Sec. 490.001. DEFINITIONS. In this chapter:

(1) "Committee" means the Texas Emerging Technology Advisory Committee.

(2) "Fund" means the Texas emerging technology fund.

(3) "Institution of higher education" has the meaning assigned by Section 61.003, Education Code.

(4) "Award" means:
(A) for purposes of Subchapter D, an investment in the form of equity or a convertible note;
(B) for purposes of Subchapter E, an investment in the form of a debt instrument;
(C) for purposes of Subchapter F, a grant; or
(D) other forms of contribution or investment as recommended by the committee and approved by the governor, lieutenant governor, and speaker of the house of representatives.

(5) "Research institution" means:
(A) a public institution of higher education; or
(B) an innovation and commercialization organization associated with the Lyndon B. Johnson Space Center of the National Aeronautics and Space Administration.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 852 (H.B. 1188), Sec. 1, eff. September 1, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 431 (S.B. 1047), Sec. 1, eff. June 17, 2011.

Sec. 490.002. PURPOSES. The fund is established under this chapter to develop and diversify the economy of this state by:
(1) expediting innovation and commercialization of research;

(2) attracting, creating, or expanding private sector entities that will promote a substantial increase in high-quality jobs; and

(3) increasing higher education applied technology research capabilities.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.

Sec. 490.003. EMERGING TECHNOLOGY INDUSTRIES. (a) An emerging technology industry participant is eligible for funding under this chapter if the activity to be funded:

(1) will result in the creation of high-quality new jobs in this state, immediately or over a longer period; or

(2) has the potential to result in a medical or scientific breakthrough or a breakthrough in the area of clean energy.

(b) Emerging technology industries include industries related to:

(1) semiconductors;
(2) information;
(3) computer and software technology;
(4) energy;
(5) manufactured energy systems;
(6) micro-electromechanical systems;
(7) nanotechnology;
(8) biotechnology;
(9) medicine;
(10) life sciences;
(11) petroleum refining and chemical processes;
(12) aerospace;
(13) defense; and
(14) other pursuits, as determined by the governor in consultation with the lieutenant governor and the speaker of the house of representatives.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.
Sec. 490.005. ANNUAL REPORT. (a) Not later than January 31 of each year, the governor shall submit to the lieutenant governor, the speaker of the house of representatives, and the standing committee of each house of the legislature with primary jurisdiction over economic development matters and post on the office of the governor's Internet website a report that includes the following information regarding awards made under the fund during each preceding state fiscal year:

(1) the total number and amount of awards made;
(2) the number and amount of awards made under Subchapters D, E, and F;
(3) the aggregate total of private sector investment, federal government funding, and contributions from other sources obtained in connection with awards made under each of the subchapters listed in Subdivision (2);
(4) the name of each award recipient and the amount of the award made to the recipient; and
(5) a brief description of the equity position that the governor, on behalf of the state, may take in companies receiving awards and the names of the companies in which the state has taken an equity position.

(b) The annual report must also contain:

(1) the total number of jobs actually created by each project receiving funding under this chapter;
(2) an analysis of the number of jobs actually created by each project receiving funding under this chapter; and
(3) a brief description regarding:
   (A) the methodology used to determine the information provided under Subdivisions (1) and (2), which may be developed in consultation with the comptroller's office;
   (B) the intended outcomes of projects funded under Subchapter D during each preceding state fiscal year; and
(c) The actual outcomes of all projects funded under Subchapter D during each preceding state fiscal year, including any financial impact on the state resulting from a liquidity event involving a company whose project was funded under that subchapter.

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

Added by Acts 2009, 81st Leg., R.S., Ch. 1307 (H.B. 2531), Sec. 1, eff. June 19, 2009.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1297 (H.B. 2457), Sec. 2, eff. September 1, 2011.

Sec. 490.006. VALUATION OF INVESTMENTS; INCLUSION IN ANNUAL REPORT. To the maximum extent practicable, the office of the governor shall annually perform a valuation of the equity positions taken by the governor, on behalf of the state, in companies receiving awards under the fund and of other investments made by the governor, on behalf of the state, in connection with an award under the fund. The valuation must:

(1) be based on a methodology that:
   (A) may be developed in consultation with the comptroller's office; and
   (B) is consistent with generally accepted accounting principles; and

(2) be included with the annual report required under Section 490.005.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1297 (H.B. 2457), Sec. 3, eff. September 1, 2011.

