) <sup>4</sup>	\$ 750,000	5/1/2010	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>
Maverick Arms <sup>4</sup>	\$ 75,000	3/31/2014	50	_ <sup>4</sup>	_ <sup>4</sup>	\$ 3,400,000	_ <sup>4</sup>	_ <sup>4</sup>
Maxim Integrated Products <sup>4</sup>	\$ 1,500,000	12/22/2004	500	_ <sup>4</sup>	_ <sup>4</sup>	\$ 90,000,000	_ <sup>4</sup>	_ <sup>4</sup>
Maxim Integrated Products (Irving) <sup>4</sup>	\$ 2,000,000	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>
McKesson Corporation <sup>1</sup>	\$ 9,750,000	5/10/2016	975	_ <sup>1</sup>	_ <sup>1</sup>	\$ 157,000,000	_ <sup>1</sup>	_ <sup>1</sup>

Grantee	Award Amount	Effective Date of Contract	# of Jobs Committed	Created Jobs to Date	Median Wage of Created Jobs	Capital Investment Committed	Capital Investment Expended or Allocated	Created Jobs Offered Health Benefits
McLane Advanced Technologies <sup>4</sup>	\$ 500,000	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>
MiniMed Distribution Corp. <sup>2</sup>	\$ 6,000,000	6/1/2009	1,384	1,384	\$ 43,890	\$ 23,226,000	\$ 24,200,000	1,384
Motiva Enterprises LLC	\$ 2,000,000	5/25/2006	300	667	\$ 77,792	\$ 3,500,000,000	\$ 10,681,417,463	667
Nationstar Mortgage <sup>4</sup>	\$ 560,000	7/7/2010	400	_ <sup>4</sup>	_ <sup>4</sup>	\$ 2,000,000	_ <sup>4</sup>	_ <sup>4</sup>
Nationwide Mutual Insurance <sup>4</sup>	\$ 1,200,000	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>
Natgasoline LLC	\$ 2,150,000	10/1/2013	240	179	\$ 94,334	\$ 1,900,000,000	\$ 767,151,342	179
Newly Weds Foods, Inc.	\$ 450,000	3/10/2006	115	150	\$ 42,140	\$ 27,000,000	\$ 46,597,428	150
Office Depot, Inc.	\$ 300,000	7/27/2011	203	383	\$ 54,376	\$ 6,900,000	\$ 10,180,850	383
OKI Data Americas, Inc. <sup>1</sup>	\$ 895,000	8/15/2016	104	_ <sup>1</sup>	_ <sup>1</sup>	\$ 3,580,000	_ <sup>1</sup>	_ <sup>1</sup>
Omnitracs, LLC	\$ 3,900,000	6/27/2014	450	381	\$ 49,310	\$ 10,000,000	\$ 10,846,877	393
Oracle America, Inc.	\$ 1,000,000	8/15/2016	200	521	\$ 52,000	\$ 5,395,000	\$ 12,782,458	521
Pactiv LLC	\$ 930,000	10/1/2012	200	148	\$ 31,839	\$ 58,000,000	\$ 59,687,568	148
PETCO Animal Supplies, Inc.	\$ 3,100,000	11/1/2010	400	337	\$ 63,000	\$ 17,000,000	\$ 25,069,850	337
Prudential Insurance & HGS <sup>4</sup>	\$ 1,200,000	4/22/2014	300	_ <sup>4</sup>	_ <sup>4</sup>	\$ 6,077,038	_ <sup>4</sup>	_ <sup>4</sup>
Rackpace US, Inc.	\$ 22,000,000	8/1/2007	4,000	2,812	\$ 71,002	\$ 111,380,000	\$ 138,753,002	2,812
Raytheon <sup>4</sup>	\$ 1,000,000	8/31/2005	200	_ <sup>4</sup>	_ <sup>4</sup>	\$ 21,700,000	_ <sup>4</sup>	_ <sup>4</sup>
Rockwell Collins <sup>4</sup>	\$ 839,196	8/13/2007	105	_ <sup>4</sup>	_ <sup>4</sup>	\$ 6,782,500	_ <sup>4</sup>	_ <sup>4</sup>
Ruiz Foods <sup>4</sup>	\$ 1,500,000	5/13/2005	423	_ <sup>4</sup>	_ <sup>4</sup>	\$ 48,880,413	_ <sup>4</sup>	_ <sup>4</sup>
Sabre GBLB Inc. <sup>1</sup>	\$ 5,000,000	8/15/2016	500	_ <sup>1</sup>	_ <sup>1</sup>	\$ 37,900,000	_ <sup>1</sup>	_ <sup>1</sup>
Samsung Austin Semiconductor, L.L.C.	\$ 10,800,000	10/1/2005	900	2,684	\$ 82,039	\$ 2,500,000,000	\$ 11,425,161,817	2,684
Sanderson Farms <sup>4</sup>	\$ 500,000	3/10/2006	1,112	_ <sup>4</sup>	_ <sup>4</sup>	\$ 73,000,000	_ <sup>4</sup>	_ <sup>4</sup>
Santana Textiles, LLC	\$ 800,000	8/4/2008	800	17	\$ 20,617	\$ 171,000,000	\$ 24,414,518.27	17
Sata U.S.A. Inc. <sup>1</sup>	\$ 1,800,000	3/31/2016	300	_ <sup>1</sup>	_ <sup>1</sup>	\$ 114,000,000	_ <sup>1</sup>	_ <sup>1</sup>
Schneider Electric USA, Inc.	\$ 750,000	6/30/2014	193	109	\$ 33,328	\$ 7,000,000	\$ 9,787,753.70	109
Scott & White Memorial Hospital	\$ 7,500,000	9/1/2007	1,485	1,198	\$ 52,399	\$ 63,000,000	\$ 250,678,538.20	1,198
SEMATECH, Inc. <sup>4</sup>	\$ 40,000,000	1/1/2004	4,000	8,827	_ <sup>4</sup>	\$ 190,000,000	_ <sup>4</sup>	_ <sup>4</sup>
Space Exploration Technologies Corp.	\$ 2,300,000	12/16/2013	300	10	\$ 58,240	\$ 85,098,250	\$ 591,669.00	10
Superior Essex International LP	\$ 250,000	6/28/2005	50	138	\$ 41,145	\$ 7,600,000	\$ 27,952,079	138

