

SB

44

<TARGET><BILL>SB 44</BILL><SUBJECT>SB
44</SUBJECT><COMM>SRES30</COMM></TARGET>

ALASKA STATE LEGISLATURE

WHILE IN SESSION
STATE CAPITOL
JUNEAU, AK 99801
(907) 465-4930



WHILE IN ANCHORAGE
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ANCHORAGE, AK 99503
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SENATOR BERTA GARDNER
SENATE DEMOCRATIC LEADER
SENATE DISTRICT I

Sponsor Statement **SB 44 - Oil & Gas Tax Credit Disclosures**

Alaska is heavily dependent on revenue from oil & gas production. Recognizing that investment in Alaska is high risk and high cost, the state established a credit program to incentivize investment and to help explorer and developers become tax payers and producers. Established producers can deduct certain costs and incentives from their tax liabilities. Explorers apply to the state for payment of their claims. The fall in oil prices has created an environment wherein the amount we are contributing to exploration and production costs exceeds the revenue from severance taxes. We have invested \$8 billion in the credits and decision-makers have little information to measure the effectiveness of our investment.

In any business partnership, all parties need to know the return on their investments, yet after 10 years of investment in the current oil tax credit system, Alaskans (the owners of the resource) and lawmakers do not know with any certainty what we have bought with our significant investment. To hold ourselves and the industry accountable, we need to have public descriptions of where our money is going, and what it is doing.

This legislation will provide the state with information on our investments. It asks companies who file for tax credits to agree to release a general description, the purpose, and the location of the expense as a condition of participation in the credit program.

Assessment of Alaska's oil and gas exploration credits to determine their effectiveness is vital information. If the State is going to continue to dramatically buy down any oil company's risk in exploration and production, we need to be sure our investments are going towards efforts that further development in Alaska and put more oil in the pipeline. Having this information will allow us to understand the strengths and weaknesses of the system in order to effectively incentivize increased production.

Please join us in passage of this legislation. If you have any questions, please contact Senator Gardner's staff, Samantha Harris, at 465-6853 or Samantha.Harris@akleg.gov.

LEGAL SERVICES

DIVISION OF LEGAL AND RESEARCH SERVICES
LEGISLATIVE AFFAIRS AGENCY
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MEMORANDUM

February 10, 2017

SUBJECT: SB 44: Sectional Summary (Work Order No. 30-LS0186\O)

TO: Senator Berta Gardner
Attn: Samantha Harris

FROM: Emily Nauman 
Legislative Counsel

You requested a sectional summary of the above described bill. As a preliminary matter, note that a sectional summary of a bill should not be considered an authoritative interpretation of the bill -- the bill itself is the best statement of its contents.

Section 1 amends AS 43.05.230(a) in accordance with the addition of AS 43.55.030(g), added by sec. 5 of the Act.

Section 2 amends AS 43.05.230(l) to allow the Department of Revenue (department) to make public (1) the aggregate amount of oil and gas production tax credits issued to a person in the following calendar year and (2) information submitted under AS 43.55.030(a)(10), added by sec. 3 of the bill, and AS 43.55.030(e)(3), added by sec. 4 of the bill, unless otherwise prohibited by law.

Section 3 amends AS 43.55.030(a) to require an oil and gas producer to submit to the department information required under regulation and, for each expenditure that is the basis of a credit under AS 43.55.023 or AS 43.55.025, a description of (1) the expenditure, (2) the purpose of the expenditure, and (3) the lease or property for which the expenditure was incurred. In addition, a producer claiming a credit under AS 43.55.023(b), the net operating loss (NOL) credit, must provide the proportion of a lease expenditure attributable to an NOL credit.

Section 4 amends AS 43.55.030(e) to require an oil and gas producer or explorer that incurs a lease expenditure in the state to submit to the department information required under regulation and, for each expenditure that is the basis of a credit under AS 43.55.023 or AS 43.55.025, a description of (1) the expenditure, (2) the purpose of the expenditure, and (3) the lease or property for which the expenditure was incurred. In addition, a producer claiming a credit under AS 43.55.023(b), the NOL credit, must provide the proportion of a lease expenditure attributable to an NOL credit.

Section 5 requires the department to annually report the information collected under

Senator Berta Gardner
February 10, 2017
Page 2

AS 43.55.030(a)(10), added by sec. 3 of the bill, and AS 43.55.030(e), added by sec. 4 of the bill, to the legislature.

Section 6 gives the bill a July 1, 2017 effective date.

ELN:mlp
17-039.mlp

SENATE
DEMOCRATS
PRESS RELEASE

ALASKA
LEGISLATURE

SENATOR BERTA GARDNER

State Capitol Room 9 • (907) 465-4930

REPRESENTATIVE ANDY JOSEPHSON

State Capitol Room 102 • (907) 465-4939

FOR IMMEDIATE RELEASE

FEBRUARY 1, 2017

Sen. Gardner and Rep. Josephson Introduce Companion Bills to Require Disclosure of Basic Information About Oil Tax Subsidies

JUNEAU - Today, Senate Democratic Leader Berta Gardner (D-Anchorage), and House Resources Committee Co-Chair Rep. Andy Josephson (D-Anchorage) introduced SB44 and HB99, allowing the state to release to the public critical information about our investments in the form of oil tax credits. With passage of the legislation, companies filing for credits would provide a basic description, overall purpose, and general location of these expenses as a condition of participation in our generous credit program.

Since shifting to a net profits tax structure in 2007, the State has given the oil industry \$8 billion in subsidies from our treasury. Currently, neither the administration, the legislature, nor the people of Alaska as the owners of the resource have enough information to evaluate the effectiveness of the tax credit system.

At a time of fiscal crisis, this elementary information is essential to understanding the real value of the credits, i.e. if they incentivize or increase production. By next year, the state will owe over \$1 billion in subsidies to oil companies for earned but unpaid credits.

"Alaska's current oil tax credit portfolio results in a potential liability to the state of over a billion dollars, just as we are in a recession and facing a daunting fiscal crisis," said Rep. Josephson. "This legislation adds some transparency to the tax credits so lawmakers, regulators, and the people of Alaska actually know what we are getting for such a huge investment. In this time of limited funds, we can't justify spending hundreds of millions of dollars every year on oil tax credits unless they are actually resulting in more oil and gas developments in Alaska which would not happen otherwise."

HB99 and SB44 will provide both the people, as resource owners, and the decision makers in the legislature much-needed transparency to set the stage for well-informed investment decisions as we move forward to craft a sustainable fiscal future.

"As the legislature searches for cost savings, and as the Senate Republican Majority sets its sights on additional deep cuts to education, transportation, health care services; and using the earnings of the Permanent Fund, we can no longer blindly pay out these huge subsidies, hoping for the best, but without really knowing what happens to our money," said Senator Gardner. "We've been doing this for ten years, and we know virtually nothing. This is not a wise way to invest; this is not a fair business partnership."

For more information, contact Jeanne Devon, Alaska Senate Democratic Press Secretary at 907-465-5319, or Mike Mason, Alaska House Majority Coalition Press Secretary at 907-444-0889.

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LEGISLATIVE RESEARCH SERVICES

29th Alaska Legislature
LRS Report 17.062
January 12, 2017



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Tax Credits and Public Disclosure Requirements

Susan Haymes, Manager

You asked if Alaska requires companies or individuals applying for tax credits to provide supporting data and whether that information is subject to public disclosure.

Alaska's Public Record Act makes information held by government agencies accessible to citizens by default. This policy is made explicit in AS 40.25.110(a), which reads, "Unless specifically provided otherwise, the public records of all public agencies are open to inspection." There are, however, various exemptions to the Public Records Act, such as records pertaining to juveniles and healthcare. Also, a number of other laws specifically exempt certain records from public disclosure. For example, information in the possession of the Department of Revenue (DOR) that discloses the particulars of the business or affairs of a taxpayer or other person except when the information may be required for an official investigation or administrative adjudication is exempt from the Public Records Act (AS 40.25.100).¹

Alaska allows a number of tax credits, which are described in the Tax Division's *Revenue Sources Book*.² For most of the credits, the applicant is required to submit information supporting the request for the credit. For many of the credits the data are confidential and may not be released. For other credits, for example, production tax credits allowed under AS 43.55.025, the supporting data may be disclosed after a certain period of time. With certain exceptions, petroleum well data can be disclosed after a 30-days public notice following a 24-month time period. Seismic or other geophysical data remains confidential for ten years after the completion date, at which time the Department of Natural Resources may release the information after a 30 day public notice period. Additionally, exploration activity data submitted in support of the mineral exploration incentive credit is confidential for 36 months after receipt by the department. Cost data and other information submitted in support of the film production tax credit becomes public once the tax credit is approved.³ Generally, information that appears in a tax return is confidential under AS 40.25.100 and AS 43.05.230.

In Table 1 we provide for each tax credit the authorizing statute and a description of any disclosure requirements. The Tax Division groups the credits according to those that are applicable to oil and gas production, corporate income tax, fisheries taxes, and those that apply to multiple activities.

We hope this is helpful. If you have questions or need additional information, please let us know.

¹ AS 43.05.230 further describes the confidentiality requirements for the disclosure of information on tax returns and tax reports. The DOR may release tax information in aggregated form that prevents the identification of a particular taxpayer.

² The *Revenue Sources Book Fall 2016* can be accessed at <http://www.tax.alaska.gov/programs/documentviewer/viewer.aspx?1295r>.

³ The film tax credit was repealed in 2015, but prequalified projects are eligible to receive a credit until January 1, 2019.

Table 1: Disclosure Requirements for Tax Credits in Alaska

Tax Credit Program	Statute for Credit	Disclosure Requirements
Credits Applicable to Oil and Gas Production		
Alternative Credit for Exploration	AS 43.55.025(a)(1) - (a)(4)	The producer or explorer must submit supporting documentation as required by the department (Form 310). The data is held confidential as follows: well data is confidential for 24 months (AS 31.05.035(c)), unless the Department of Natural Resources (DNR) commissioner determines the information relates to the valuation of unleased acreage or the well is on private land; seismic or other geophysical data is confidential for ten years and will be released after a 30-day public notice period; seismic data obtained by seismic exploration under (k) is confidential only until the 30-day public comment period expires (AS 43.55.025(f)[2]).
Carried Forward Annual Loss Credit	AS 43.55.023(b)	The producer or explorer must submit supporting documentation as required by the department (Form 330). The calculations and amounts claimed must be substantiated by the schedules from the applicant's annual tax return. The information on the taxpayer's tax return is confidential subject to AS 40.25.100 and AS 43.05.230.
Cook Inlet Jack-Up Rig Credit	AS 43.55.025(a)(5) and (l)	Producer or explorer must submit supporting documentation as required by the department (Form 310). The data are subject to disclosure requirements under AS 43.55.025(f)(2).
Exploration Incentive Credit	AS 38.05.180(i)	This credit was repealed in HB 247 in 2016 and had not been used for many years. Under the law, the lessee was required to submit supporting data, which stays confidential at the request of the lessee under AS 38.05.035(a)(8); however, confidential data could have been released to legislators, legislative auditor, director of Legislative Finance, and state employees who evaluate royalty reductions.
Frontier Basin Credit	AS 43.55.025(a)(6) - (a)(7)	For credits taken under (a)(7), seismic data may be made public two years after the credit was received. A person planning to conduct seismic activities on private land must get agreement from the landowner allowing the data to be released.
Per-Taxable-Barrel Credit	AS 43.55.024(i)-(j)	This credit is an integral part of the production tax calculation; the credit is applied directly to the tax and may not be carried forward or transferred. No data requirements.
Qualified Capital Expenditure and Well Lease Expenditure Credit	AS 43.55.023(a) and (l)	Producer or explorer must submit supporting documentation as required by the department (Form 330). Both qualified capital expenditures and well lease expenditure credits are subject to disclosure requirements under AS 43.55.025(f)(2).
Small Producer/New Area Development Credit	AS 43.55.024(a) and (c)	Producer or explorer must submit supporting documentation as required by the department.

Table 1: Disclosure Requirements for Tax Credits in Alaska (cont.)

Tax Credit Program	Statute for Credit	Disclosure Requirements
Credits Applicable to Corporate Income Tax		
Gas Storage Facility Credit	AS 43.20.046	To claim the credit, the person must submit certification of working gas storage capacity and withdrawal capability, the date the facility started commercial operations, and any other required information. The information on the taxpayer's tax return is confidential subject to AS 40.25.100 and AS 43.05.230.
In-State Refinery Tax Credit	AS 43.20.053	The information on the taxpayer's tax return is confidential subject to AS 40.25.100 and AS 43.05.230.
Internal Revenue Code Credits Adopted by Reference	AS 43.20.021	The information on the taxpayer's tax return is confidential subject to AS 40.25.100 and AS 43.05.230.
LNG Storage Facility Credit	AS 43.20.047	To determine the amount of credit, the taxpayer must submit the costs to establish or to expand the LNG facility certified by an independent certified public accountant. The information on the taxpayer's tax return is confidential subject to AS 40.25.100 and AS 43.05.230.
Oil and Gas Industry Service Expenditures Credit	AS 43.20.049	Under (d), for a year in which three or more taxpayers claim a tax credit, the department may publish the aggregated amount of tax credits claimed under this section and a description of the expenditures that were the basis of the tax credit.
Urea/Ammonia/Gas to Liquid Facility Credit	AS 43.20.052	To claim a credit, the taxpayer must submit to the department the name of each lessee delivering natural gas for use at the facility, the identification and quantity of natural gas from each state lease, the ownership percentage of the taxpayer in the facility, and the price for the natural gas. The information on the taxpayer's tax return is confidential under AS 40.25.100 and AS 43.05.230.
Veteran Employment Tax Credit	AS 43.20.048	Employer is required to submit a Form 6325 to claim an income tax credit, which includes the name of the veteran employee, the employee's supporting documentation (Certificate of Qualifying Veteran), the hours employed, and the period of time employed. The taxpayer's information is confidential under AS 40.25.100 and AS 43.05.230.
Credits Applicable to Fisheries Taxes		
Community Development Quota Credit	AS 43.77.040	The taxpayer must submit supporting documentation as required by the department with the application for the credit.
Other Taxes Credit	AS 43.77.030	The information on the taxpayer's tax return is confidential subject to AS 40.25.100 and AS 43.05.230.
Salmon and Herring Product Development Credit	AS 43.75.035	The taxpayer must submit supporting documentation for the credit. The taxpayer may submit supporting documentation to pre-qualify for the tax credit (Form 575). The information on the taxpayer's tax return is confidential subject to AS 40.25.100 and AS 43.05.230.
Winn Brindle Scholarship Contributions Credit	AS 43.75.032, AS 43.77.035	The taxpayer must submit supporting documentation as required by the department with the application for the credit. The information on the taxpayer's tax return is confidential subject to AS 40.25.100 and AS 43.05.230.

Table 1: Disclosure Requirements for Tax Credits in Alaska (cont.)

