

Texas Appendix

Key Subsidy Programs

Program	Annual Cost	Monitoring, Enforcement & Penalty Score*
Texas Economic Development Act - a controversial and very expensive property tax reduction program primarily benefiting clean-energy and manufacturing companies	\$164,500,000 (2011)	83/100
Texas Emerging Technology Fund (ETF) - a controversial and expensive cash-grant program that helps companies commercialize the results of research and development; criticized for reporting misleading job creation figures, being used for an apparent pay-to-play scheme and allowing corporate executives to award subsidies to companies they had worked for or invested in	\$61,538,000 (2010)	33/100
Texas Enterprise Fund (TEF) - an expensive "deal-closing" cash-grant program for companies locating or expanding in the state; charged with promoting political patronage and making exaggerated job-creation claims; a Wall Street Journal op-ed called the program akin to reverse Robin Hood: "taking from the average taxpayer and giving to someone [with connections]."	\$30,295,000 (2010)	60/100
Texas Moving Image Industry Incentive Program - reimbursements for up to 15 percent of film & TV production expenses, more in "underutilized areas" of the state	\$5,708,793 (2010)	42/100
Average Monitoring, Enforcement & Penalty Score for All Programs*		54/100

*Adjusted to reflect the program's performance standards score in *Money for Something*. See next page for unweighted scoring details.

Money-Back Guarantees for Taxpayers Scoring Details for Texas Programs		<i>Maximum possible score for category</i>	<i>Texas Economic Development Act (Ch. 313)</i>	<i>Texas Emerging Technology Fund (ETF)</i>	<i>Texas Enterprise Fund (TEF)</i>	<i>Texas Moving Image Industry Incentive Program</i>
Reporting	Has a requirement that recipients report to agency on performance outcomes (20 pts)	20	20	20	20	20
Verification	Agency awarding subsidy verifies performance outcomes reported by recipient (20 pts)	20	0	0	20	20
Type of Penalties	Penalty takes the form of recapture (10 pts)	10	10	10	10	10
	Penalty takes the form of rescission or program is performance based (5 pts)	5	5	5	5	5
	Penalty takes the form of recalibration (5 pts)	5	0	0	5	5
Scope of Penalties	Mandatory penalties for failure to meet performance requirements with no exceptions* (20 pts)	20	10	10	10	10
	Mandatory penalties for failure to meet performance requirements with some exceptions (15 pts)					
	Discretionary penalties for failure to meet performance requirements (10 pts)					
Online Disclosure of Enforcement Practices	Online publication of statistics on use of penalties (10 pts)	10	10	0	10	0
	Online publication of names of companies found to be non-compliant (5 pts)	5	5	0	0	0
	Online publication of names of companies penalized and dollar amounts (5 pts)	5	5	0	5	0
Total unweighted score		100	65	45	85	70
TOTAL SCORE adjusted to reflect the program's performance standards score in <i>Money for Something</i>		100	83	33	60	42

*Programs deemed performance based automatically receive points in this category. For details on the programs see Appendix 4 in www.goodjobsfirst.org/moneyback.