Grantee	Award Amount	Effective Date of Contract	# of Jobs Committed	Created Jobs to Date	Median Wage of Created Jobs	Capital Investment Committed	Capital Investment Expended or Allocated	Created Jobs Offered Health Benefits
SunPower Corp. <sup>4</sup>	\$ 1,000,000	8/19/2010	— <sup>4</sup>	— <sup>4</sup>	— <sup>4</sup>	— <sup>4</sup>	— <sup>4</sup>	— <sup>4</sup>
Tapco International <sup>4</sup>	\$ 325,000	7/5/2010	100	— <sup>4</sup>	— <sup>4</sup>	\$ 26,000,000	— <sup>4</sup>	— <sup>4</sup>
TBC (Maverick Tube Corporation and Tenaris Bay City, Inc.)	\$ 6,000,000	2/14/2013	600	146	\$ 92,076	\$ 1,300,000,000	\$ 876,938,000	146
TD Ameritrade Holding Corporation	\$ 600,000	3/31/2011	490	174	\$ 44,444	\$ 11,000,000	\$ 16,730	174
TEKsystems Global Services, LLC <sup>4</sup>	\$ 400,000	12/13/2012	500	— <sup>4</sup>	— <sup>4</sup>	\$ 4,865,000	\$ 1,844,533	— <sup>4</sup>
Texas Energy Center <sup>4</sup>	\$ 3,600,000	2/1/2004	1,500	— <sup>4</sup>	— <sup>4</sup>	— <sup>4</sup>	— <sup>4</sup>	— <sup>4</sup>
The Advisory Board Company	\$ 500,000	8/8/2011	239	286	\$ 93,360	\$ 8,100,000	\$ 12,713,832	286
The Texas A&M University System and Lexicon Pharmaceuticals, Inc. <sup>4</sup>	\$ 50,000,000	7/15/2005	5,000	8,755	— <sup>4</sup>	\$ 45,700,000	\$ 45,739,803	— <sup>4</sup>
Thomson Reuters (Tax & Accounting) Inc. <sup>1</sup>	\$ 1,538,000	5/10/2016	250	— <sup>4</sup>	— <sup>4</sup>	\$ 6,154,889	— <sup>4</sup>	— <sup>4</sup>
T-Mobile <sup>4</sup>	\$ 2,150,000	8/8/2005	855	— <sup>4</sup>	— <sup>4</sup>	\$ 20,700,000	— <sup>4</sup>	— <sup>4</sup>
Torchmark Corporation	\$ 2,000,000	3/10/2006	500	778	\$ 40,271	\$ 26,600,000	\$ 26,468,043	778
Toyota Motor North America, Inc.	\$ 40,000,000	3/10/2006	3,650	422	\$ 152,866	\$ 345,000,000	\$ 231,500,000	422
Trace Engines <sup>4</sup>	\$ 250,000	4/28/2014	24	— <sup>4</sup>	— <sup>4</sup>	\$ 9,658,000	— <sup>4</sup>	— <sup>4</sup>
Triumph Aerostructures, LLC <sup>4</sup>	\$ 35,000,000	2/26/2004	3,000	2,292	\$ 78,499	\$ 598,000,000	— <sup>4</sup>	1,846
Tyson Fresh Meats, Inc.	\$ 7,000,000	4/11/2005	1,600	1,463	\$ 32,696	\$ 97,150,000	\$ 148,470,187	1,463
United Services Automobile Association (USAA) <sup>4</sup>	\$ 1,000,000	7/18/2013	680	— <sup>4</sup>	— <sup>4</sup>	\$ 31,400,000	— <sup>4</sup>	— <sup>4</sup>
US Bowling Congress <sup>4</sup>	\$ 305,000	5/28/2009	198	— <sup>4</sup>	— <sup>4</sup>	\$ 13,000,000	— <sup>4</sup>	— <sup>4</sup>
UT Health Science Center/MD Anderson	\$ 25,000,000	7/29/2005	2,252	5,901	\$ 108,553	\$ 55,000,000	\$ 144,190,000	5,902
Vendor Resource Management, Inc.	\$ 750,000	9/24/2009	275	59	\$ 113,584	\$ 4,600,000	\$ 12,880,000	59
VCE <sup>4</sup>	\$ 1,000,000	10/1/2010	130	— <sup>4</sup>	— <sup>4</sup>	\$ 40,000,000	— <sup>4</sup>	— <sup>4</sup>
VISA U.S.A. Inc.	\$ 7,900,000	1/1/2013	794	543	\$ 119,487	\$ 27,240,000	\$ 44,374,065	543