Tax Credit Program	Statute for Credit	Disclosure Requirements
Credits Applicable to Multiple Tax Credits		
Education Credit	AS 21.96.070, AS 43.20.014, AS 43.55.019, AS 43.56.018, AS 43.65.018, AS 43.75.018, AS 43.77.045	The Education Credit applies to the corporate income tax, fisheries business tax, fishery resource landing tax, insurance premium tax, title insurance premium tax, mining license tax, oil and gas production tax, and oil and gas property tax. Taxpayers are required to submit a form describing the recipient and the amount of the credit. For example, oil and gas producers must fill out Form 308 to receive the production tax education credit.
Film Production Credit	AS 43.98.030	The film tax credit was repealed in 2015, but prequalified film projects are still eligible to receive a credit until January 1, 2019. The law required the department to publish the name and contact information for each person issued a credit. The information in the original application is confidential; however, once the tax credit is finally approved, the cost report and other data are public and subject to disclosure under the Alaska Public Records Act (AS 40.25.120).
Mineral Exploration Incentive Credit	AS 27.30, AS 43.20.044	The taxpayer must submit an accounting of mining operations activities. The exploration activity data are confidential for 36 months after receipt by the department (AS 27.30.090).
<p>Sources: Tax Division, DOR, <i>Revenue Sources Book Fall 2016</i>, at http://www.tax.alaska.gov/programs/documentviewer/viewer.aspx?1295r; Alaska Statutes.</p>		

**SUPPORTING DOCUMENT:
SELECT SLIDES FROM
DEPARTMENT OF REVENUE
PRESENTATION TO HOUSE RESOURCES
COMMITTEE
JAN 30 2017**

History of Oil and Gas Production Tax Credits

Types of Credits

- Exploration Credits- AS 43.55.025; 2003-2016
 - Added as a new incentive during ELF era
 - 20-40% of seismic work and exploration drilling
- Capital Expenditure Credit- AS 43.55.023(a) and (l)
 - 20% credit added 2006 as part of PPT
 - Expanded outside North Slope to include 40% “well lease expenditure” credit in 2010
 - Repealed on North Slope with passage of SB21 in 2013
 - Cut in half 2017, repealed in Cook Inlet 2018 in HB247
- Carried Forward Annual Loss Credit- AS 43.55.023(b)
 - “NOL” refunds a percentage of a company’s losses
 - Currently 35% on North Slope- **main remaining credit**
 - Was 25% in Cook Inlet, now 15%, phased out 2018
 - “Stackable” with Exploration and Capital credits

History of Oil and Gas Production Tax Credits

Types of Credits (cont'd.)

- Small Producer Credit- AS 43.55.024(c)
 - Tax reduction of up to \$12 million for first nine years
 - Qualification ended in 2016; gradually phasing out
 - Can't be cashed, transferred, or carried forward
- Per-Taxable Barrel Credit- AS 43.55.024(i) and (j)
 - Subtracted from taxes as part of SB21 calculation
 - Can't be cashed, transferred, or carried forward
- Credits against corporate income taxes (AS 43.20)
 - Gas storage, LNG storage, Refinery investment

To qualify for credit “repurchase” a producer must produce less than 50,000 bbl / day. Larger companies must carry forward to use against future year’s taxes

Refundable tax credits are unique to Alaska

History of Oil and Gas Production Tax Credits

FY 2007 thru 2016, \$8.0 Billion in Credits

North Slope

- \$4.4 billion credits against tax liability
 - Major producers; mostly 20% capital credit in ACES and per-taxable-barrel credit in SB21
- \$2.3 billion repurchased credits
 - New producers and explorers developing new fields

Non-North Slope (Cook Inlet & Middle Earth)

- \$0.1 billion credits against tax liability
 - Another \$500 to \$800 million Cook Inlet tax reductions (through 2013) due to the tax cap still tied to ELF
- \$1.2 billion repurchased credits (most since 2013)

History of Oil and Gas Production Tax Credits

Providing some detail out of confidential data:

Of the nearly \$3.5 billion in state-repurchased credits through the end of FY16:

- \$1.5 billion went to eight North Slope projects that now have production
- \$0.8 billion went to 11 North Slope projects that do not have any production. Some of these are abandoned, and some are in process
- \$0.9 million went to eight non-North Slope projects that have production
- \$0.3 million went to eight non-North Slope projects that do not have any production

Credit Cost in Perspective

North Slope Repurchased Credits

- Between FY07-FY16 spent \$1.5 billion supporting seven producing projects
- Total production from these producers through end of 2015 is 63 million barrels
- Total credits = **\$24** / barrel
 - Doesn't include payments to non-producing projects
 - This number will decrease over time due to additional production from these fields
- Lease expenditures for these projects, through FY15, were \$6.0 billion
 - Credit support was **25%** of lease expenditures₃₁

Credit Cost in Perspective

Cook Inlet Repurchased Credits

- Between FY07-FY16 spent \$900 million supporting eight producing projects
- Total production through end of FY15 is 73 million BOE (much of this was gas)
- Total credits = **\$13 / BOE** or about **\$2.10 / mcf**
 - Doesn't include payments to non-producing projects
 - This number will decrease over time due to additional production from these fields
- Lease expenditures for these projects, through FY15, were \$2.3 billion
 - Credit support was **40%** of lease expenditures₃₂



NATIONAL CONFERENCE of STATE LEGISLATURES

The Forum for America's Ideas

Oil and Gas Tax Incentive Recipient Disclosure

State	Incentive Program	Recipient Disclosure
Alabama	Industrial Development Grant	None
Alaska	Oil and Gas Production Tax Credits	None
	Exploration Incentive Credit	
Arkansas	Economic Investment Tax Credit	None
	InvestArk Sales and Use Tax Credits Job Training Incentives	
California	Employment Training Panel	<u>Yes</u>
Colorado	Job Creation Performance Incentive Fund	None
	Enterprise Zone	
Delaware	Blue Collar Training Grant	None
Florida	Qualified Target Industry Tax Refund	<u>Yes</u>
Hawaii	Employment and Training Fund Statewide Grants	None
	Employee Training Investment Program	
Illinois	Enterprise Zone Expanded M&F Sales Tax Exemption	<u>Yes</u>
	Coal Competitiveness Program	
	IDOT Economic Development Program	
Indiana	Economic Development for a Growing Economy	<u>Yes</u> <u>Additional Source</u>
	Hoosier Business Investment Tax Credit	
	Skills Enhancement Fund	
Kentucky	Kentucky Enterprise Initiative Act	<u>Yes</u>
	Kentucky Jobs Development Act	
	Kentucky Rural Economic Development Act	
Louisiana	Industrial Tax Exemption	<u>Yes</u>
	Quality Jobs Program Enterprise Zone Program	
Maine	Business Equipment Tax Reimbursement (BETR)	None
Maryland	Baltimore Development Corporation	<u>Yes</u>
	Department of Business and Economic Development	



NATIONAL CONFERENCE of STATE LEGISLATURES

The Forum for America's Ideas

Oil and Gas Tax Incentive Recipient Disclosure

State	Incentive Program	Recipient Disclosure
Massachusetts	Economic Development Incentive Program	<u>Yes</u>
Michigan	Michigan Economic Growth Authority (MEGA) Tax Credits	<u>Yes</u>
Minnesota	Job Opportunity Building Zones (JOBZ)	<u>Yes</u>
	Minnesota Investment Fund	
Mississippi	Workforce Training Fund	None
Nevada	Business Tax Abatement	
	Personal Property Tax Abatement	None
	Sales and Use Tax Abatement	
New Hampshire	Job Training Fund	<u>Yes</u>
New Jersey	Urban Enterprise Zone Program	None
	Business Employment Incentive Program (BEIP)	<u>Yes</u>
New Mexico	High-Wage Jobs Tax Credit	None
New York	Industrial Development Agencies	<u>Yes</u>
		<u>Additional Source</u>
North Carolina	Job Development Investment Grant	<u>Yes</u>
Ohio	Job Retention Tax Credit	
	Economic Development Contingency Grant	
	Industrial Training Grant	
	Ohio Workforce Job Training	<u>Yes</u>
	Workforce Development Initiatives	
	Job Creation Tax Credit	
Oklahoma	Incumbent Workforce Training Voucher	
	Training for Industry	None
	Quality Jobs/21st Century Quality Jobs	<u>Yes</u>
Oregon	Business Energy Tax Credit (BETC)	<u>Yes</u>
Pennsylvania	Customized Job Training	<u>Yes</u>



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The Forum for America's Ideas

Oil and Gas Tax Incentive Recipient Disclosure

State	Incentive Program	Recipient Disclosure
	Job Creation Tax Credit	<u>Additional Search</u>
	Opportunity Grant Program	None
	Research and Development Tax Credit	
Tennessee	FastTrack Job Training Assistance	<u>Yes</u>
Texas	Texas Enterprise Fund	<u>Yes</u>
Virginia	Enterprise Zone Real Property Investment Grant	<u>Yes</u>
Washington	High Technology Business & Occupation Tax Credit Solar Energy Systems Manufacturers Preferential Tax Rate	<u>Yes</u>
	Governor's Guaranteed Work Force Program	<u>Yes</u>
West Virginia	Manufacturing Investment Tax Credit	None
	Strategic Research and Development Tax Credit	None

Source: Good Jobs First, Accountable USA database and Subsidy Tracker retrieved December 8, 2016.

INDUSTRIAL TAX EXEMPTION

Effective June 24, 2016, changes apply to the Industrial Tax Exemption Program, pursuant to an Executive Order from the Louisiana Governor's Office. View the Executive Order [here](#).

Not all changes effective June 24, 2016 are reflected below. Please check again, as updates are ongoing.

The Louisiana Industrial Ad Valorem Tax Exemption Program (ITEP) is an original state incentive program which offers an attractive tax incentive for manufacturers within the state. The program abates, up to ten years, local property taxes (Ad Valorem) on a manufacturer's new investment and annual capitalized additions related to the manufacturing site.

ELIGIBILITY

Businesses must be classified as a manufacturer or related to the manufacturing project in order to receive the benefits of the ITEP program. ITEP is only available for activities related to manufacturers:

A manufacturer, as identified by the federal government, has a North American Industry Classification System (NAICS) code that begins with 31, 32 or 33.

The NAICS is used as a preliminary qualification criterion. If the company does manufacturing but does not have the manufacturing NAICS code, and 50+% of the activities at the site are considered manufacturing, then additional steps are required to determine eligibility.

A detailed description of the activities to be considered manufacturing is provided by the company.

A site inspection will be performed by LED to determine if the activity is manufacturing.

The program can be used by manufacturers new to Louisiana and is also available to existing manufacturers in Louisiana with new investments to existing facilities.

Program Rules:

All incentive program rules are in the Louisiana Administrative Code maintained by the Office of the State Register.

[View the Industrial Tax Exemption Constitutional Provision](#)

[View the Industrial Tax Exemption Rules](#)

Choose Title 13, Economic Development

Go to Part I, Chapter 5

- GETTING STARTED**
- NEXT STEPS**
- ELIGIBILITY SCENARIOS**
- FAQS**

THE PROCESS

Submit Advance Notification with fee online, and then begin the project (if project is \$5 million or less and will take less than 18 months to complete, skip to step 3).

File for Louisiana Unemployment ID number (if business does not have one) with the Louisiana Workforce Commission to receive NAICS code.

Complete the application online and submit any required addendum material to LED for review.

LED reviews application and submits it to the Board of Commerce and Industry.

If approved, the Board issues contract through LED.

Submit Project Completion Report with fee and Affidavit of Final Cost with fee to LED.

Submit Annual Report to LED.

APPLY NOW »

**PROGRAM
ADMINISTRATION:**

Kristin Cheng

Program Administrator
kristin.cheng@la.gov
225.342.2083

QUALITY JOBS

Louisiana Quality Jobs Rebate

Not all changes effective April 1, 2016 are reflected below. Please check again, as updates are ongoing.

The Quality Jobs, or QJ, program provides a cash rebate to companies that create well-paid jobs and promote economic development.

The program provides up to a 6% cash rebate on 80% of gross payroll for new direct jobs for up to 10 years. Effective July 1, 2018, the rebate is available on 100% of gross annual payroll.

Provides a 4% sales/use rebate on capital expenditures or a 1.5% refundable investment tax credit on the total capital investment, excluding tax exempted items.

ELIGIBILITY

Business must be in one of the following industries:

Bioscience, Manufacturing, Software, Environmental Technology, Food Technology, Advanced Materials or Oil & Gas Field Service

OR

Must have at least 50% of annual sales out-of-state and/or to in-state customers or buyers if the product or service is resold by the purchaser to an out-of-state customer or buyer or to the federal government

OR

Must be located in an area designated by Louisiana Economic Development as a distressed region. A distressed region is either of the following:

A parish that is within the lowest 25% of parishes based on per capita income.

A census tract block group that is below the state median per capita income, based upon the latest federal decennial census.

The following employers or persons shall not be eligible to participate in the program:

Retail employers identified by NAICS Code Sections 44 and 45

Business associations and professional organizations identified by NAICS Code 8139
State and local government enterprises
Real estate agents, operators and lessors
Automotive rental and leasing
Local solid waste disposal, local sewage systems and local water systems businesses
Nonprofit organizations, unless the department determines that the new direct jobs created by the organization would have a significant impact on Louisiana
Employers engaged in the gaming industry identified by NAICS Code sections 713210 and 721120
Attorneys

Job Requirements

Create a minimum of five new direct jobs
These jobs must be full time, (full-time employees — working 30 hours or greater per week)
Provide a basic health benefit plan/health insurance coverage
That which is required to be offered and/or provided shall include coverage for basic hospital care, coverage for physician care and coverage for health care which shall be the same as that provided to executive, administrative or professional employees
Coverage must become effective no later than the first day of the month 90 days after the date of hire
The employer's contribution must have a value of at least one dollar and twenty-five cents per hour. If you are other than a self-insured company, the value of the plan is the actual cost for the individual coverage. If you are a self-insured company, LED will determine the value. Basic health care benefits do not include dental, vision or life.

Minimum Wage and Health Care Requirements

The minimum wage requirement for new direct jobs is \$14.50 per hour in wages and healthcare benefits

Minimum Annual Gross Payroll Requirements

If an employer employs:

50 or fewer employees state-wide prior to the start date of the contract, the minimum annual payroll threshold for new direct jobs is \$250,000

More than 50 employees statewide prior to the start date of the contract, the minimum annual payroll threshold for new direct jobs is \$500,000

If the actual verified annual gross payroll for the employer's third fiscal year does not show a minimum of five new direct jobs and does not equal or exceed a total annual payroll for new direct jobs of either \$500,000 or \$250,000, whichever is applicable, the employer will be determined to be ineligible.

Program Statutes & Rules:

All incentive program rules are in the Louisiana Administrative Code maintained by the Office of the State Register.