SUBCHAPTER B. TEXAS EMERGING TECHNOLOGY ADVISORY COMMITTEE

Sec. 490.051. COMPOSITION OF COMMITTEE. The Texas Emerging Technology Advisory Committee is composed of 17 members.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.

Amended by:
Sec. 490.052. APPOINTMENT TO COMMITTEE; NOMINATIONS.
(a) The governor shall appoint to the committee 13 individuals nominated as provided by Subsection (b).

(a-1) The lieutenant governor shall appoint two individuals to the committee.

(a-2) The speaker of the house of representatives shall appoint two individuals to the committee.

(b) The following persons may nominate one or more individuals who are industry leaders in this state or who are nationally recognized leaders from public or private institutions of higher education in this state for appointment to the committee:

(1) a president of a public or private institution of higher education in this state;

(2) a representative of the governor's office involved in economic development activities;

(3) a representative of the lieutenant governor's office involved in economic development activities;

(4) a representative of the office of the speaker of the house involved in economic development activities; and

(5) other persons considered appropriate by the governor.

(c) The governor may prescribe a date after which a nomination under Subsection (b) for appointment for the next term will not be considered.

(d) If an insufficient number of qualified individuals are nominated as provided by Subsection (b) before the date set by the governor under Subsection (c), the governor may appoint any qualified individual to the board for that term.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 852 (H.B. 1188), Sec. 5, eff. September 1, 2007.
Acts 2011, 82nd Leg., R.S., Ch. 1297 (H.B. 2457), Sec. 4, eff.
Sec. 490.0521. FINANCIAL STATEMENT REQUIRED. (a) Each member of the committee shall file with the office of the governor a verified financial statement complying with Sections 572.022 through 572.0252 as is required of a state officer by Section 572.0252.

(b) All information obtained and maintained pursuant to Subsection (a), including information derived from the financial statements, is confidential and is not subject to disclosure under Chapter 552, Government Code.

(c) The governor, on request or in the normal course of official business, shall provide information that is confidential under Subsection (b) to the Texas State Auditor's Office.

(d) This section does not affect release of information for legislative purposes pursuant to Section 552.008, Government Code.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1297 (H.B. 2457), Sec. 6, eff. September 1, 2011.

Sec. 490.053. PRESIDING MEMBER. The governor shall appoint a presiding member of the committee.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.

Sec. 490.054. TERMS. (a) Members of the committee appointed by the governor serve staggered two-year terms, subject to the pleasure of the governor.

(b) Members of the committee appointed by the lieutenant governor or the speaker of the house of representatives serve two-year terms.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 852 (H.B. 1188), Sec. 6, eff. September 1, 2007.
Sec. 490.055. STAFF AND FUNDING. Necessary staff and funding for the administration of the fund shall be provided by:

(1) the office of the governor; and

(2) gifts, grants, and donations for overhead expenses to the office of the governor.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 852 (H.B. 1188), Sec. 7, eff. September 1, 2007.

Sec. 490.056. RECOMMENDATIONS FOR FUNDING. (a) The committee shall make recommendations, through peer review and evaluation processes established by the committee, to the governor, lieutenant governor, and speaker of the house of representatives for the award of money from the fund as provided by this chapter.

(b) The committee may establish advisory panels of knowledgeable individuals from industry, state government, or academic occupations to assist in peer review activities under this chapter.

(c) Each entity recommended by the committee for an award of money from the fund as provided by this chapter shall obtain and provide the following information to the office of the governor:

(1) a federal criminal history background check for each principal of the entity;

(2) a state criminal history background check for each principal of the entity;

(3) a credit check for each principal of the entity;

(4) a copy of a government-issued form of photo identification for each principal of the entity; and

(5) information regarding whether the entity or a principal of the entity has ever been subject to a sanction imposed by the Securities and Exchange Commission for a violation of applicable federal law.
(d) For purposes of Subsection (c), "principal" means:

(1) an officer of an entity; or

(2) a person who has at least a 10 percent ownership interest in an entity.