Grantee	Award Amount	Effective Date of Contract	# of Jobs Committed	Created Jobs to Date	Median Wage of Created Jobs	Capital Investment Committed	Capital Investment Expended or Allocated	Created Jobs Offered Health Benefits
W.W. Grainger, Inc. <sup>1</sup>	\$ 975,000	2/15/2016	200	_ <sup>1</sup>	_ <sup>1</sup>	\$ 3,900,000	_ <sup>1</sup>	_ <sup>1</sup>
ZAH Group (dba Klein Tools)	\$ 2,800,000	10/1/2010	585	361	\$ 33,696	\$ 18,000,000	\$ 64,214,031	361
Zarges Aluminum Systems <sup>4</sup>	\$ 200,000	11/17/2009	_ <sup>4</sup>	_ <sup>4</sup>	_ <sup>4</sup>	\$ 12,131,000	_ <sup>4</sup>	_ <sup>4</sup>
<b>TOTALS</b>	<b>\$ 609,553,696</b>	<b>-</b>	<b>83,287</b>	<b>55,944</b>	<b>\$ 66,739</b>	<b>\$ 27,032,742,897</b>	<b>\$ 31,265,734,721</b>	<b>37,929</b>

All figures are from verified compliance reports submitted for the 2015 reporting period unless otherwise noted.

**NOTES:**

<sup>1</sup> Grantee is not required to report on Job Target until 2017 or later.

<sup>2</sup> Data is for the 2016 Reporting Year.

<sup>3</sup> Latex Foam International Holdings, Inc. filed bankruptcy and has been referred to the Office of the Attorney General.

<sup>4</sup> Agreement was either terminated or expired, active data management has ceased.

## TEF Contract Completions and Terminations

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### Completed Contracts

From January 1, 2015, to December 31, 2016, eight companies' TEF agreements were successfully completed after all contractual terms were verified as fulfilled:

- ADP, Inc.
- CITGO Petroleum Corporation
- Frito-Lay North America, Inc.
- JPMorgan Chase Bank & Co.
- JTEKT Automotive Texas, L.P.
- Office Depot, Inc.
- SEMATECH, Inc.
- Torchmark Corporation

### Terminated Contracts

During the past two years, the OOG has proactively worked with companies with non-performing agreements to address pending performance issues. In 2015 and 2016, 16 companies terminated their TEF agreements prior to completion. In each case, these contract terminations allowed for the OOG to assess applicable damages. All contract terminations are subject to a financial calculation (similar to the project award algorithm) to ensure all grant funds expended, and all jobs created, receive a full accounting.

The companies that terminated their agreements between January 1, 2015, and December 31, 2016, are listed below:

- Ascend Performance Materials Texas, Inc.
- Centene Corporation
- Coll Materials Exchange, LLC
- Fidelity Global Brokerage Group, Inc.
- Forum Energy Services, Inc.
- Fritz Industries, Inc.
- The James Skinner Co.
- Layne Christensen Company
- Maverick Arms, Inc.
- Motiva Enterprises, LLC
- Santana Textiles, LLC
- TD Ameritrade Holding Corporation
- TEKSystems Global Services, LLC
- The Prudential Insurance Company of America and HGS, LLC
- Triumph Aerostructures, LLC
- United Services Automobile Association (USAA)

The OOG also continues to monitor all contracts for contract compliance and to pursue liquidated damages when warranted by the award contract.

Contract terminations, and non-performing contracts, typically result in money being returned to the Fund in one of three ways: through collection of liquidated damages for non-performance; through payments resulting from early termination; and through the recovery of unencumbered funds not disbursed due to termination.

The active management of contracts has resulted in the collection of \$19,177,886.75 in liquidated damages and termination payments since January 1, 2015.

Additionally, the OOG was able to return to the Fund \$12,296,000 in unencumbered funds as a result of these terminations.

Since January 2015, the OOG has increased the available balance of the Texas Enterprise Fund by \$31,473,886.75, through a combination of liquidated damages, termination payments, and the liquidation of encumbrances.