[View the Quality Jobs Statutes](#)

[View the Quality Jobs Rules](#)

[Choose Title 13, Economic Development](#)

[Go to Part I, Chapter 11](#)

GETTING STARTED

Getting started is a click away. Submit your advance notification and pay online before you start construction, hiring and/or make purchases towards the project's capital investment. Once your advance and fee have been filed, LED will acknowledge receipt. Note, to expedite and streamline the communication process all applicable correspondence will be submitted electronically to the designated contact.

You may submit your advance, application and fees online using FastLane.

[View fees associated with this incentive.](#)

NEXT STEPS

After the department receives your advance notification and fee, you are ready to start your project, including the following:

1. Begin your project. This includes construction, hiring, purchasing equipment, building and materials and other capital investments.
2. File for an Unemployment Insurance Identification Number (UI#). Contact the Louisiana Workforce Commission (LWC) to apply for an unemployment identification number.
3. Submit your program application within 24 months after the department has received the advance notification and fee.
4. LED review of application and Board approval. Once LED receives your application and fee, the office staff will review your application for compliance with the program rules and provide a copy of the application to the Louisiana Workforce Commission (LWC) and Louisiana Department of Revenue (LDR) for review. An application will not be presented to the board until a letter of no objection is

received. Completed applications are due for review no later than the 15th of the month prior to the Board meeting date. Applicants are notified within 10 days of the Board date and are provided instructions, time and location of the meeting.

5. Board Review. Your application is presented to the Board of Commerce and Industry for approval. The Board convenes every other month, meeting six times during a calendar year.

6. Issue contract. After the application is approved by the Board of Commerce and Industry, three original contracts will be sent for signature, unless the Louisiana Department of Revenue (LDR) or the LWC issues an objection against the project and/or owner(s).

7. **Submit Annual Certification Report (ACR) and supporting documentation.** The initial ACR(s) and fee is due within six months after the close of your fiscal filing year or after the Governor's signature, whichever comes later.

Use appropriate form specific to your contract:

Baseline Spreadsheet

Annual Report Spreadsheet (Pre-Act 387)

Annual Report Spreadsheet

Annual Report Spreadsheet (contract with advance notifications after July 1, 2015)

Certification of Primary Qualification (Pre-Act 387)

Certification of Primary Qualification (Act 387)

ACR-Health Care Certification Form

Initial Baseline Calculation Worksheet

Disclosure Authorization

8. Renewal. The company must make a written request (email preferred) to renew the contract to the program administrator within 60 days of the expiration of the initial five year contract term. This requires a \$250 renewal fee.

9. Contract amendment: Once under contract, if any changes are made (such as *Change in Name, Change in Location, Change in Ownership, or Change in Schedule 1*) the appropriate contract amendment and fee must be submitted within 90 days of that change to LED. The contract amendment must be approved by the Board of Commerce and Industry.

If seeking sales and use tax rebates or the investment tax credit, in addition to meeting the requirements of the Quality Jobs Program an employer must meet the hiring requirements as set forth in Section 4 of the Quality Jobs Contract.

If you must meet the hiring requirements of the Enterprise Zone Program please reference the below:

1. After submitting the advance notification and fee, apply for local benefits by contacting the local

governing authority to request an endorsement resolution.

2. File for a Sales/Use Tax Certificate Registration if applicable. Contact the Louisiana Department of Revenue to apply for sales and use tax registration certificate and taxpayer account number.
3. Submit Project Completion Report (PCR) and fee within six months after the project is completed.
4. Submit the Affidavit of Final Cost and fee within six months of the completion of the project.
5. File for sales and use tax rebate or refundable investment tax credit with Louisiana Department of Revenue.
6. File Employee Certification Reports (ECR) and fee. ECRs for project periods of 24 months or less may be filed concurrently. ECRs are due no later than six months after the project has been completed or after the Governor has signed the contract, whichever comes later. For project periods greater than 24 months, an additional ECR for the remaining months must be filed if seeking an additional project period.

Only if seeking an **additional** sales and use tax rebate or investment tax credit period: A project exceeding 30 months must separate the project into phases, maximum of four 30 month project periods, with no phase having a project period greater than 30 months (additional project periods cannot start sooner than 30 months from the prior period start date):

1. Submit the Advance Notification Quality Jobs Additional Period - Sales and Use Tax / ITC and fee before beginning the additional project period.
2. Submit the Application Sales and Use Tax/Investment Tax Credit (Additional Period) and fee within three months after the project is complete.
3. File Employee Certification Reports. These reports are due in conjunction with the Application for this additional project period.
4. Submit the Project Completion Report and fee within three months after the project is completed.
5. Submit the Affidavit of Final Cost (AFC) and fee within six months of the completion of the project.
6. File for sales and use tax rebate or refundable investment tax credit. Submit rebate claim or refundable ITC request to the Louisiana Department of Revenue within six months after the project has been completed. You must complete additional forms issued by the LDR. Contact Office of Audit Division at 225.219.2270 for additional information.

ELIGIBILITY SCENARIOS

Q: If I am an existing business in Louisiana with multiple facilities located throughout the state and I reduce the workforce at one site and increase the workforce at another site with a Quality Jobs (QJ) contract, would those jobs created at the QJ site be eligible as net new jobs?

A: Possibly. A business has to create new direct jobs for the state of Louisiana. A new direct job is a position created on or after the contract effective date, which is in addition to the number of jobs in the employment baseline established statewide including affiliates that meet the minimum requirements of the program. For example:

If a business reduces its workforce by 50 employees at one site and adds 50 jobs at another site, then there is no new net gain of jobs to the state.

On the other hand, if a business reduces its workforce by 25 jobs at one site and increases the workforce by 50 jobs at the QJ site, then there is a net increase to the state.

Q: If Company ABC purchased Company XYZ and retained XYZ's employees, are the retained jobs considered net new jobs?

A: NO. When a business acquires another business the jobs that were at the acquired business are not considered new jobs to the state for the new business owner. There must be a net increase of new jobs to the state. For example:

Company A Manufacturers, Inc. has acquired Company B, Inc., a local company with 15 existing employees. Company A Manufacturers, Inc. plans to make some modifications to the structure of Company B, Inc., and retains their employees. The 15 employees retained by Company A Manufacturers, Inc., are not considered net new jobs to the state.

Q: Under a QJ contract, businesses are eligible to receive payroll rebates and either the sales and use tax rebate or the investment tax credit. If I do not meet the minimum requirements in any fiscal filing do I lose all the benefits offered under the QJ program?

A: Possibly. It is not required to demonstrate the minimum gross payroll and the minimum number of new direct jobs within the first two fiscal filings. However, if these minimum thresholds are not met in the third fiscal filing the contract is cancelled and all benefits are owed back to the State. Thereafter, if at any other time during the remaining contract period the employer applies for a rebate and the minimum verified gross payroll and new direct jobs are not demonstrated, all rebates shall be suspended. No QJ benefits shall accrue or be paid to the employer during a period of suspension.

FAQs

Q: What is the Quality Jobs Program?

A: The Quality Jobs (QJ) Program provides payroll benefits as an inducement for businesses to locate or expand operations in the State of Louisiana.

Q: What are the benefits of the program?

A: It provides a rebate of up to 6% on annual wages for up to 10 years and the election of either a 4% sales/use tax rebate on capital expenditures or a 1.5% refundable investment tax credit on the total capital investment, excluding tax exempted items. For advance notifications filed on or after July 1, 2015, 80% of the annual gross payroll shall be eligible for the rebate.

Q: What is a Quality Jobs contract?

A: The Quality Jobs Contract is an agreement between the State of Louisiana and a qualified company that allows the company to receive the benefits of the QJ Program upon meeting all of the program requirements.

Q: How do I enter into a Quality Jobs contract?

A: Advance Notification — Filing an Advance Notification is the first step in the process. The Advance Notification is filed through FastLane. The Advance Notification must be filed before hiring, purchasing or construction begins.

Application — An application and fee for the Quality Jobs Program must be filed on the prescribed forms within 24 months after the department has received the advance notification and fee. Upon receipt of the application, fee, and addendum material, the application is reviewed by LED. Once accepted, the application is processed and presented at the next Board of Commerce and Industry meeting.

Contract — After the Board of Commerce and Industry approves the application, a contract is submitted electronically to the applicant for signature. Once returned to LED the contract is then sent to the Board of Commerce and Industry and finally to the Governor for signature.

Q: What is an Advance Notification?

A: The Advance Notification is the document notifying LED of a project before any action has occurred, such as hiring new employees or spending money.

Q: After a contract is executed, what documents are necessary to receive the benefits of the program?

A: The company must file the following documents with LED after the close of each fiscal year during the contract period:

The Annual Certification Report (ACR) and fee, and the required addendum material, including a copy of the wage reports filed with the Louisiana Workforce Commission (ES4's) and information about the employee health care plan (coverage summary and cost detail) Certification of Primary Qualification illustrating the company's eligibility for the program

The Rebate Spreadsheet illustrating the new direct jobs created

The Baseline Report illustrating that the company has maintained the baseline jobs that existed prior to the start date of the contract.

* Additional information may be required. These forms can be found on LED's website.

* LED will notify the Louisiana Department of Revenue (LDR) of the company's eligibility; the company must then file with LDR to receive the rebate.

Q: What is the earliest date I can start my contract?

A: The earliest contract start date is the date LED receives the Advance Notification and fee.

Q: How long is the contract effective?

A: The contract is effective for five years and may be renewed for an additional five years.

Q: Can I participate in the Quality Jobs Program and the Enterprise Zone Program at the same time?

A: No, you cannot participate in both programs at the same time.

Q: What is the difference in benefits between Quality Jobs and Enterprise Zone?

A: The Enterprise Zone Program provides a one-time job tax credit on each new direct job, and the Quality Jobs Program provides up to a 6% payroll rebate on annual payroll for new direct jobs for up to 10 years. Both programs offer sales and use tax rebate or the investment tax credit.

Q: If I originally applied for Enterprise Zone and later decide to apply for Quality Jobs (or vice versa), can you do so using the same Advance Notification?

A: Yes, an email or letter addressed to the program managers reflecting the change would suffice, provided that the election is made before the application due date.

Q: What is a new direct job?

A: A new direct job is a job or position that did not exist in the State of Louisiana prior to the start date of the contract and meets the requirements of the QJ program. For instance:

If a company is expanding its workforce by creating 10 new jobs at the contract site, as long as those jobs are created after the start date of the contract and meet the minimum requirements (wages, health care, etc), then those jobs are considered new direct jobs.

If Company A has a contract to perform services or supply goods in the State and then loses that contract to Company B to supply similar services or goods in the State, then any job gains at Company B associated with the contract change would not be considered new direct jobs.

If Company A has 20 Louisiana employees and buys Company B, which has an existing QJ contract, then those 20 employees would not be considered new direct jobs. Similarly, if Company A buys Company B, who has 10 Louisiana employees, then those 10 employees would not be considered new direct jobs. If a company or its affiliate within the State of Louisiana has multiple locations in the State, the transferring of employees from one location to another is not considered a new direct job.

Q: What are the minimum wage requirements of the program?

A: The minimum wage requirement for new direct jobs is \$14.50 per hour in wages and health care benefits. The health care plan must have a minimum value of at least \$1.25 per hour for individual coverage.

Q: How do I calculate the value of the health care plan?

A1: If the company purchases health care insurance, the value of the plan is the company's actual cost for individual coverage (employee single). (If the applicant feels that the value of their plan is greater than the cost, a valuation may be performed. However, based on historical reviews, it is rare that the value would differ materially from the actual cost.)

A2: For a self-insured company, LED will determine the value through comparison with the cost of plans providing similar benefits (consulting with an insurance industry expert as needed).

Q: What are the minimum payroll requirements of the program?

For applicants with 50 or less employees state-wide prior to the contract effective date, the minimum annual gross payroll threshold for new direct jobs is \$250,000.

For applicants with 51 or more employees state-wide prior to the contract effective date, the minimum annual gross payroll threshold for new direct jobs is \$500,000.

*If the actual verified annual gross payroll for the employer's third fiscal year does not show a minimum of five new direct jobs and does not equal or exceed a total annual payroll for new direct jobs of either \$500,000 or \$250,000, whichever is applicable, the employer will be determined to be ineligible.

Q: If the employer pays an employee \$13.25/hour in wages and the employee does not elect the eligible health care plan valued at least \$1.25/hour, would this meet the minimum wage requirement?

A: Yes, provided that at least fifty percent of the employees holding new direct jobs accept the health care benefits offered; however, only the wage portion is eligible for rebates.

Q: What is an in-state contract?

A: An in-state contract is a contract to perform services or supply goods that involves Louisiana jobs, including contracts associated with serving or supplying goods to certain offshore or out-of-state locations. For instance:

A contract to deliver services or goods to a Louisiana location is considered an in-state contract. This includes contracts with public or private entities that are located outside of the State (e.g., contracts with global companies for their Louisiana locations, contracts with the Federal Government for a Louisiana location).

A contract to deliver services or goods to an out-of-state location for which services and goods have historically been provided from Louisiana (e.g., provided by Louisiana facilities near state borders) is considered an in-state contract.

A contract to perform services for or supply goods to an offshore Gulf of Mexico facility in an area that has historically been served from Louisiana (e.g., served from Port Fourchon) is considered an in-state contract.

Q: What is a baseline employee?

A: The median statewide number of employees of an employer, including affiliates working at the average hours per week, during the payroll periods including the twelfth day of the month in the last four months completed prior to the contract effective date. (The median is calculated by discarding the months with the highest and lowest number of employees and averaging the number in the remaining

two months.) Four months of operation to use the median average are needed, otherwise if three or less months of operation with employment prior to the contract effective date, average only the months with employment.

Q: Are there any local benefits?

A: Rebate of some local sales/use taxes paid is available at the discretion of the local governing authority in the parish in which the project is located. The local governing authority must submit an Endorsement Resolution to the Board of Commerce & Industry prior to Board action on the Company's application. For more information on local rebates, please contact the local governing authority where your business is located.

Q: Louisiana Domicile, what is it and how can I prove it?

A: Although a person can have multiple residences, they can only have one domicile. The determination of domicile can be quite complex, requiring living in Louisiana for at least six months out of the year, plus evidence of intent to remain here permanently. Domicile can be inferred from a totality of a person's actions and can be supported by documents such as a voter registration card or filing of Resident Tax Return IT 540.

Q: What is an Endorsement Resolution?

A: An Endorsement Resolution is a written motion issued by the local governing authority supporting a company's participation in the Quality Jobs Program that states the percentage of local sales tax to be rebated to the company.

Q: Who is the Board of Commerce & Industry?

A: The Board, composed of individuals appointed by the Governor of Louisiana, reviews and approves applications for certain tax incentive programs, including Enterprise Zone, Industrial Tax Exemption, Quality Jobs and Restoration Tax Abatement.

THE PROCESS

Submit Advance Notification with fee online then begin the project.

File for an Unemployment Insurance ID number with the Louisiana Workforce Commission.

Complete the application on LED's website and submit any required addendum materials to LED for review.