(e) With each proposal to award funding submitted by the governor to the lieutenant governor and speaker of the house of representatives for purposes of obtaining prior approval, the governor shall provide each officer with a copy of the information provided by the appropriate entity under Subsection (c).

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.

Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1297 (H.B. 2457), Sec. 8, eff. September 1, 2011.

Sec. 490.057. CONFIDENTIALITY. (a) Except as provided by Subsection (b), information collected by the governor's office, the committee, or the committee's advisory panels concerning the identity, background, finance, marketing plans, trade secrets, or other commercially or academically sensitive information of an individual or entity being considered for, receiving, or having received an award from the fund is confidential unless the individual or entity consents to disclosure of the information.

(b) The following information collected by the governor's office, the committee, or the committee's advisory panels under this chapter is public information and may be disclosed under Chapter 552:

(1) the name and address of an individual or entity receiving or having received an award from the fund;

(2) the amount of funding received by an award recipient;

(3) a brief description of the project that is funded under this chapter;

(4) if applicable, a brief description of the equity position that the governor, on behalf of the state, has taken in an entity that has received an award from the fund; and

(5) any other information designated by the committee
with the consent of:

(A) the individual or entity receiving or having received an award from the fund, as applicable;
(B) the governor;
(C) the lieutenant governor; and
(D) the speaker of the house of representatives.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 1297 (H.B. 2457), Sec. 9, eff. September 1, 2011.

SUBCHAPTER C. TEXAS EMERGING TECHNOLOGY FUND

Sec. 490.101. TEXAS EMERGING TECHNOLOGY FUND. (a) The Texas emerging technology fund is a dedicated account in the general revenue fund.

(b) The following amounts shall be deposited in the fund:

(1) any amounts appropriated by the legislature for the fund;

(2) benefits realized from a project undertaken with money from the fund, as provided by a contract entered into under Section 490.103;

(3) gifts, grants, and other donations received for the fund; and

(4) interest earned on the investment of money in the fund.

(c) The fund may be used only for:

(1) the purposes described by Section 490.002; and

(2) necessary staff, administration of the fund including administration by the office of the governor, and services and expenses related to the fund as provided for by Section 490.055.

(d) The committee may solicit and accept gifts and grants for the fund from public and private entities.

(e) The fund may be temporarily used by the comptroller for cash management purposes.
The administration of the fund is considered to be a trusted program within the office of the governor. The governor may negotiate on behalf of the state regarding awards from the fund. The governor may award money appropriated from the fund only with the prior approval of the lieutenant governor and speaker of the house of representatives.

For purposes of Subsection (f), an award of money appropriated from the fund is considered disapproved by the lieutenant governor or speaker of the house of representatives if that officer does not approve the proposal to award funding before the 91st day after the date of receipt of the proposal from the governor. The lieutenant governor or the speaker of the house of representatives may extend the review deadline applicable to that officer for an additional 14 days by submitting a written notice to that effect to the governor before the expiration of the initial review period.

Before making an award under this chapter, the governor shall enter into a written agreement with the entity to receive the award. An agreement may specify that:

1. if all or any portion of the amount of the award is used to build a capital improvement:
   - the state retains a lien or other interest in the capital improvement in proportion to the percentage of the award amount used to pay for the capital improvement; and
   - the recipient of the award shall, if the capital improvement is sold:
     - repay to the state the award used to pay for the capital improvement, with interest at the rate and according to the other terms provided by the agreement; and
     - share with the state a proportionate amount of any profit realized from the sale; and
2. if, as of a date certain provided in the agreement, the award recipient has not used the award received under this chapter for the purposes for which the award was intended, the recipient shall repay that amount and any related interest applicable under the agreement to the state at the agreed rate and on the agreed terms.
(h) The governor may make awards in the form of loans, charge and receive reasonable interest for the loans, take an equity position in the form of stock or other security in consideration of an award, and sell or otherwise trade or exchange the security for the benefit of the fund. Interest or proceeds received as a result of a transaction authorized by this subsection shall be deposited to the corpus of the fund and may be used in the same manner as the corpus of the fund.