## **State Auditor's Office Report**

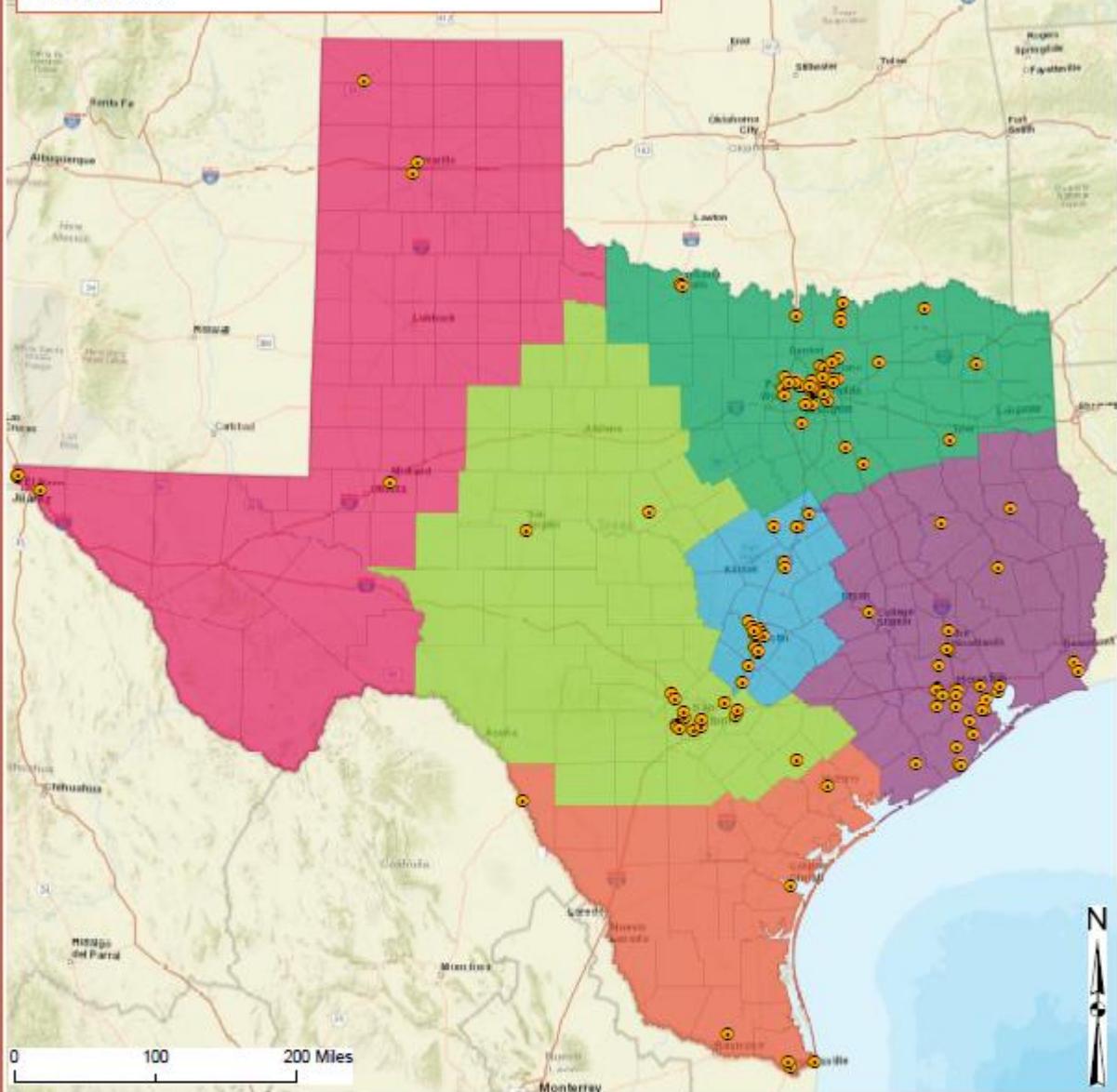
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The State Auditor's Office (SAO) issued *An Audit Report on the Texas Enterprise Fund at the Office of the Governor* in September 2014. The OOG has implemented 100 percent of the agreed upon recommendations from the SAO report, including the following significant program improvements:

- Adopted a standard contract template for all new grantees, which includes relevant provisions from the State of Texas Contract Management Guide and definitions for all key terms.
- Updated standard operating procedures and created checklists to standardize procedures.
- Revised the format of this report to ensure it includes all statutorily required information.