LED reviews application and submits it to the Board of Commerce and Industry.

If approved, the Board issues contract through LED.

Submit Project Completion Report to LED.

File for annual payroll rebate with LED.

APPLY NOW »

**PROGRAM
ADMINISTRATION:**

Eric Burton
Program Administrator
Eric.Burton@la.gov
225.342.5340

ENERGY

Louisiana's Energy Advantages

Louisiana's existing assets offer tremendous opportunities for companies manufacturing products or delivering services to the energy industry. More than 80 percent of waterborne U.S. oil rigs are located in waters off Louisiana's coast, and according to the Energy Information Administration the state is No. 2 in crude oil and No. 3 natural gas production in the nation (when including offshore production).

Louisiana's established agriculture industry offers diverse alternatives to emerging clean technology companies. At the same time, skilled manufacturing talent and low company costs are benefiting manufacturers of components and designers of software critical to the efficient generation, transmission and distribution of energy. Recognizing the state's compelling advantages, companies such as Halliburton and Newpark Resources are establishing or expanding operations in Louisiana.

At the core of Louisiana's competitive advantages is the strength of its business climate. In recent years, the state has enacted reforms to create an atmosphere that *Forbes* magazine calls "America's new frontier for business opportunity." Louisiana now ranks in the Top 10 states in the country for business climate according to several national publications including *Business Facilities* and *Site Selection* magazines.

"In our experience, Louisiana is a state that understands the challenges of modern business, particularly those challenges encountered by the energy and chemical sectors. As a result of this understanding, LED has created an environment which it attracts new business and provides the private sector with the opportunity to expand and flourish."



David Constable
CEO (2011-2016)

**FOR MORE
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Oil and Gas and General Manufacturing*
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HALLIBURTON

Halliburton plans new manufacturing facility to meet growing demand

With headquarters locations in Houston and Dubai, Halliburton is one of the world's largest providers of products and services to the energy industry. With more than 75,000 employees in approximately 80 countries, the company serves the upstream oil and gas industry throughout the lifecycle of the reservoir – from locating hydrocarbons and managing geological data, to drilling and formation evaluation, well construction and completion, and optimizing production through the life of the field.

In 2010, Halliburton officials recognized the need to construct an additional manufacturing facility to expand its capacity for the North and South American shale markets and support the fast-growing Western Hemisphere needs of the oil and gas industry. The company's initial search for a location for its new manufacturing facility began in several states.

During the search, Lafayette joined the list of possible locations. Lafayette has long been known as a prime location for energy production and services and was already home to a Halliburton facility. Strategically located near two major interstates and ideally positioned near Halliburton customers on the Gulf Coast, Lafayette's infrastructure was well-suited to handle Halliburton's new facility.

In addition to the existing Lafayette site, Halliburton operated facilities across Louisiana in Berwick, Bossier City, Broussard, Cameron, Covington, Dulac, Fourchon, Houma, Larose, Morgan City and New Iberia. Despite employing more than 2,800 workers in Louisiana, Halliburton executives could not ignore the talent pools offered by larger metropolitan areas out of state. Louisiana had to demonstrate it could provide the necessary talent, experienced in oilfield services and production, in order for Lafayette to be a viable option.

LED attracts Halliburton to Lafayette with workforce support

When LED officials met with Halliburton leadership in October 2010, they knew Lafayette was ideal for Halliburton's new manufacturing facility. A site was identified in north Lafayette, strategically located near I-49 in an area of industrial growth.

Halliburton officials planned for the new facility to feature state-of-the-art manufacturing equipment, including numeric-controlled turning and milling equipment and additional value-added services. These included heat treatment, coating and other specialty operations. The plans also called for the facility to provide assembling operations and product testing operations prior to the distribution of components to oil and gas producers.

With the state-of-the-art equipment and processes planned for the facility, Halliburton officials sought a workforce well-equipped to support manufacturing for the oil and gas industry. They also wanted the ability to quickly train this workforce in the new technologies. If Halliburton selected the Lafayette site, the project would require infrastructure upgrades.

To secure Halliburton's new development in Lafayette, LED offered Halliburton performance-based financial assistance of \$2 million to offset the acquisition of the site and infrastructure costs.

To address Halliburton's workforce needs, the state offered the services of LED FastStart® – the nation's No. 1-rated state workforce training program. LED also offered the use of Louisiana's Quality Jobs and Industrial Tax Exemption programs.

Halliburton selects Lafayette for new manufacturing facility

In April 2011, Halliburton executives ended their location search for their new plant. Company executives joined with state and local leaders to announce that Halliburton would invest nearly \$65 million in Lafayette to construct the company's Lafayette Completion Tools Manufacturing Facility. Executives announced the project would create 150 new direct jobs for the location by 2012.

Soon after the announcement was made, the company quickly made use of the performance-based assistance for infrastructure upgrades. Though the site was ideally located in Lafayette near a major interstate, a drainage canal ran diagonally through the property. The state support allowed for the canal to be redirected, and construction on the facility began soon after.

To facilitate the company's recruitment process, LED FastStart provided resources for Halliburton's Virtual Job Fair, including recruiting videos and interview guides. LED FastStart also provided new employee orientation materials, including safety training and production skills training, and several leadership training classes in team building, conflict management, working styles for leaders and performance coaching.

Company executives joined with state leaders again to dedicate the new 200,000-square-foot facility in August 2012.

"With Lafayette's strong workforce and economy, access to major transportation zones, and the LED FastStart program that helped to hire and train our employees, this is a good place to grow our business."

HALLIBURTON

Marc Edwards

Senior Vice President (2010-2013)

Application Number	Company Name	Project Parish	Project Description	Project Type	New Jobs	Total Jobs	New Five Year Payroll	Total Five Year Payroll	Total Investment	Project Address	City	Contact	NAICS	EZ Estimated Jobs Tax Credit	EZ Estimated Sales & Use / Investment Tax Credit
20120870-EZ	Exxon Mobil Corporation (Refinery)	East Baton Rouge	Upgrades to crude oil refining facility	Expansion	6	1835	\$420,000	\$104,420,000	\$206,800,000	4045 Scenic Highway	Baton Rouge		324110	\$15,000	\$3,102,000
20121248-EZ	Forno Italiano Di Nonna Randazzo, LLC	St Tammany	Manufacturer and production of bakery goods.	Expansion	7	23	\$180,000	\$580,000	\$462,000	22022 Marshall Rd	Mandeville	Alan Thrifley (985) 898-2970	311812	\$17,500	\$7,500
20111115-EZ	GAWR LLC	Lafayette	Expansion of existing business	Expansion	7	7	\$0	\$0	\$850,000	511 Astor Place D	New Iberia	Damian Spiess (337) 232-3637	332618	\$17,500	\$32,000
20130240-EZ	Glazer's Distributors of Louisiana, Inc.	Lafayette	67,200 square foot warehouse expansion. Painted concrete tilt wall with steel framed roof structure to include 6 additional loading dock doors, conveyor and racking.	Expansion	27	157	\$810,000	\$6,555,566	\$9,745,857	939 W. Pont Des Mouton Road	Lafayette	Kimberly Dempsey (972) 392-8152	424820	\$67,500	\$150,705
20121252-EZ	Gulf Gateway Terminal, LLC	Orleans	Construction of a new crude oil terminal/storage facility	Start-Up/New	27	327	\$1,350,000	\$12,350,000	\$37,000,000	7500 Terminal Road	New Orleans	Dare Powers (225) 658-6065	488999	\$67,500	\$555,000
20110982-EZ	H&E Equipment Services, Inc.	Plaquemines	Renovation of the existing crane remanufacturing building.	Expansion	19	100	\$3,400,000	\$6,140,000	\$5,393,393	2616 Engineers Rd.	Belle Chasse	James Leonard (225) 769-1818	423810	\$47,500	\$72,811
20130266-EZ	Halliburton Energy Services, Inc.	Lafourche	Expansion of housing, liquid mud plant and completion fluid plant on site.	Expansion	12	179	\$600,000	\$8,025,000	\$15,393,795	182 Norman Doucet Road	Golden Meadow	Jesse Broderick (225) 664-2160	213112	\$30,000	\$230,907
20131162-EZ	Hammond Lodging, LLC	Tangipahoa	Development of a new hotel	Start-Up/New	22	52	\$2,200,000	\$2,800,000	\$7,750,000	1605 S. Magnolia St	Hammond	Kevin Reed (504) 866-6506	721110	\$55,000	\$110,438
20141048-EZ	Heritage Manor West, LLC	Caddo	Addition of new wing to existing nursing home (40 additional beds) along with associated furniture, fixtures and equipment.	Expansion	5	128	\$105,944	\$3,261,410	\$2,116,331	7060 Cottonwood Blvd.	Shreveport	Nicholas Lemoine (318) 452-2188	623110	\$12,500	\$26,981

Application Number	Company Name	Project Parish	Project Description	Project Type	New Jobs	Total Jobs	New Five Year Payroll	Total Five Year Payroll	Total Investment	Project Address	City	Contact	NAICS	EZ Estimated Jobs Tax Credit	EZ Estimated Sales & Use / Investment Tax Credit
20140142-EZ	OM SAI OM, LLC	Calcasieu	construction of new Subway Restaurant	Start-Up/New	5	55	\$100,000	\$400,000	\$600,000	1105 East Prien Lake Road	Lake Charles	Jesse Broderick (225) 664-2160	722513	\$12,500	\$9,000
20140969-EZ	OS Restaurant Services, LLC	Jefferson	Construction of a new Carrabba's Italian Grill restaurant in Metairie, LA (Jefferson Parish)	Start-Up/New	70	76	\$5,100,000	\$5,370,312	\$2,757,794	4641 Veterans Memorial Blvd	Metairie	Ziya Hajiyev (412) 535-4400	722511	\$175,000	\$41,367
20120783-EZ	Our Lady of the Lake College, Inc	East Baton Rouge	Expanding facilities and adding employees to meet a growing demand.	Expansion	6	161	\$1,250,000	\$8,500,000	\$6,145,578	5414 Brittany Drive	Baton Rouge	James Leonard (225) 769-1818	611310	\$15,000	\$92,184
20120782-EZ	Our Lady of the Lake Regional Medical Center	East Baton Rouge	Main campus improvements and renovations	Expansion	465	3427	\$71,900,000	\$183,650,000	\$180,781,714	5000 Hennessy Blvd.	Baton Rouge	James Leonard (225) 769-1818	622110	\$1,162,500	\$2,711,726
20131128-EZ	Parc Lafayette, LLC	Lafayette	Retail, Restaurant and Office buildings	Start-Up/New	30	160	\$800,000	\$3,150,000	\$1,685,000	1913 Kaliste Saloom Road	Lafayette	Laura Smith (337) 534-8165	531190	\$75,000	\$23,006
20131292-EZ	Pizza Domenica, LLC	Orleans	Building will be converted into a restaurant, including necessary equipment	Start-Up/New	34	44	\$3,280,000	\$3,580,000	\$775,008	4935 Magazine St.	New Orleans	Sharon Cassiere (504) 335-3206	722513	\$85,000	\$11,625
20130226-EZ	Plains Marketing, LP	St James	Upgrades to crude oil terminal/storage facility	Expansion	8	21	\$480,000	\$1,260,000	\$86,455,930	6375 Hwy 18	St. James	Dare Powers (225) 658-6065	424720	\$20,000	\$1,296,839
20121022-EZ	Primary Health Services Center, Inc.	Ouachita	New 33,000 square foot health facility with campus renovations	Expansion	36	219	\$8,297,122	\$13,311,143	\$9,977,969	2913 Desiard Street	monroe	Catherine Tonore (318) 388-1250	621112	\$90,000	\$149,970
20140555-EZ	Prime Source Machine, LLC	Lafayette	Construction of new commercial building for machine shop.	Start-Up/New	4	7	\$136,350	\$183,703	\$346,046	205 Cummings Road	Broussard	Chris Meche (337) 981-8442	333132	\$10,000	\$6,014
20141366-EZ	Progressive Casualty Insurance Company	East Baton Rouge	Constructed new Progressive Insurance Regional Claims HQ.	Start-Up/New	12	79	\$650,000	\$4,500,000	\$3,960,000	4415 American Way	Baton Rouge	Kevin McGrath (440) 603-7079	524126	\$30,000	\$37,897

Application Number	Company Name	Project Parish	Project Description	Project Type	New Jobs	New Jobs Annual Payroll	Total Investment	Project Address	City	Contact	NAICS	Estimated Ten Year Property Tax Exemption
20150992-ITE	Axiall, LLC	Iberville	2014 MCA	Miscellaneous Capital Addition	30	\$2,847,000	\$4,484,536	26100 Highway 405	Plaquemine	Dare Powers (225) 658-6065	325211	\$699,588
20150526-ITE	Bailsco Blades & Castings, Inc.	Caddo	Miscellaneous Equipment, Molds and Major Repairs	Miscellaneous Capital Addition	0	\$0	\$96,401	9500 Paxton Road	Shreveport	James Haynes (318) 861-2137	331521	\$19,916
20150683-ITE	Baker Hughes Oilfield Operations	Lafourche	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$85,451	Estay Road	Fourchon	Jeff Glasspool (337) 515-6672	333132	\$0
20150687-ITE	Baker Hughes Oilfield Operations	St Martin	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$265,396	1100 Baker Hughes Drive	Broussard	Jeff Glasspool (337) 515-6672	333132	\$40,340
20150678-ITE	Baker Hughes Oilfield Operations	Plaquemines	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$298,629	199 Corps Dirve	Venice	Jeff Glasspool (337) 515-6672	333132	\$28,041
20150679-ITE	Baker Hughes Oilfield Operations	St Martin	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$152,367	1064 Baker Hughes Drive	Broussard	Jeff Glasspool (337) 515-6672	333132	\$23,160
20150680-ITE	Baker Hughes Oilfield Operations dba Completions & Fishing	Terrebonne	2014 MCA	Miscellaneous Capital Addition	16	\$1,045,824	\$531,362	139 Equity Blvd	Houma	Jeff Glasspool (337) 515-6672	333132	\$77,738
20150684-ITE	Baker Hughes Oilfield Operations dba Drill Bits	Lafayette	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$232,816	1046 Allier Road	Broussard	Jeff Glasspool (337) 515-6672	333132	\$28,962