(i) The contract between the governor and a recipient of an award under this chapter may set the terms relating to an award.

Sec. 490.102. ALLOCATION OF FUND. (a) Money appropriated to the fund by the legislature, less amounts necessary to administer the fund under Section 490.055, shall be allocated as follows:

(1) 50 percent of the money for incentives for collaboration between certain entities as provided by Subchapter D;

(2) 16.67 percent of the money for research award matching as provided by Subchapter E; and

(3) 33.33 percent of the money for acquisition of research superiority as provided by Subchapter F.

(b) The governor may reallocate money from one component of the fund to another component subject to the prior approval of the lieutenant governor and speaker of the house of representatives.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 852 (H.B. 1188), Sec. 9, eff. September 1, 2007.
Sec. 490.103. ALLOCATION OF PROCEEDS. (a) The contract between the governor and a recipient of an award under this chapter shall provide for the distribution of royalties, revenue, or other financial benefits realized from the commercialization of intellectual or real property developed from any award from the fund. To the extent authorized by law and not in conflict with another agreement, the contract shall appropriately allocate by assignment, licensing, or other means the royalties, revenue, or other financial benefits among identifiable collaborating parties and in a specified percentage to this state for deposit in the fund.

(b) The contract under Subsection (a) shall also specify other matters considered necessary by the governor, lieutenant governor, and speaker of the house of representatives.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.
Amended by:
Acts 2007, 80th Leg., R.S., Ch. 852 (H.B. 1188), Sec. 10, eff. September 1, 2007.

SUBCHAPTER D. INCENTIVES FOR COMMERCIALIZATION ACTIVITIES

Sec. 490.151. USE OF MONEY FOR INCENTIVES. (a) Amounts allocated from the fund for use as provided by this subchapter shall be reserved for incentives for private or nonprofit entities to collaborate with research institutions in this state or private institutions of higher education in this state on emerging technology projects with a demonstrable economic benefit to this state.

(b) The committee shall recommend proposals eligible for funding under this section to the governor, lieutenant governor, and speaker of the house of representatives.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.
Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 431 (S.B. 1047), Sec. 2, eff. June 17, 2011.
Sec. 490.152. REGIONAL CENTERS OF INNOVATION AND COMMERCIALIZATION. (a) In recommending proposals for funding, the committee shall give specific emphasis to the formation of regional centers of innovation and commercialization.

(b) An appropriate combination of any entities described by Section 490.151(a) may collaborate to form a regional center of innovation and commercialization to serve a region of this state.

(c) A regional center of innovation and commercialization shall provide for a specified region:

(1) research and development activities that may include initiatives to prove the feasibility of an idea;

(2) commercialization of the results of research and development;

(3) incubators for new businesses and expansion of existing businesses related to research and development; and

(4) workforce training for businesses resulting from research and development.

(d) Subject to the availability of suitable partners and resources, the committee shall propose and initiate the establishment of a regional center of innovation and commercialization in:

(1) Harris County;
(2) Lubbock County;
(3) Bexar County;
(4) the Dallas-Fort Worth Metroplex;
(5) El Paso County;
(6) the Middle and Lower Rio Grande Valley; and
(7) other suitable locations as determined by the governor in consultation with the lieutenant governor and the speaker of the house of representatives.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.

Sec. 490.1521. MINUTES OF CERTAIN MEETINGS. (a) Each regional center of innovation and commercialization established under Section 490.152, including the Texas Life Science Center for Innovation and Commercialization, shall keep minutes of each
meeting at which applications for funding under this subchapter are evaluated. The minutes must:

1. include the name of each applicant recommended by the regional center of innovation and commercialization to the committee for funding; and

2. indicate the vote of each member of the governing body of the regional center of innovation and commercialization, including any recusal by a member and the member's reason for recusal, with regard to each application reviewed.

(b) Each regional center of innovation and commercialization shall retain a copy of the minutes of each meeting to which this section applies for at least three years.

Added by Acts 2011, 82nd Leg., R.S., Ch. 1297 (H.B. 2457), Sec. 11, eff. September 1, 2011.