**Exhibits: Maps of All Funded Projects by  
Region**

# TEXAS ENTERPRISE FUND Awardees



## State Totals

Total Jobs: 83,287

Total Awards: \$609.5M

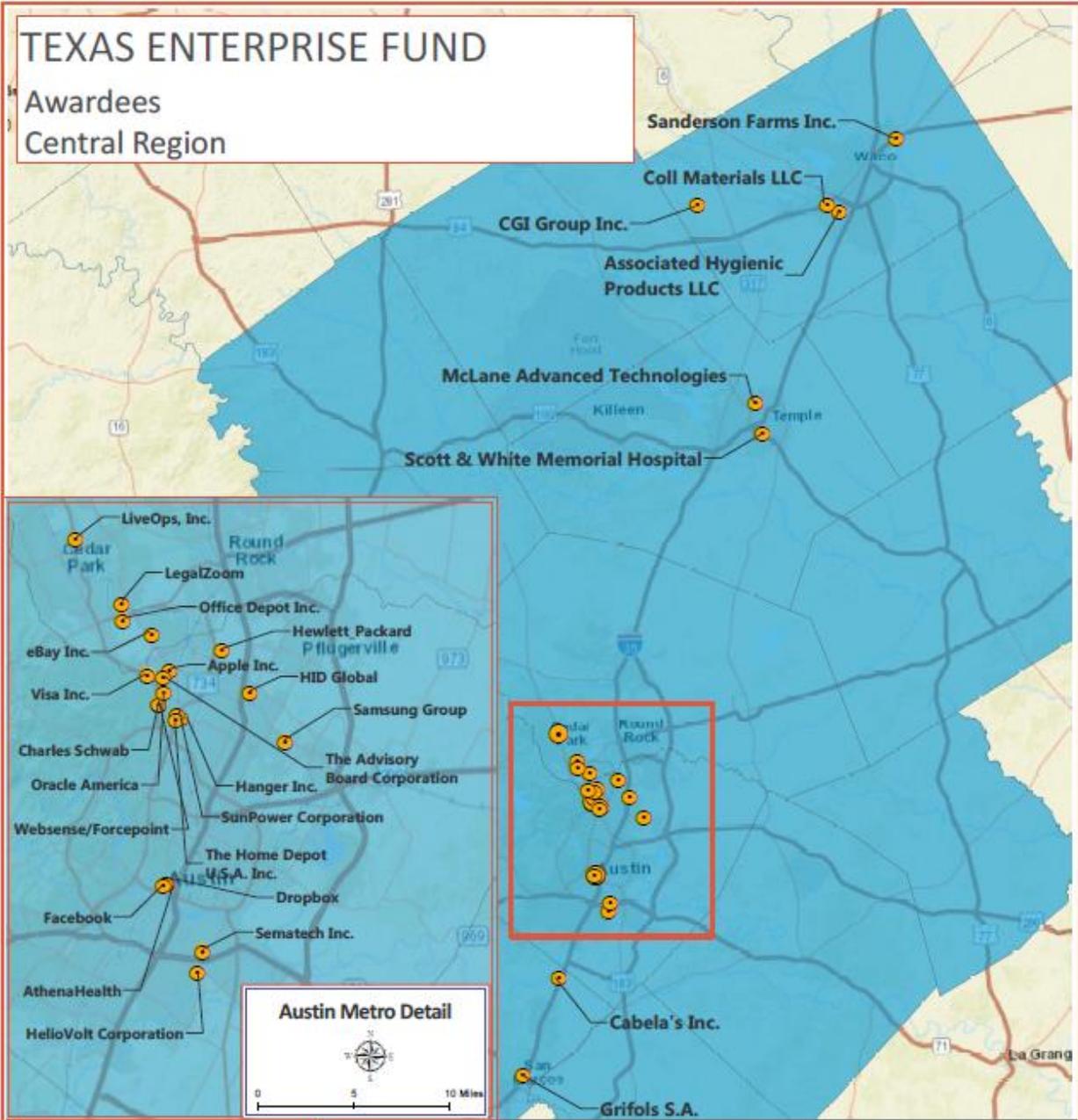
Total Cap.Ex.: \$27B

- TEF Projects
- Texas Counties
- West Texas/Upper RGV
- North/North Central
- Lower South
- East
- South Midwest
- Central