Application Number	Company Name	Project Parish	Project Description	Project Type	New Jobs	New Jobs Annual Payroll	Total Investment	Project Address	City	Contact	NAICS	Estimated Ten Year Property Tax Exemption
20150685-ITE	Baker Hughes Oilfield Operations, Inc.	St Martin	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$627,058	1058 Baker Hughes Drive	Broussard	Jeff Glasspool (337) 515-6672	333132	\$95,313
20150677-ITE	Baker Hughes Oilfield Operations, Inc.	Lafayette	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$1,747,158	120 Southpark Road	Lafayette	Jeff Glasspool (337) 515-6672	333310	\$217,346
20150681-ITE	Baker Hughes Oilfield Operations, Inc.	Bossier	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$747,098	4907 Hazel Jones Rd.	Bossier City	Jeff Glasspool (337) 515-6672	333132	\$114,455
20150365-ITE	Balmar, LLC	Lafayette	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$309,280	616 W. Pont Des Mouton Rd.	Lafayette	Walter Raymond (337) 232-2496	324191	\$38,474
20150330-ITE	Banc of America Leasing	DeSoto	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$1,356,053	377 Hwy 522	Mansfield	Jeffrey Dornsife (614) 716-2746	212111	\$229,444
20150412-ITE	Bancroft Bag, Inc.	Ouachita	Miscellaneous Capital Additions	Miscellaneous Capital Addition	8	\$559,104	\$1,505,585	425 Bancroft Blvd.	West Monroe	Cindy Dunaway (318) 324-2292	322224	\$213,040
20150262-ITE	Baroid Drilling Fluids, A division of Halliburton Energy Services, Inc.	Calcasieu	Investment in new plant and equipment includes: platform mill extension, man lift, and replacement of components of the mill control room.	Miscellaneous Capital Addition	0	\$0	\$357,788	3500 Bayou D'Inde Road	Sulphur	Doug Lebleu (337) 853-5014	327992	\$58,677
20150177-ITE	Barriere Construction Co. LLC	Washington	Weigh Belt Scale for Franklinton Plant	Miscellaneous Capital Addition	0	\$0	\$18,991	407 C.C. Road	Franklin	Charles Cassreino (504) 569-3131	324121	\$3,304

Application Number	Company Name	Project Parish	Project Description	Project Type	New Jobs	New Jobs Annual Payroll	Total Investment	Project Address	City	Contact	NAICS	Estimated Ten Year Property Tax Exemption
20131178-ITE	Big Lake Fuels LLC	Calcasieu	Construction of an industrial plant that converts pipeline-grade natural gas into commercial specification methanol.	Start-Up/New	123	\$7,395,118	\$1,100,000,000	4101 Tank Farm Road	Lake Charles	Clayton Watson (713) 943-2200	325199	\$180,400,000
20150503-ITE	Bio-Lab, Inc	Calcasieu	various repairs and refurbishments in the plant	Miscellaneous Capital Addition	0	\$0	\$1,443,576	910 I-10 West	West Lake	Bruce Fatheree (512) 335-5900	325998	\$236,746
20150828-ITE	Blackwater Harvey, LLC	Jefferson	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$4,990,317	1805 Fourth Street	Harvey	Michael Zatarain (985) 320-1938	493190	\$768,010
20150720-ITE	Blackwater New Orleans, LLC	Jefferson	2014 MCA	Miscellaneous Capital Addition	3	\$312,624	\$2,935,632	660 La Bauve Drive	Westwego	Michael Zatarain (985) 320-1938	324191	\$451,794
20150804-ITE	Blake International USA Rigs, LLC	Terrebonne	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$33,076	410 South Van Avenue	Houma	James Leonard (225) 769-1818	333132	\$4,839
20150362PT-ITE	Blue Cube Operations LLC	Iberville	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$1,431,262	21255 LA Highway 1, South	Plaquemine	Charles Zatarain (504) 831-4515	325110	\$223,277
20150364PT-ITE	Blue Cube Operations LLC	Iberville	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$39,069	21255 LA Highway 1, South	Plaquemine	Charles Zatarain (504) 831-4515	325110	\$0
20150606-ITE	Blue Cube Operations LLC	Assumption	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$130,730	Highway 966	Napoleonville	Charles Zatarain (504) 831-4515	325110	\$19,832

Application Number	Company Name	Project Parish	Project Description	Project Type	New Jobs	New Jobs Annual Payroll	Total Investment	Project Address	City	Contact	NAICS	Estimated Ten Year Property Tax Exemption
20150568-ITE	Genesis BR, LLC	East Baton Rouge	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$2,318,288	1001 Blount Rd.	Baton Rouge	Karen Pape (713) 860-2626	324110	\$393,413
20150536-ITE	Genesis Crude Oil, L.P.	East Baton Rouge	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$2,037,728	716 Port Hudson Cemetary Rd.	Zachary	Karen Pape (713) 860-2626	324110	\$345,802
20150536-ITE	Genesis Crude Oil, L.P.	East Baton Rouge	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$3,092,762	716 Port Hudson Cemetary Rd.	Zachary	Karen Pape (713) 860-2626	324110	\$524,842
20150537-ITE	Genesis Crude Oil, L.P.	East Baton Rouge	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$2,905,801	716 Port Hudson Cemetary Rd.	Zachary	Karen Pape (713) 860-2626	324110	\$493,114
20150538-ITE	Genesis Crude Oil, L.P.	East Baton Rouge	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$2,668,641	716 Port Hudson Cemetary Rd.	Zachary	Karen Pape (713) 860-2626	324110	\$452,868
20150539-ITE	Genesis Crude Oil, L.P.	East Baton Rouge	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$2,488,198	716 Port Hudson Cemetary Rd.	Zachary	Karen Pape (713) 860-2626	324110	\$422,247
20150554-ITE	Genesis Crude Oil, L.P.	East Baton Rouge	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$1,431,759	716 Port Hudson Cemetary Rd.	Zachary	Karen Pape (713) 860-2626	324110	\$242,970
20150569-ITE	Genesis Crude Oil, L.P.	East Baton Rouge	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$4,510,205	716 Port Hudson Cemetary Rd.	Zachary	Karen Pape (713) 860-2626	324110	\$765,382
20150560-ITE	Genesis Crude Oil, L.P.	East Baton Rouge	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$1,996,000	716 Port Hudson Cemetary Rd.	Zachary	Karen Pape (713) 860-2626	324110	\$338,721

Application Number	Company Name	Project Parish	Project Description	Project Type	New Jobs	New Jobs Annual Payroll	Total Investment	Project Address	City	Contact	NAICS	Estimated Ten Year Property Tax Exemption
20150562-ITE	Genesis Crude Oil, L.P.	East Baton Rouge	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$1,821,018	716 Port Hudson Cemetary Rd.	Zachary	Karen Pape (713) 860-2626	324110	\$309,027
20150564-ITE	Genesis Crude Oil, L.P.	East Baton Rouge	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$2,447,702	716 Port Hudson Cemetary Rd.	Zachary	Karen Pape (713) 860-2626	324110	\$415,375
20150584-ITE	Genesis Crude Oil, L.P.	East Baton Rouge	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$3,376,848	716 Port Hudson Cemetary Rd.	Zachary	Karen Pape (713) 860-2626	324110	\$573,051
20150585-ITE	Genesis Crude Oil, L.P.	East Baton Rouge	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$1,261,071	716 Port Hudson Cemetary Rd.	Zachary	Karen Pape (713) 860-2626	324110	\$214,004
20150587-ITE	Genesis Crude Oil, L.P.	East Baton Rouge	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$654,530	716 Port Hudson Cemetary Rd.	Zachary	Karen Pape (713) 860-2626	324110	\$111,074
20150589-ITE	Genesis Crude Oil, L.P.	East Baton Rouge	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$2,646,080	716 Port Hudson Cemetary Rd	Zachary	Karen Pape (713) 860-2626	324110	\$449,040
20150590-ITE	Genesis Crude Oil, L.P.	East Baton Rouge	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$566,119	716 Port Hudson Cemetary Rd.	Zachary	Karen Pape (713) 860-2626	324110	\$96,070
20150591-ITE	Genesis Crude Oil, L.P.	East Baton Rouge	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$1,725,256	716 Port Hudson Cemetary Rd.	Zachary	Karen Pape (713) 860-2626	324110	\$292,776
20150658-ITE	GEO Specialty Chemicals, Inc.	Morehouse	2014 MCA	Miscellaneous Capital Addition	0	\$0	\$1,075,658	1502 North Washington	Bastrop	Charles Zatarain (504) 831-4515	331311	\$147,473



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Economic Development & Tourism - Texas Enterprise Fund

[Texas Enterprise Fund - 2017 Legislative Report »](#)

What is the Texas Enterprise Fund (TEF)?

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 reappropriated by the Legislature in 2005, 2007, 2009, and 2011. As the largest "deal-closing" fund of its kind in the nation, the TEF continues to attract businesses to Texas. The fund is used only as a final incentive tool where a single Texas site is competing with another viable out-of-state option. Additionally, the TEF will only be considered to help close a deal that already has significant local support behind it from a prospective Texas community.

What projects are considered for the TEF?

Projects that are considered for the TEF must demonstrate a significant rate of return on the public dollars being invested in the project. Additionally there are several primary measures that every TEF project must meet in order to be considered for an award. Those include but are not limited to the following:

- Competition with another state for the project must exist and the business must not have already made a location decision
- Projected new job creation must be significant - typically creating more than 75 jobs in urban areas or more than 25 in rural areas
- The new positions must be high-paying jobs - above the average wage of the county where the project would be located
- Capital investment by the company must be significant
- The project must have community involvement from the city, county and/or school district, primarily in the form of local economic incentive offers
- The applicant must be financially sound
- The applicant's business sector must be an advanced industry that could potentially locate in another state or country

How are TEF awards determined?

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, as well as the business climates of competition locations are assessed for each project and taken into consideration for all award decisions.

Award dollar amounts are determined using a standardized analytical model applied uniformly to each TEF applicant. This model assures that the State of Texas will see a full return on its investment within the period of a project contract, due to the resulting increase in estimated 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.

Lastly, the Governor, Lt. Governor, and Speaker of the Texas House must unanimously agree in favor of a project in order for an award to be granted.

How does the State enforce TEF agreements?

TEF grant recipients are contractually obligated to fulfill the terms of their job creation agreements with the State of Texas. Once a company has accepted an offer from the Texas Enterprise Fund, a signed contract is required prior to the distribution of an award. The contract obligates the grantee, among other terms and conditions, to the job creation targets and commits the grantee to maintain these employment positions at or above the county

average wage for the term of the agreement. Additionally, all TEF contracts contain provisions for grant repayment through clawbacks in the event that a grantee does not meet the obligations of the agreement.

How is the TEF good for Texas?

The TEF gives Texas the competitive edge in attracting new businesses to the state and assisting with the expansion of existing businesses that might otherwise opt to expand in another state. In 2012, the TEF was a driving force behind Apple's decision to expand its corporate campus in Austin, Texas -- a move that is expected to generate \$304 million in capital investment and create more than 3,600 new jobs for Texans.

Additionally, the conservative and thorough methodology behind the grant process and the enforcement of contractual agreements with each awarded company ensure that the public dollars invested through the TEF produce a solid return on investment. To date, TEF grant recipients have committed to create nearly 70,000 new jobs and generate more than \$21 billion in capital investment in Texas.

What companies have received TEF awards?

For a complete list of grant recipients, see the TEF Award Listing below:

- [TEF Award Listing - All Projects to Date »](#)
- **TEF Award Location Maps:**
 - [North Texas Region](#) (Dallas/Ft. Worth)
 - [Gulf Coast Region](#) (Houston)
 - [South Texas Region](#) (San Antonio)
 - [Central Texas Region](#) (Austin)
 - [West Texas & Upper Rio Grande Region](#) (El Paso)
 - [East Texas Region](#)
 - [Lower South Texas Region](#)

[Texas Enterprise Fund Application »](#)

TEXAS ENTERPRISE FUND “11 STEP PROCESS” Due Diligence and Project Analysis

STEP

1. TEF Program Application
2. Project Executive Summary
3. Applicant Management and Current News Research
4. Current Corporate Tax Status Verification
5. Business Climate Evaluation and Comparison
6. Economic Impact Assessment based on Third-Party Report
7. Applicant Corporate Financial Analysis
8. Applicant Credit Assessment
9. Review of Local and State Economic Incentive Package
10. Project Cost-Benefit Analysis & Return on Investment
11. Project Clawback Analysis & Calculation



TEXAS ENTERPRISE FUND (TEF)
AS OF December 31, 2016

OFFICE OF THE GOVERNOR

Company	Location	Industry	Direct Jobs	Capital Investment*	TEF Award**	Est. Total Jobs ***	Direct State Return (Tax Rev./TEF)	Date Announced	Disbursements		Liquidated Damages (Clawbacks)	Other Repayments	Payroll Total****
									Amount	Date			
FY2004 - FY2005 TEF PROJECTS >>			29,245	\$ 6,480,281,413	\$ 279,664,000	101,751			\$ 279,664,000		\$ 11,310,236	\$ 28,301,354	\$ 4,542,528,590
Texas A&M Univ. System and Lexicon Pharmaceuticals	College Station & Houston	Biotechnology	5,000	\$ 45,700,000	\$ 50,000,000	31,152	100%	07/05	\$ 50,000,000	08/05	\$ 16,905		\$ 1,581,000,000
JPMorganChase (formerly Washington Mutual)	San Antonio	Financial Services	4,200	\$ 50,000,000	\$ 15,000,000	9,082	237%	05/05	\$ 10,000,000	10/05			\$ 257,609,729
									\$ 5,000,000	05/07			
									\$ 27,000,000	04/04			
Sematech ¹	Austin	Semiconductor Consortium	4000*	\$ 180,000,000	\$ 40,000,000	4,623	194%	03/04	\$ 9,000,000	06/04			
									\$ 3,000,000	08/04			
									\$ 1,000,000	10/04			
Bank of America ¹ (formerly Countrywide Financial)	Richardson	Financial Services	3,876	\$ 200,000,000	\$ 20,000,000			12/04	\$ 10,000,000	01/05		\$ 8,450,351	\$ 1,535,300,000
									\$ 10,000,000	03/06			
Triumph Aerostructures (formerly Vought)	Dallas	Aerospace Manufacturing	3,000	\$ 598,000,000	\$ 35,000,000	29,377	368%	02/04	\$ 35,000,000	04/04	\$ 10,133,000	\$ 19,569,861	
UT Health Science Center/ MD Anderson	Houston	Biomedical	2,252	\$ 55,000,000	\$ 25,000,000	4,840	103%	05/04	\$ 15,000,000	09/05			
									\$ 10,000,000	05/07			
Tyson Foods	Sherman	Food Processing	1,600	\$ 97,150,000	\$ 7,000,000	4,648	159%	01/05	\$ 3,500,000	05/05	\$ 728,454		\$ 117,455,382
									\$ 3,500,000	12/06			
									\$ 1,600,000	03/04			
Texas Energy Center ¹	Sugarland	Energy Cluster	1,500		\$ 3,600,000	2,500	571%	03/04	\$ 500,000	12/05			\$ 382,000,000
									\$ 1,500,000	7/06			
									\$ 21,500,000	05/04			
Board of Regents of UT fbo UTD/Texas Instruments	Richardson	Semiconductors		\$ 3,000,000,000	\$ 50,000,000	4,035	264%	06/03	\$ 3,500,000	03/05			
									\$ 12,500,000	06/06			
									\$ 12,500,000	07/07			
Home Depot Inc. ¹	Austin & New Braunfels	IT & Distribution	843	\$ 809,170,000	\$ 8,500,000	1,074	270%	07/04	\$ 5,000,000	05/05			\$ 43,144,552
									\$ 3,500,000	08/05			
CITGO Petroleum ¹	Houston & Corpus Christi	HQ & Refinery	820	\$ 828,000,000	\$ 5,000,000	3,611	216%	04/04	\$ 5,000,000	12/04			\$ 179,230,000
Cabela's ¹	Buda & Fort Worth	Destination Retail	241	\$ 120,000,000	\$ 400,000	1,002	2778%	05/04	\$ 400,000	11/04	\$ 177,288		\$ 21,820,659
Maxim Integrated Products ¹	San Antonio	Semiconductors	500	\$ 90,000,000	\$ 1,500,000	1,456	1258%	12/03	\$ 1,500,000	01/05			\$ 46,463,265
Ruiz Foods ¹	Denison	Food Processing	423	\$ 48,880,413	\$ 1,500,000	1,652	270%	05/05	\$ 1,500,000	06/05			\$ 41,636,903
Huntsman Corp.	Woodlands	Chemicals	285	\$ 226,725,000	\$ 2,750,000	1,221	2212%	10/04	\$ 2,750,000	08/05	\$ 106,811		\$ 99,063,700
JTEKT Automotive (formerly Koyo)	Ennis	Automotive Parts	200	\$ 30,000,000	\$ 333,000	562	1742%	08/04	\$ 333,000	03/05			\$ 24,328,008
Raytheon ¹	McKinney	Aerospace & Defense	200	\$ 21,700,000	\$ 1,000,000	338	409%	11/05	\$ 500,000	10/05			\$ 181,500,000
									\$ 500,000	03/06			
Ineos USA ¹	League City	Petrochemicals	150	\$ 5,720,000	\$ 750,000	228	531%	01/05	\$ 250,000	06/05			\$ 21,985,600
									\$ 500,000	08/06			
Lee Container	Nacogdoches	Manufacturing	105	\$ 5,636,000	\$ 300,000	242	178%	10/04	\$ 300,000	05/05	\$ 147,778		\$ 5,588,383
Superior Essex Communication	Brownwood	Telecom Equipment Mfg.	50	\$ 7,600,000	\$ 250,000	108	604%	08/04	\$ 250,000	07/05			\$ 4,402,409
Baylor College of Medicine ¹	Houston	Genetics		\$ 51,000,000	\$ 2,000,000				\$ 1,000,000	03/04			
									\$ 1,000,000	06/04			
									\$ 6,000,000	04/05			
LEARN & TIGRE ¹	Statewide	Higher Education			\$ 9,781,000			09/04	\$ 500,000	05/05		\$ 281,142	
									\$ 3,281,000	06/05			