Office of the Governor / Research & Economic Analysis, 1/2017

# TEXAS ENTERPRISE FUND

## Awardees Central Region



### Region Totals

Total Projects: 29

New Jobs: 18,759

Total Award Amount: \$128.62M



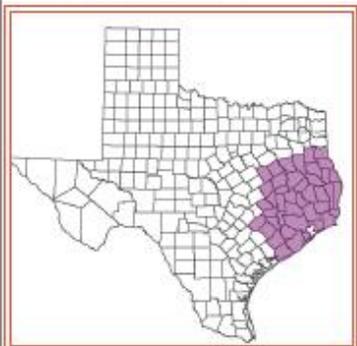
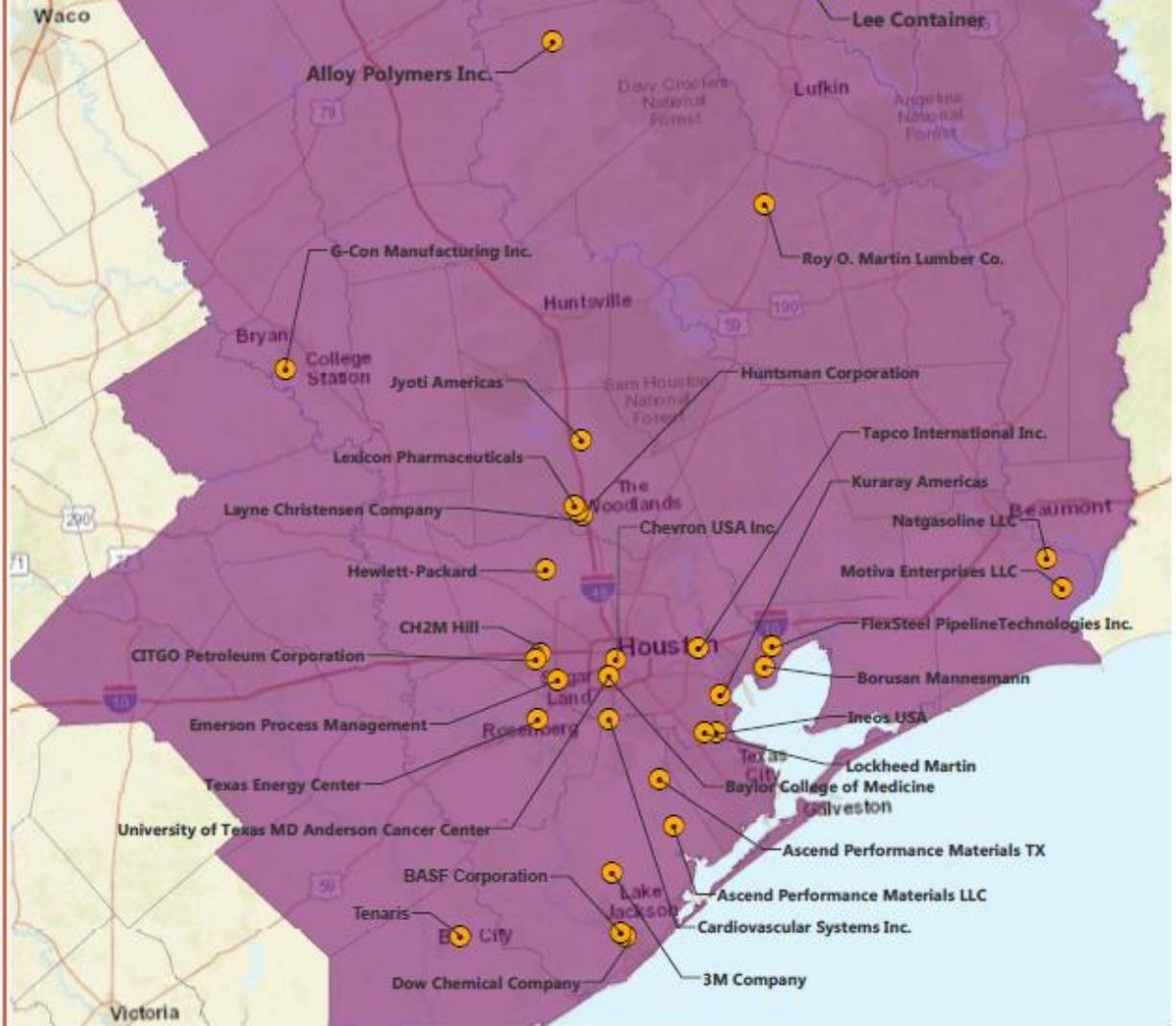
- TEF Projects
- Central Region
- Texas Counties



Office of the Governor / Research & Economic Analysis, 11/2016

# TEXAS ENTERPRISE FUND

## Awardees East Region



### Region Totals

Total Projects: 32  
 New Jobs: 15,898  
 Total Award Amount: \$133.5M

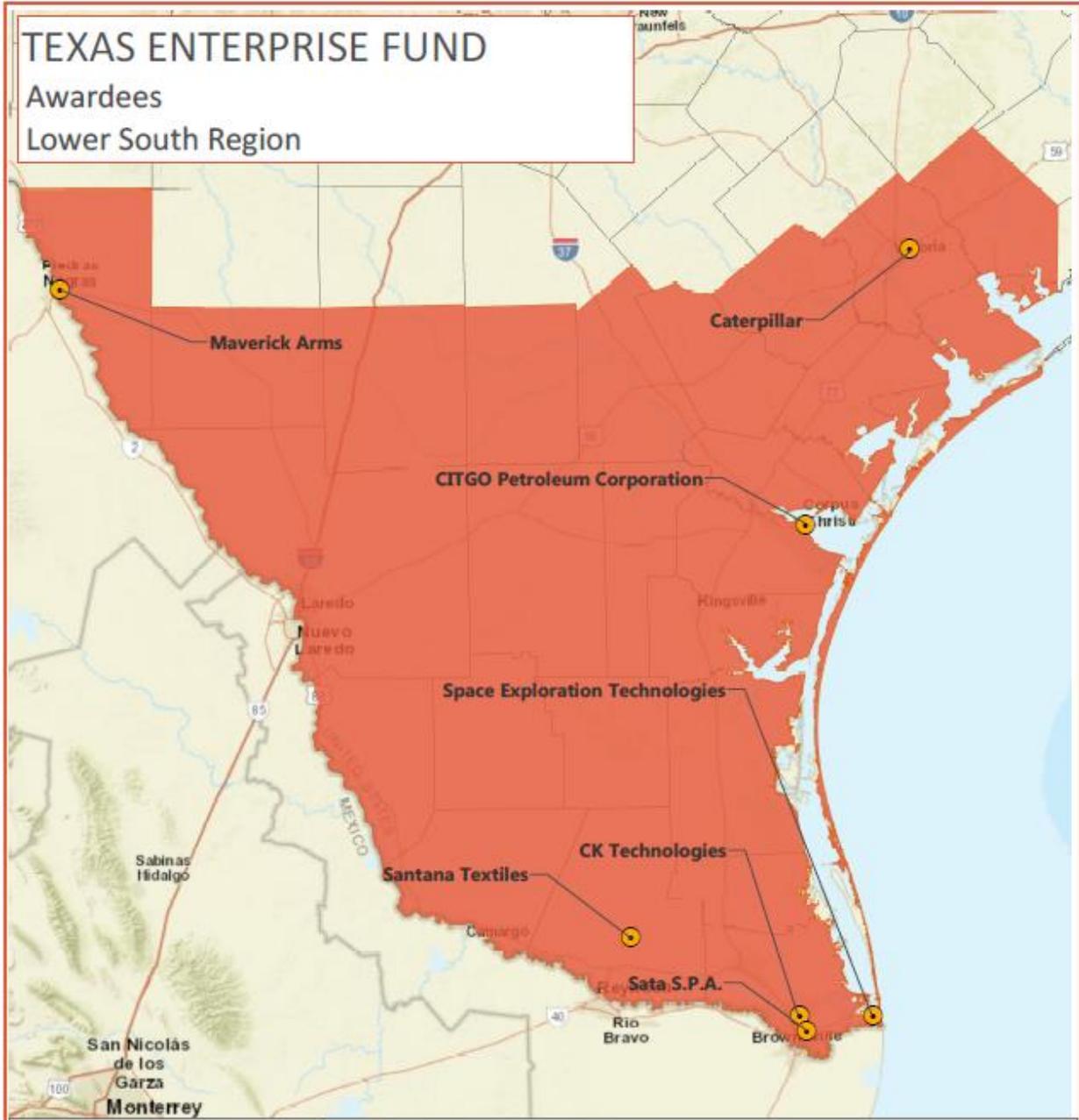
-  TEF Projects
-  East Region
-  Texas Counties