* Indirect Jobs

Company	Location	Industry	Direct Jobs	Capital Investment*	TEF Award**	Est. Total Jobs***	Direct State Return (Tax Rev./TEF)	Date Announced	Disbursements		Liquidated Damages (Clawbacks)	Other Repayments	Payroll Total****
									Amount	Date			
FY2006 - FY2007 TEF PROJECTS >>			12,248	\$ 6,756,838,000	\$ 68,250,000	32,817			\$ 60,250,000		\$ 4,105,291	\$ 11,609,737	\$ 1,112,048,769
Rackspace	Windcrest/San Antonio	Web Hosting	4,000	\$ 111,380,000	\$ 22,000,000	10,360	267%	08/07	\$ 5,000,000	08/07			\$ 84,019,763
									\$ 3,500,000	03/12			
									\$ 5,500,000	03/14			
Hilmar Cheese ¹	Dalhart	Dairy Product Mfg.	1,962	\$ 190,000,000	\$ 7,500,000	3,208	222%	11/05	\$ 4,000,000	12/05	\$ 2,363,363	\$ 1,831,856	\$ 145,645,000
									\$ 3,500,000	04/09			
Fidelity Global Brokerage	Town of Westlake	Financial Services	850	\$ 200,000,000	\$ 8,500,000	3,408	493%	02/07	\$ 4,500,000	03/07	\$ 484,068	\$ 4,000,000	\$ 176,728,955
									\$ 4,000,000	07/08			
Sanderson Farms ¹	McLennan County	Poultry Processing	1,112	\$ 73,000,000	\$ 500,000	4,467	3577%	01/06	\$ 500,000	04/06	\$ 81,891		\$ 97,672,400
ADP ¹	El Paso	Payroll Services	1,028	\$ 23,900,000	\$ 3,000,000	1,619	277%	02/06	\$ 1,181,907	03/07	\$ 565,840		\$ 47,141,619
									\$ 1,818,093	02/08			
Maxim Integrated Products ¹	Irving	Semiconductors			\$ 2,000,000				\$ 2,000,000			\$ 2,107,149	\$ 103,700,000
Samsung	Austin	Semiconductors	900	\$ 2,500,000,000	\$ 10,800,000	3,356	712%	04/06	\$ 8,000,000	05/06			\$ 45,408
									\$ 2,800,000	10/07			
									\$ 1,500,000	03/06			
T-Mobile ¹	Frisco	Wireless Communications	855	\$ 20,700,000	\$ 2,150,000	2,062	317%	11/05	\$ 650,000	09/07			\$ 103,317,483
Lockheed Martin ¹	Houston	Aerospace Mfg.	550	\$ 58,000,000	\$ 4,000,000	NA	339%	09/06	\$ 4,000,000	05/07	\$ 354,456	\$ 416,069	\$ 132,795,000
									\$ 1,500,000	04/06			
Torchmark	McKinney	Insurance	500	\$ 26,600,000	\$ 2,000,000	1,150	392%	03/06	\$ 500,000	03/08			\$ 44,600,000
Hewlett-Packard ¹	Austin / Houston	Data Center			\$ 3,000,000				\$ 3,000,000			\$ 3,210,847	\$ 46,000,000
Motiva	Port Arthur	Oil & Gas Refining	300	\$ 3,500,000,000	\$ 2,000,000	2,760	5704%		\$ 1,300,000	06/06			\$ 100,868,260
									\$ 700,000	09/10			
Newly Weds Foods	Mount Pleasant	Food Products	115	\$ 27,000,000	\$ 450,000	292	681%	04/06	\$ 250,000	03/06			\$ 8,782,152
									\$ 200,000	12/08			
Trace Engines ¹	Midland	Aerospace Mfg.	24	\$ 9,658,000	\$ 250,000	NA	294%	09/06	\$ 250,000	09/06	\$ 245,641		\$ 15,966,614
Alloy Polymers ¹	Houston County	Plastics Compounding	52	\$ 15,600,000	\$ 100,000	135	811%	10/06	\$ 100,000	10/06	\$ 10,032	\$ 43,816	\$ 4,766,115

TEXAS ENTERPRISE FUND (TEF)
AS OF December 31, 2016

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Company	Location	Industry	Direct Jobs	Capital Investment*	TEF Award**	Est. Total Jobs***	Direct State Return (Tax Rev./TEF)	Date Announced	Disbursements		Liquidated Damages (Clawbacks)	Other Repayments	Payroll Total****
									Amount	Date			
FY2008 - FY2009 TEF PROJECTS >>			6,766	\$ 770,169,839	\$ 32,389,196	17,223			\$ 32,389,196		\$ 4,832,056	\$ 1,564,573	\$ 795,005,398
Caterpillar	Seguin	Engine/Machinery Mfg	1,714	\$ 176,800,000	\$ 8,500,000	3,178	415%	12/08	\$ 2,250,000 09/09		\$ 571,367		\$ 159,300,000
									\$ 4,250,000 12/14				
									\$ 2,000,000 4/14				
Scott & White Memorial	Temple	Health Care Research	1,485	\$ 63,000,000	\$ 7,500,000	3,783	472%	11/07	\$ 3,000,000 11/07				\$ 30,000,000
									\$ 2,500,000 03/09				
									\$ 2,000,000 04/11				
Medtronic (MiniMed)	San Antonio	Medical Technology	1,384	\$ 23,226,000	\$ 6,000,000	3,426	166%	05/09	\$ 1,500,000 10/09				
									\$ 2,000,000 7/11	\$ 859,924			\$ 69,289,323
									\$ 2,500,000 8/12				
Santana Textiles ¹	Edinburg	Textile Mfg	800	\$ 171,000,000	\$ 800,000	1,232	1010%	07/08	\$ 800,000 08/08	\$ 903,948			\$ 44,834,582
Albany Engineered Composites ¹	Boerne	Aerospace Mfg	55	\$ 41,635,000	\$ 300,000	2,043	364%	01/08	\$ 300,000 03/08	\$ 29,716	\$ 200,841		\$ 64,091,453
Rockwell Collins ¹	Richardson	Aerospace Mfg	105	\$ 6,782,500	\$ 839,196			01/08	\$ 839,196 12/07	\$ 457,056	\$ 159,893		\$ 78,733,276
KLN Steel Products ¹	San Antonio	Furniture Mfg	156	\$ 25,000,000	\$ 450,000	867	321%	06/08	\$ 450,000 08/08	\$ 47,744			\$ 28,674,223
Hirschfeld Energy (formerly Mariter) ¹	San Angelo	Wind Tower Mfg	93	\$ 40,000,000	\$ 500,000	NA	331%	09/08	\$ 500,000 10/08	\$ 447,055	\$ 26,187		\$ 24,761,499
McLane Advanced Technologies ¹	Temple	IT & Logistics			\$ 500,000				\$ 500,000 11/09		\$ 522,374		\$ 28,459,132
Comerica	Dallas	Financial Services	200	\$ 16,250,000	\$ 3,500,000	668	199%	03/07	\$ 3,500,000 09/07				\$ 84,761,322
Forum Production (formerly Allied Production Solutions)	Gainesville	Oil & Gas Production	200	\$ 16,325,000	\$ 800,000	200	472%	09/07	\$ 400,000 10/07	\$ 308,024	\$ 151,876		\$ 26,505,203
									\$ 400,000 10/09				
US Bowling Congress ¹	Arlington	Athletic Association	198	\$ 13,000,000	\$ 305,000	364	602%	03/08	\$ 305,000 06/09	\$ 188,552			\$ 19,774,145
Griols	San Marcos	Biological Products	90	\$ 76,623,300	\$ 250,000	NA	1611%	07/09	\$ 250,000 11/09	\$ 107,234			\$ 39,599,657
HelioVolt Corp. ¹	Austin	Solar Panel Mfg.	51	\$ 62,900,000	\$ 500,000	785	866%	04/08	\$ 500,000 01/09	\$ 294,512	\$ 60,253		\$ 30,000,000
Gulfstream ¹	Dallas	Aerospace Mfg			\$ 375,000				\$ 375,000 04/08		\$ 379,949		\$ 26,438,547
Authentix ¹	Addison	Security Technology	120	\$ 6,550,000	\$ 750,000	315	293%	08/07	\$ 750,000 11/07	\$ 616,924	\$ 63,200		\$ 27,361,551
									\$ 225,000 01/09				\$ 12,421,485
Associated Hygienic Products	Waco	Paper Products Mfg	115	\$ 31,078,039	\$ 520,000	362	790%	01/09	\$ 295,000 05/11				