Office of the Governor / Research & Economic Analysis, 11/2016

# TEXAS ENTERPRISE FUND

## Awardees Lower South Region



### Region Totals

Total Projects: 7  
 New Jobs: 2,219  
 Total Award Amount: \$20.7M

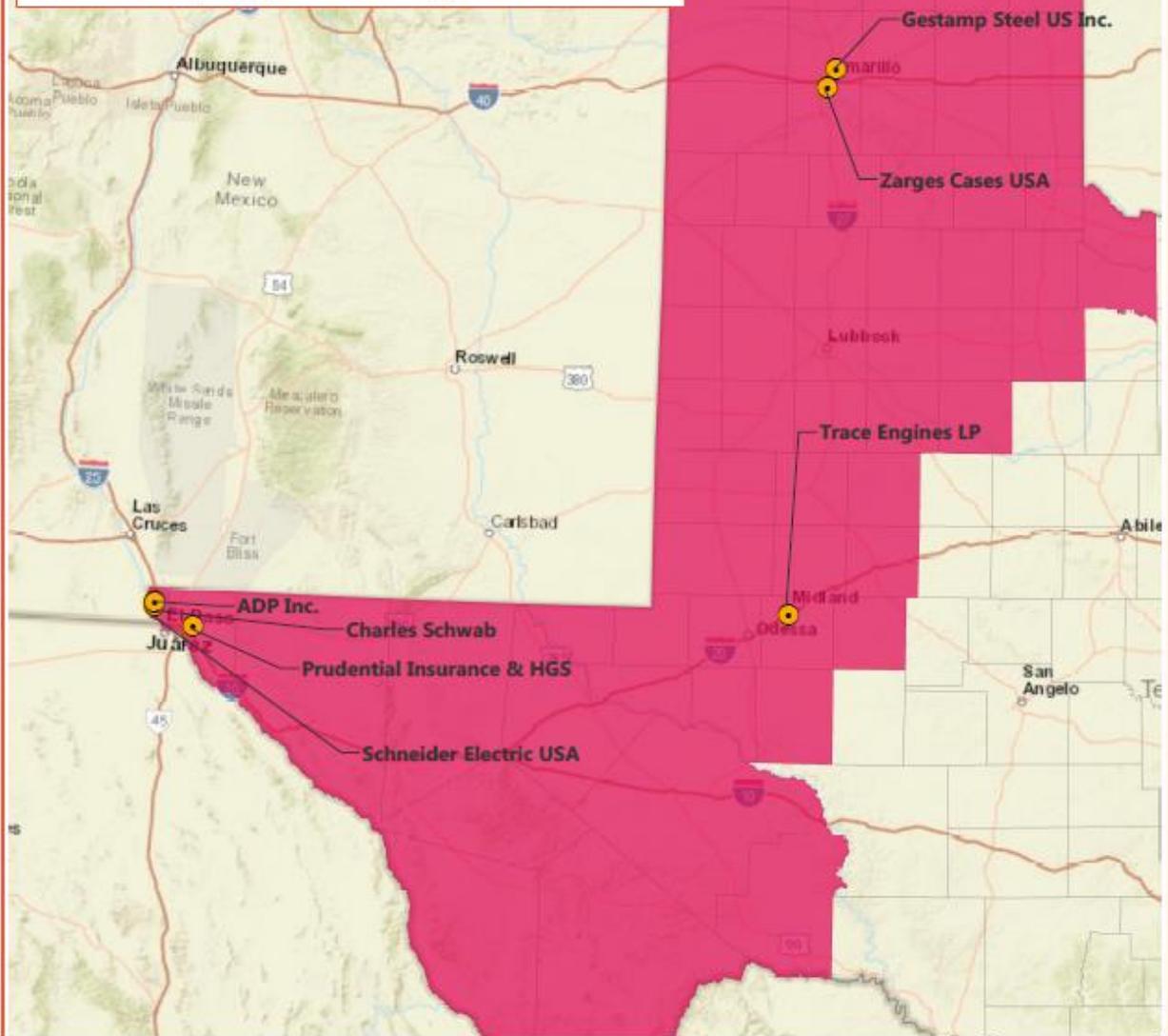


-  TEF Projects
-  Lower South Region
-  Texas Counties



Office of the Governor / Research and Economic Analysis, 11/2016

# TEXAS ENTERPRISE FUND Awardees West Texas / Upper RGV Region

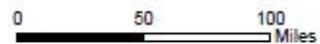


## Region Totals

Total Projects: 9  
 New Jobs: 4,267  