Company	Location	Industry	Direct Jobs	Capital Investment*	TEF Award**	Est. Total Jobs***	Direct State Return (Tax Rev./TEF)	Date Announced	Disbursements		Liquidated Damages (Clawbacks)	Other Repayments	Payroll Total****
									Amount	Date			
FY2010 - FY2011 TEF PROJECTS >>			7,423	\$ 640,491,164	\$ 37,929,000	27,439			\$ 33,729,000		\$ 3,002,581	\$ 4,134,964	\$ 1,948,235,711
eBay	Austin	E-Commerce	1,050	\$ 5,180,000	\$ 2,800,000	2,376	612%	04/11	\$ 1,400,000 04/11	\$ 199,044			\$ 41,014,666
GE Transportation	Fort Worth	Locomotive Mfg.	330	\$ 96,000,000	\$ 2,100,000	NA	486%	05/11	\$ 1,300,000 06/11 \$ 300,000 7/14 \$ 250,000 06/15 \$ 250,000 04/16	\$ 82,231			\$ 132,946,816
ZAH Group (dba Klein Tools)	Mansfield	Hand Tool Mfg.	585	\$ 18,000,000	\$ 2,800,000	1,589	520%	12/10	\$ 1,000,000 1/11 \$ 900,000 5/16				\$ 53,341,831
Nationwide Mutual Insurance ¹	San Antonio	Insurance			\$ 1,200,000			10/09	\$ 1,200,000 12/10		\$ 1,209,219		\$ 144,111,615
TD Ameritrade	Fort Worth	Financial Services	490	\$ 11,000,000	\$ 600,000	1,207	545%	04/11	\$ 600,000 04/11	\$ 641,719			\$ 50,913,342
LegalZoom	Austin	Legal Documents	465	\$ 11,750,000	\$ 1,000,000	1,377	584%	02/10	\$ 500,000 05/10 \$ 500,000 03/14	\$ 93,100			\$ 120,000,000
SunPower Corp. ¹	Austin	Solar Panels			\$ 1,000,000			11/10	\$ 1,000,000 12/10		\$ 1,035,698		\$ 57,600,000
VCE ¹	Richardson	Computer Systems/IT	130	\$ 40,000,000	\$ 1,000,000	1,000	744%	03/11	\$ 1,000,000 03/11	\$ 436,926	\$ 208,558		\$ 260,583,427
G-Con	Bryan	Pharmaceutical Mfg.	408	\$ 86,000,000	\$ 3,000,000	4,463	332%	05/10	\$ 3,000,000 05/10	\$ 146,064			\$ 198,404,000
Lorimer (Natura World) ¹	Wichita Falls	Mattress Mfg.			\$ 750,000			02/10	\$ 750,000 11/10	\$ 40,757	\$ 720,902		\$ 60,572,831
Petco Animal Supplies Inc.	San Antonio	Mgmt. of Retail Trade	400	\$ 17,000,000	\$ 3,100,000	852	219%	11/10	\$ 1,050,000 02/11 \$ 1,050,000 01/14	\$ 301,788			\$ 49,362,533
Nationstar Mortgage ¹	Lewisville	Mortgage Lending	400	\$ 2,000,000	\$ 560,000	2,900	679%	10/10	\$ 300,000 11/10 \$ 120,000 06/12 \$ 140,000 08/13				\$ 108,761,642
Health Mgmt. Systems (HMS)	Irving	Health Care Data Services	350	\$ 17,687,439	\$ 1,600,000	1,004	455%	10/10	\$ 600,000 10/10 \$ 500,000 11/12				\$ 62,129,655
Vendor Resource Mgmt.	Carrollton	Financial Services	275	\$ 4,600,000	\$ 750,000	684	689%	05/10	\$ 500,000 04/13 \$ 375,000 05/10	\$ 468,214			\$ 39,000,000
Becton, Dickinson & Co.	San Antonio	Medical Devices	296	\$ 6,350,000	\$ 1,560,000	570	184%	08/10	\$ 375,000 07/12 \$ 400,000 09/10 \$ 350,000 05/13 \$ 375,000 03/14 \$ 435,000 03/15				\$ 23,581,368
Caterpillar	Victoria	Construction Machinery Mfg.	238	\$ 122,725,000	\$ 1,175,000	1,943	1479%	08/10	\$ 450,000 03/11 \$ 725,000 05/13				\$ 43,846,210
Hanger	Austin	Medical Devices	236	\$ 4,700,000	\$ 1,500,000	354	338%	01/10	\$ 750,000 03/10 \$ 750,000 10/11				\$ 44,000,000
Office Depot Inc.	Austin	Office Supply Sales	203	\$ 6,900,000	\$ 300,000	399	923%	07/11	\$ 150,000 8/11 \$ 150,000 7/14				\$ 21,000,000
Allstate Insurance	San Antonio	Insurance	200	\$ 11,607,475	\$ 1,100,000	429	328%	02/10	\$ 550,000 03/10 \$ 550,000 10/14	\$ 67,550			\$ 17,755,189
Facebook	Austin	Social Media	200	\$ 3,150,000	\$ 1,400,000	366	167%	02/10	\$ 500,000 06/10 \$ 500,000 04/12 \$ 400,000 05/14				\$ 29,000,000
Latex Foam International	Wichita Falls	Bedding Products Mfg.			\$ 350,000			10/10	\$ 350,000 11/10		\$ 212,000		\$ 21,308,868
Jyoti Americas	Conroe	Electrical Transmission Equip.	157	\$ 27,610,250	\$ 865,000	419	786%	12/10	\$ 865,000 04/13	\$ 18,630			\$ 20,316,809
Kohl's Department Stores Inc.	San Antonio	Mgmt. of Retail Operations	150	\$ 18,000,000	\$ 750,000	2,197	568%	04/10	\$ 300,000 05/10 \$ 225,000 04/12 \$ 225,000 03/13				\$ 82,745,877
Frito-Lay	Plano	Information Technology for Food Mfg.	125	\$ 4,500,000	\$ 1,125,000	426	278%	06/10	\$ 750,000 06/10 \$ 375,000 12/10				\$ 36,478,094
iDx Corp. ¹	Cuero	Retail Fixture Mfg.	28	\$ 5,100,000	\$ 125,000	204	331%	03/11	\$ 125,000 03/11	\$ 8,076	\$ 108,591		\$ 8,190,688
CK Technologies	Brownsville	Truck Component Mfg.	121	\$ 18,200,000	\$ 425,000	156	572%	12/10	\$ 150,000 12/10 \$ 125,000 7/14 \$ 150,000 06/15	\$ 28,752			\$ 3,874,099
Consolidated Electrical Distributors (CED)	Irving	Electrical Components Wholesale	120	\$ 3,300,000	\$ 1,200,000	274	242%	10/10	\$ 450,000 01/11 \$ 550,000 05/13 \$ 200,000 04/16	\$ 13,208			\$ 19,100,000
Green Star Products ¹	Boerne	Light Fixture Mfg.			\$ 175,000			10/10	\$ 175,000 10/10	\$ 15,180	\$ 169,271		\$ 38,058,146
Coll Materials	Waco	Plastics Recycling	111	\$ 5,900,000	\$ 200,000	408	296%	04/11	\$ 200,000 04/11	\$ 22,950			\$ 15,800,574
Golden Living (GGNSC)	Plano	Health Care Facilities	100	\$ 8,400,000	\$ 2,100,000	184	189%	03/11	\$ 700,000 03/11 \$ 700,000 03/13	\$ 88,050			\$ 31,171,364
Tapco International ¹	Baytown	Refinery Components Mfg.	100	\$ 26,000,000	\$ 325,000	390	690%	08/10	\$ 325,000 10/10		\$ 308,350		\$ 41,000,000
Cardiovascular Systems (CSI)	Pearland	Medical Technology	100	\$ 25,500,000	\$ 600,000	925	636%	10/09	\$ 400,000 06/10	\$ 287,356			\$ 41,014,666

TEXAS ENTERPRISE FUND (TEF)
AS OF December 31, 2016

OFFICE OF THE GOVERNOR

Company	Location	Industry	Direct Jobs	Capital Investment*	TEF Award**	Est. Total Jobs***	Direct State Return (Tax Rev./TEF)	Date Announced	Disbursements		Liquidated Damages (Clawbacks)	Other Repayments	Payroll Total****
									Amount	Date			
Zarges Aluminum Systems ¹	Amarillo	Wind Tower Parts Mfg.		\$ 12,131,000	\$ 200,000		568%	11/09	\$ 200,000	02/10	\$ 36,518	\$ 162,375	\$ 17,651,095
3M Company	Angleton	Powder Coatings Mfg.	55	\$ 21,200,000	\$ 194,000	343	1511%	04/11	\$ 94,000	01/11	\$ 6,468		
									\$ 100,000	8/14			

Company	Location	Industry	Direct Jobs	Capital Investment*	TEF Award**	Est. Total Jobs***	Direct State Return (Tax Rev./TEF)	Date Announced	Disbursements		Liquidated Damages (Clawbacks)	Other Repayments	Payroll Total****
									Amount	Date			
FY2012 - FY2013 TEF PROJECTS >>			11,822	\$ 6,991,605,000	\$ 67,614,500	34,991			\$ 33,551,500		\$ 1,230,257	\$ 733,092	\$ 2,424,462,708
Apple	Austin	Computer Hardware/Software	3,635	\$ 304,000,000	\$ 21,000,000	10,685	281%	3/2012	\$ 5,250,000	9/2012			\$ 740,002,174
Chevron USA	Houston	Oil & Gas	1,752	\$ 662,000,000	\$ 12,000,000	3,090	1671%	7/2013	\$ 5,250,000	12/2015			\$ 476,720,923
Visa	Austin	Financial Services	794	\$ 27,240,000	\$ 7,900,000	2,835	242%	11/2012	\$ 3,000,000	8/2013			\$ 196,000,000
									\$ 1,975,000	2/2013			
									\$ 1,975,000	6/2015			
Tenaris	Matagorda County	Steel Pipe Mfg.	600	\$ 1,300,000,000	\$ 6,000,000	2,464	2013%	2/2013	\$ 1,975,000	4/2016			\$ 137,523,006
ADP	El Paso	Payroll Services	585	\$ 22,000,000	\$ 2,400,000	1,032	361%	12/2012	\$ 1,920,000	6/2016			\$ 46,438,873
TEKsystems Global Services¹	Irving	IT Outsourcing Services	500	\$ 4,865,000	\$ 400,000	874	764%	12/2012	\$ 400,000	3/2013	\$ 219,600	\$ 194,418	\$ 70,528,508
James Skinner Company	Paris	Baked Goods Mfg.	393	\$ 25,000,000	\$ -	961	399%	12/2012					\$ 39,018,547
CGI Technologies	Belton	IT Outsourcing Services	350	\$ 7,000,000	\$ 1,800,000	760	224%	10/2011	\$ 600,000	11/2011	\$ 253,116		\$ 29,080,613
Continental Automotive	Seguin	Automotive Parts Mfg.	300	\$ 113,000,000	\$ 1,200,000	522	993%	1/2012	\$ 600,000	5/2013			\$ 26,116,294
Centene Corp.	Tyler	Insurance Claims	307	\$ 15,000,000	\$ 460,500	856	316%	5/2012	\$ 460,500	3/2013	\$ 143,325	\$ 214,382	\$ 30,227,416
CH2M Hill	Houston	Engineering	285	\$ 5,250,000	\$ 2,300,000	752	250%	8/2012	\$ 1,150,000	5/2012	\$ 9,330		
									\$ 1,150,000	05/2014			\$ 58,039,436
Borusan Mannesman Pipe	Baytown	Steel Pipe Mfg.	250	\$ 148,000,000	\$ 1,625,000	1,027	1688%	3/2013	\$ 545,000	09/2014			\$ 46,737,855
Fritz Industries	Greenville	Chemical Mfg.	250	\$ 37,500,000		1,837	1201%	08/2013	\$ 540,000	05/2015			\$ 57,250,554
HID Global	Austin	Electronic ID Systems Mfg.	239	\$ 35,250,000	\$ 1,900,000	836	504%	9/2012	\$ 500,000	3/2013			\$ 64,000,000
The Advisory Board Corp.	Austin	IT Services	239	\$ 8,100,000	\$ 500,000	694	1109%	1/2012	\$ 450,000	8/2015			
									\$ 250,000	12/2011			\$ 53,000,000
Layne Christensen Company	The Woodlands	Heavy Construction HQ	210	\$ 6,700,000	\$ 450,000	847	503%	12/2012	\$ 250,000	7/2013			
Pactiv	Corsicana	Plastic Product Mfg.	200	\$ 58,000,000	\$ 930,000	515	1434%	9/2012	\$ 450,000	1/2013	\$ 288,660	\$ 6,369	\$ 63,468,487
Dow Chemical	Freeport	Chemical Mfg.	150	\$ 1,700,000,000	\$ 1,000,000	631	14323%	4/2012	\$ 500,000	11/2012			\$ 31,328,933
Kohl's Department Stores	Dallas	Mgmt. of Retail Operations	144	\$ 54,900,000	\$ 864,000	253	1681%	6/2013	\$ 500,000	08/2015			\$ 39,743,604
									\$ 288,000	7/2013			\$ 17,799,696
Flexsteel Pipeline Technologies	Baytown	Steel & Plastic Pipe Mfg.	130	\$ 94,800,000	\$ 650,000	472	3108%	11/2011	\$ 288,000	9/2015			
									\$ 350,000	11/2011	\$ 2,420		\$ 42,907,403
Emerson Process Management	Houston	Indust. Automation Equip. Mfg.	126	\$ 9,500,000	\$ 1,000,000	318	342%	5/2013	\$ 300,000	12/2012			
									\$ 400,000	6/2013	\$ 239,760		\$ 18,312,000
Kuraray Americas	Pasadena	Chemical Mfg.	107	\$ 302,000,000	\$ 965,000	1,099	3550%	6/2012	\$ 320,000	7/2012			
									\$ 325,000	7/2015			\$ 62,385,211
Ascend Performance Materials	Alvin	Chemical Mfg.	100	\$ 1,200,000,000	\$ 350,000	361	14261%	2/2013	\$ 320,000	4/2016			
									\$ 350,000	3/2014	\$ 42,528	\$ 317,923	\$ 22,288,794
Ferris Manufacturing	Fort Worth	Medical Equipment Mfg.	80	\$ 5,500,000	\$ 420,000	361	535%	12/2011	\$ 250,000	11/2011	\$ 31,518		\$ 15,970,297
									\$ 170,000	8/2014			
Dow Chemical	Freeport	Chemical Mfg.	96	\$ 846,000,000	\$ 1,500,000	909	5189%	08/2013	\$ 500,000	8/2013			\$ 39,574,284

TEXAS ENTERPRISE FUND (TEF)
AS OF December 31, 2016

OFFICE OF THE GOVERNOR

Company	Location	Industry	Direct Jobs	Capital Investment*	TEF Award**	Est. Total Jobs ***	Direct State Return (Tax Rev./TEF)	Date Announced	Disbursements		Liquidated Damages (Clawbacks)	Other Repayments	Payroll Total****
									Amount	Date			
FY2014 - FY2015 TEF PROJECTS >>			10,437	\$ 4,794,691,552	\$ 86,065,000	28,444			\$ 24,580,000		\$ 270,924	\$ 1,109,781	\$ 2,027,371,026
USAA ¹	Plano	Insurance	680	\$ 31,400,000	\$ 1,000,000	2,201	413%	9/2013	\$ 1,000,000	11/2013		\$ 1,031,260	\$ 159,608,747
athenahealth	Austin	Software	607	\$ 13,000,000	\$ 5,000,000	1,361	242%	1/2014	\$ 1,500,000	2/2014	\$ 22,570		\$ 135,000,000
ForcePoint LLC (formerly Websense)	Austin	Software	445	\$ 9,900,000	\$ 4,500,000	2,089	242%	2/2014	\$ 4,500,000	12/2016			\$ 102,000,000
Natgasoline	Beaumont	Chemical Mfg.	240	\$ 1,900,000,000	\$ 2,150,000	1,908	7676%	11/2013	\$ 725,000	6/2015			\$ 85,377,602
Oracle	Austin	Software	200	\$ 5,395,000	\$ 1,000,000	923	418%	11/2013	\$ 1,000,000	6/2016			\$ 44,000,000
Dropbox	Austin	Software	170	\$ 5,500,000	\$ 1,500,000	597	238%	2/2014	\$ 500,000	3/2014	\$ 234,864		\$ 28,000,000
Prudential Insurance and HGS	El Paso	Call Center and BPO	300	\$ 6,077,038	\$ 1,200,000	493	292%	4/2014					\$ 20,016,800
Maverick Arms	Eagle Pass	Sporting Goods Mfg	50	\$ 3,400,000	\$ 75,000	115	383%	6/2014	\$ 75,000	4/2014		\$ 78,521	\$ 5,048,318
Toyota Motor North America, Inc.	Plano	Automotive HQ Relocation	3,650	\$ 345,000,000	\$ 40,000,000	6,438	338%	4/2014	\$ 8,000,000	6/2014			\$ 858,351,499
ACTIVE Network LLC	Dallas	IT Services	1,000	\$ 13,000,000	\$ 8,600,000	3,815	246%	7/2014	\$ 2,580,000	4/2014			\$ 159,288,126
Schneider Electric USA	El Paso	Electrical Equipment Mfg.	193	\$ 7,000,000	\$ 750,000	490	392%	7/2014	\$ 250,000	8/2014			\$ 16,389,228
Omnitracs LLC	Dallas	IT Services	450	\$ 10,000,000	\$ 3,900,000	1,717	253%	7/2014	\$ 1,950,000	1/2016			\$ 67,658,791
Space Exploration Technologies	Brownsville	Space Vehicle Mfg.	300	\$ 85,098,250	\$ 2,300,000	590	325%	07/2014	\$ 400,000	1/2015	\$ 13,490		\$ 25,271,332
Charles Schwab Corporation	Austin	Financial Services	823	\$ 210,852,690	\$ 4,500,000	1,121	1459%	07/2014	\$ 1,500,000	5/2016			\$ 99,000,000
Charles Schwab and Co. Inc.	El Paso	Financial Services- BPO	445	\$ 21,588,574	\$ 1,450,000	946	617%	7/2014	\$ 350,000	8/2014			\$ 29,824,143.00
Cerealto Seguin (Ika Siro Group)	Seguin	Food Products Mfg	212	\$ 58,500,000	\$ 800,000	733	2222%	11/2014					\$ 33,791,308
Corrigan OSB LLC	Polk County	Wood Product Mfg	165	\$ 262,000,000	\$ 1,140,000	638	2028%	2/2015					\$ 30,578,631
BASF	Freeport	Chemical Mfg.	163	\$ 1,750,000,000	\$ 2,400,000	1,296	10346%	3/2015					\$ 64,579,746
Kubota Tractor Corporation	Grapevine	Agricultural Machinery Mfg.	344	\$ 57,000,000	\$ 3,800,000	973	1762%	5/2015					\$ 63,586,755
FY2016 - FY2017 TEF PROJECTS >>			5,346	\$ 599,665,929	\$ 37,642,000	12,281			\$ -		\$ -	\$ -	\$ 860,005,630
Gestamp Steel US Inc.	Amarillo	Wind Tower Mfg.	339	\$ 43,131,040	\$ 1,800,000	1,524	477%	6/2015					\$ 45,366,455
Galderma Laboratories, L.P.	Fort Worth	Pharmaceuticals	343	\$ 22,000,000	\$ 2,052,000	603	653%	3/2016					\$ 92,903,720
LiveOps, Inc.	Cedar Park	IT Services	155	\$ 5,000,000	\$ 1,200,000	793	335%	7/2015					\$ 49,000,000
SATA U.S.A. Inc.	Brownsville	Industrial Mfg.	300	\$ 114,000,000	\$ 1,800,000	435	963%	5/2016					\$ 18,726,426
CGT U.S. Limited	New Braunfels	Plastics Sheet Mfg	275	\$ 81,000,000	\$ 2,000,000	684	595%	1/2016					\$ 37,894,519
Thomson Reuters	Carrollton	Software Publishers	250	\$ 6,154,889	\$ 1,538,000	714	450%	4/2016					\$ 44,893,646
W.W. Grainger, Inc.	San Antonio	Maintenance, Repair &	178	\$ 3,900,000	\$ 975,000	488	258%	6/2016					\$ 15,898,112
McKesson Corporation	Irving	Pharmaceutical Distribution	975	\$ 157,000,000	\$ 9,750,000	1,720	895%	3/2016					\$ 188,319,886
AmeriCredit (dba GM Financial)	San Antonio	Financial Lending	490	\$ 20,000,000	\$ 2,500,000	1,592	535%	12/2015					\$ 64,203,034
Jamba Juice Company	Frisco	Retail Smoothie Company	126	\$ 2,000,000	\$ 600,000	218	320%	5/2016					\$ 33,097,831
Sabre GBL, Inc.	Westlake	Travel Arrangement and Reser	500	\$ 37,900,000	\$ 5,000,000	882	345%	9/2016					\$ 105,919,069
Charles Schwab & Co., Inc.	Westlake	Financial Services	1,200	\$ 100,000,000	\$ 6,000,000	2,004	452%	8/2016					\$ 116,457,269
Jacobs Engineering Group Inc.	Dallas	Engineering Services	111	\$ 4,000,000	\$ 1,332,000	330	263%	10/2016					\$ 30,801,279
OKI Data Americas, Inc.	Irving	Printers & Peripheral PC Equipr	104	\$ 3,580,000	\$ 895,000	294	332%	10/2016					\$ 16,524,384
TOTAL TEF PROJECTS ALLOCATED >>			83,287	\$ 27,032,742,897	\$ 609,553,696				\$ 464,163,696		\$ 24,751,345	\$ 47,453,501	
Total Funds Disbursed									\$ 464,163,696				
Total Disbursed Funds Returned											\$ 72,204,846		
Total Economic Impact													\$ 13,709,657,832
Amount Allocated to Special Events Funds					\$ 10,000,000								
Amount Transferred from Emerging Technology Fund					\$ 44,860,368								
AVAILABLE TEF BALANCE FOR FISCAL YEARS 2016 - 2017 >>					\$ 98,598,861								