 Total Award Amount: \$20M



-  TEF Projects
-  West Texas/  
Upper RGV
-  Texas Counties

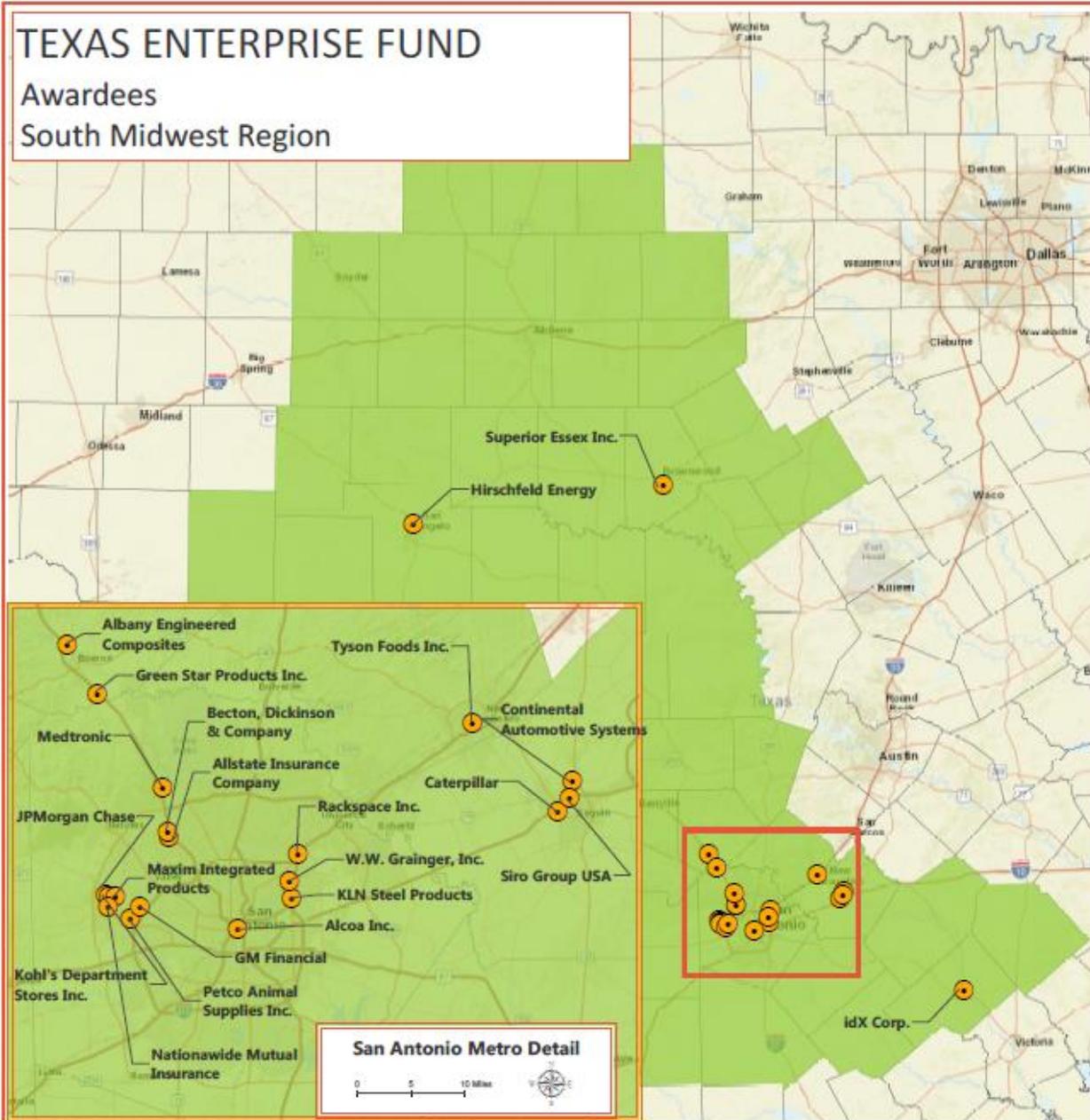


Office of the Governor / Research & Economic Analysis. 11/2016

# TEXAS ENTERPRISE FUND

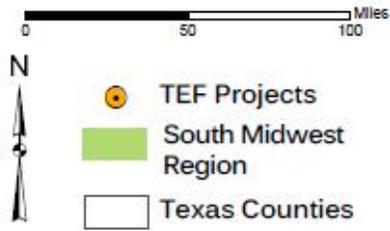
## Awardees

### South Midwest Region



### Region Totals

Total Projects: 22  
 New Jobs: 14,953  
 Total Award Amount: \$71.9M



Office of the Governor / Department of Research & Economic Analysis, 11/2018





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