Projects are grouped by fiscal year of contract execution, not by time of funding encumbrance

Notes: (*) Company commitment at date of award

(**) Amount awarded per the contract. Final disbursement depends upon recipient performance and any enforcement of liquidated damages based on performance.

(***) Includes direct, indirect, and induced jobs forecasted by third-party economic impact analysis

¹ Project has reached completion of TEF contract

(****) Includes direct, indirect, and induced jobs

(*****) Includes direct, indirect, and induced jobs

Fiscal Note

State of Alaska
2017 Legislative Session

Bill Version: SB 44
Fiscal Note Number: _____
() Publish Date: _____

Identifier: SB044-DOR-TAX-2-24-17
Title: OIL & GAS TAX CREDIT REPORTING
Sponsor: GARDNER
Requester: (H) Resources Committee

Department: Department of Revenue
Appropriation: Taxation and Treasury
Allocation: Tax Division
OMB Component Number: 2476

Expenditures/Revenues

Note: Amounts do not include inflation unless otherwise noted below. (Thousands of Dollars)

	FY2018	Included in	Out-Year Cost Estimates				
	Appropriation Requested	Governor's FY2018 Request	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
OPERATING EXPENDITURES	FY 2018	FY 2018					
Personal Services							
Travel							
Services							
Commodities							
Capital Outlay							
Grants & Benefits							
Miscellaneous							
Total Operating	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Fund Source (Operating Only)

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Positions

Full-time							
Part-time							
Temporary							

Change in Revenues

None							
Total	0.0	0.0	0.0	0.0	0.0	0.0	0.0

Estimated SUPPLEMENTAL (FY2017) cost: 50.0 *(separate supplemental appropriation required)*
(discuss reasons and fund source(s) in analysis section)

Estimated CAPITAL (FY2018) cost: 0.0 *(separate capital appropriation required)*
(discuss reasons and fund source(s) in analysis section)

ASSOCIATED REGULATIONS

Does the bill direct, or will the bill result in, regulation changes adopted by your agency? Yes
If yes, by what date are the regulations to be adopted, amended or repealed? 01/01/18

Why this fiscal note differs from previous version:

Not applicable; initial version.

Prepared By:	Ken Alper, Director	Phone:	(907)465-8221
Division:	Tax Division	Date:	02/24/2017 02:30 PM
Approved By:	Jerry Burnett, Deputy Commissioner	Date:	02/24/17
Agency:	Department of Revenue		

FISCAL NOTE ANALYSIS

STATE OF ALASKA
2017 LEGISLATIVE SESSION

BILL NO. SB 44

Analysis

Bill Analysis

This legislation would make changes to Alaska's oil and gas production tax and tax credit reporting statutes. It requires additional information to be reported by oil and gas producers and explorers to the State of Alaska. It also requires the Department of Revenue to report certain information to the public and provide an annual report to the Alaska State Legislature. The report builds in part on a new tax credit reporting requirement that was added in 2016 via HB247.

According to the sponsors, the legislation will provide the state with the information it needs on the state's investments of oil and gas credits. This information will allow the state to assess the effectiveness of the oil and gas credits and whether they are generating more oil and gas production. In practical terms, it means that more detailed information on specific projects will be exempted from the current broad taxpayer confidentiality statutes.

Revenue Impact

There is no revenue impact from this legislation. The changes in this legislation only impact the oil and gas tax credit reporting requirements for the oil and gas explorers and producers as well as the Department of Revenue.

Implementation Cost

This legislation would require the Department of Revenue to update its Tax Revenue Management System (TRMS) to collect the additional information required of this legislation under 43.55.030. The update would consist of minor programming costs to create the necessary reports required by this legislation.

There is also the need to implement regulations which will require internal resources and resources from the Department of Law.

The supplemental fiscal note figure of \$50.0 in FY17 is to cover the costs of having our contractor update the TRMS system. We do not anticipate any continuing costs or additional staff needs. After the implementation of the changes, this legislation would not cause any additional staffing needs for the Tax Division. The annual report will be produced with existing resources.

The bill has an effective date of 7/1/17. The great bulk of the data will be submitted along with a taxpayer's annual production tax return, which is due in March. This means that the first annual report after that date, which will be issued on 4/30/18, will contain information on expenditures during the second half of calendar year 2017.



BlueCrest Energy Inc.

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J. Benjamin Johnson
President and CEO

Public Written Testimony of J. Benjamin Johnson Regarding Proposed Senate Bill 44 March 1, 2017

For the record, my name is J. Benjamin Johnson. I am the president and CEO of BlueCrest Energy Inc. Thank you for the opportunity to provide written comment on the proposed bill SB44.

From BlueCrest's perspective, we do not oppose public disclosure of the amounts of tax credit payments received by us, a disclosure that is now a requirement under HB247 that passed last year. And BlueCrest would also not oppose public disclosure (without disclosing proprietary detailed information) of expenditures that are the basis of tax-credit filings, summarized by general category. For example, we would not oppose disclosure of how much BlueCrest spent in total by category for drilling new wells, building new production facilities, pipelines, or purchasing new large items such as drilling rigs. In fact, BlueCrest has repeatedly voluntarily provided such factual information in public testimony, because we believe that can help Alaska's leadership and residents alike see the positive tangible benefits resulting from the tax credits.

However the proposed language under SB44 requiring public disclosure of "...a description of the expenditure, a detailed description of the purpose of the expenditure..." would not result in better auditing or control of tax credit filings, but it would release proprietary information that would be damaging to a company's competitive business position. And that would translate into a loss of overall value to the state.

It is very important to recognize that the "detailed description" information requested by this bill is absolutely and entirely currently provided to the DOR. The DOR already has all the tools necessary to secure the detailed back-up information required to evaluate an application. The DOR is the agency delegated the authority to receive, review and approve applications, and it already has all necessary authority to secure information necessary to support that review and approval. The DOR examines the facts behind each claim and will not approve any tax credit if the application has not been based on a valid expenditure.

As a matter of practice, BlueCrest routinely provides the DOR with all vendor proposals, purchase orders, contracts/MSA's, and related invoices (essentially every record of each lease expenditure). We don't withhold anything as part of the DOR's review process. Whenever the DOR staff asks questions (and they routinely do as part of their professional due diligence process), we answer their questions and make every document available to them. But the important factor here is that the staff members of the DOR continue to maintain strict confidentiality of the taxpayer records.

The DOR is the representative of the public in regard to this program, and requiring the release of information submitted in support of an application would put applicants at a competitive disadvantage. Note that taxpayer information has always been deemed to be highly confidential, and the public disclosure of such information can damage the taxpayer. In this instance, release of information could, for example, be used (1) by service providers to frustrate commercial negotiations (i.e., any savings we, as an operator, might achieve in direct negotiations could be lost when a counter-party (our contractor) is able to see what his/her peers charge for similar services to other companies and raise his/her rates to match those of competitors); (2) used by other operating companies to out-bid us for services thereby frustrating our ability to complete projects; or (3) used

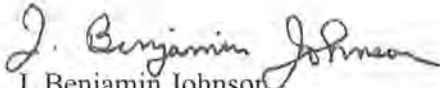
by our competitors to develop a profile of our company and our business model that could be used to disadvantage us in commercial negotiations and bidding.

To be clear, this bill has nothing to do about withholding information from the state or misleading the state in application for tax credits. Right now (under the law as it currently stands without this bill), there are no “secrets” held back from the state’s review of the applications for tax credits. I can assure you that the professionals at the DOR staff are extremely diligent about protecting the state’s interests in their evaluation of each of these tax credit filings.

It is critical that we all understand and acknowledge that the state and its residents undoubtably benefit with improved efficiency of industry operations. The lower we can keep our costs, the more we can invest in developing greater volumes of royalty oil and taxable revenue. But disclosure of all the detailed taxpayer information as proposed in the bill would essentially result in publicly disclosing each company’s proprietary financial operations that affect the very competitive nature of the business. Public disclosure of proprietary information weakens – and likely destroys – competitive advantages that encourage companies to invest more in their Alaska businesses.

In summary, BlueCrest therefore opposes SB44, as written, but we would not oppose disclosure of investments by broad category claimed for tax credits.

Sincerely,


J. Benjamin Johnson



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The Honorable Berta Gardner
State Senator, District I
State of Alaska
Juneau, Alaska 99801

RE: Senate Bill 44 (SB44)

Dear Senator Gardner:

Thank you for the opportunity to provide comment on SB44. We certainly appreciate the fiscal challenges the State currently faces and the difficult job the current legislature has in identifying effective and sustainable solutions.

Hilcorp, founded in 1989, is one of the largest privately-held oil and natural gas exploration and production companies in the United States. Headquartered in Houston, TX, Hilcorp has nearly 1,500 employees in multiple operating areas including the Gulf Coast of Texas and Louisiana, Wyoming, the Northeast United States, and Alaska's Cook Inlet and North Slope. Here in Alaska, Hilcorp operates in both Cook Inlet and on the North Slope. Just over 500 full-time employees support our operations in Alaska and I'm proud to say that nearly 90% are Alaskan residents. Hilcorp's activity, on average, employs approximately 400 full-time contractor positions and hundreds more part time contractor positions. They are hard-working Alaskans helping Hilcorp develop the State's resources safely and responsibly and are a major part of Alaska's overall economy.

Hilcorp operates approximately 53,000 gross barrels of oil per day and 150 million cubic feet of gross gas sales per day from approximately 500 producing wells, for a total net production to Hilcorp of approximately 57,000 barrels of oil equivalent per day and our activity helped achieve last year's historic increase in North Slope production. It's quite a feat for an operator that's only been on the Slope since late 2014. It's also important to note that we have worked very hard and invested hundreds of millions of dollars in the Cook Inlet basin as well. Our activity has increased both oil and gas production- increasing revenues for paid to the state and providing long-term energy security for Alaska's largest population hub.

Hilcorp continues to invest and works hard to move the needle on oil and gas production. We've made great progress in all three producing fields we operate on the Slope - Northstar, Milne Point and Endicott. We continue to invest time and money in the Liberty Development. It's a project that could add an additional 70,000 barrels a day down the pipeline. Production from new fields can take several years and hundreds of millions of dollars to bring online; maintaining and growing production from existing/aging fields requires significant and continual investments and we are ready and capable to do just that.

I share this information about Hilcorp to demonstrate our commitment to Alaska and to develop the State's resources responsibly. Since our entry into Alaska we have experienced change, uncertainty and an unexpected and hugely impactful drop in oil prices, yet we continue to invest. We continue to provide good paying jobs. In fact, because of our hard work and investment, Hilcorp no longer qualifies for refundable credits.

Simply stated, SB44 represents more change in an already unstable fiscal environment. SB44 does not focus on the one core component that will benefit the State and the industry – it does not incentivize more oil and gas production in Alaska.

During this critical time I urge you to foster stability and a competitive fiscal regime so that companies like Hilcorp can continue to invest capital in Alaska. SB44 does not bring stability. SB44 does not make Alaska more competitive than other areas of the world. We want to keep Alaskans working and put more oil in the pipeline and it is for those reasons we cannot support SB44.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Wilkins', written over a horizontal line.

David S. Wilkins
Senior Vice President
Hilcorp Alaska

cc: Senator Cathy Giessel, Senate Resource Committee Chair
Akis Gialopsos, Staff to Senator Giessel
Samantha Straus, Staff to Senator Gardner