Sec. 490.153. PRIORITY FOR FUNDING. (a) In allocating money from the fund under this subchapter, priority shall be given to proposals that:

1. involve emerging scientific or technology fields that have a reasonable probability of enhancing this state's national and global economic competitiveness;

2. may result in a medical or scientific breakthrough or a breakthrough in the area of clean energy;

3. are collaborative between any combination of private or nonprofit entities and public or private agencies or institutions in this state;

4. are matched with other available funds, including funds from the private or nonprofit entity or institution of higher education collaborating on the project; or

5. have a demonstrable economic development benefit to this state.

(b) An amount not to exceed two percent of the amount allocated for a fiscal biennium for incentives under this subchapter may be invested directly in the regional centers of innovation and commercialization as recommended by the committee and approved by the governor, lieutenant governor, and speaker of the house of representatives to support commercialization
activities.
Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 852 (H.B. 1188), Sec. 12, eff. September 1, 2007.

Sec. 490.154. GUARANTEE OF ACTION BY PARTICIPATING ENTITY.
(a) An entity participating in a regional center of innovation and commercialization that receives funding or another incentive under this subchapter shall guarantee by contract with the governor's office that the entity will perform specific actions expected to provide benefits to this state.

(b) If an entity fails to perform an action guaranteed by contract under Subsection (a) before a time specified by the contract, the entity shall return to the fund the money received by the entity under this subchapter.
Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.

Sec. 490.155. GUARANTEE OF COMMERCIALIZATION OR MANUFACTURING IN TEXAS. A person or entity receiving money from the fund under this subchapter must guarantee by contract that a substantial percentage of any new or expanded commercialization or manufacturing resulting from the award will be established in this state.
Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 852 (H.B. 1188), Sec. 13, eff. September 1, 2007.

Sec. 490.156. AUTHORIZED EXPENSES. (a) A person receiving money from the fund under this subchapter may use the money to expedite commercialization that will lead to an increase in high-quality jobs in this state and shall use the money in accordance with a contract between the person and the office of the
(b) Authorized expenses under this section include salaries and benefits, travel, consumable supplies, other operating expenses, contracted research and development, capital equipment, construction or renovation of state or private facilities, and workforce training.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 852 (H.B. 1188), Sec. 14, eff. September 1, 2007.

SUBCHAPTER E. RESEARCH AWARD MATCHING

Sec. 490.201. USE OF MONEY FOR RESEARCH AWARD MATCHING. (a) Amounts allocated from the fund for use as provided by this subchapter shall be reserved to match funding from research sponsors other than this state, including federal research sponsors.

(b) The committee shall recommend proposals eligible for funding under this section to the governor, lieutenant governor, and speaker of the house of representatives.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 852 (H.B. 1188), Sec. 16, eff. September 1, 2007.

Sec. 490.202. PRIORITY FOR FUNDING. In allocating money from the fund under this subchapter, priority shall be given to proposals that accelerate commercialization into production by targeting programs that:

(1) address federal or other major research sponsors' priorities in emerging scientific or technology fields;

(2) are interdisciplinary;

(3) are collaborative with a combination of public or private institutions of higher education in this state;
are likely to result in a medical or scientific breakthrough or a breakthrough in the area of clean energy; or

have a demonstrable economic development benefit to this state.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 852 (H.B. 1188), Sec. 17, eff. September 1, 2007.

Sec. 490.203. GUARANTEE OF ACTION BY PARTICIPATING ENTITY.
(a) An entity receiving funding or another incentive under this subchapter shall guarantee by contract with the governor's office that the entity will perform specific actions that are expected to provide benefits to this state.

(b) If an entity fails to perform an action guaranteed by contract under Subsection (a) before a time specified by the contract, the entity shall return the funding received by the entity under this subchapter.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.

SUBCHAPTER F. ACQUISITION OF RESEARCH SUPERIORITY

Sec. 490.251. USE OF MONEY FOR ACQUISITION OF RESEARCH SUPERIORITY. Amounts allocated from the fund for use as provided by this subchapter shall be used to acquire new or enhance existing research superiority at research institutions in this state.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 431 (S.B. 1047), Sec. 3, eff. June 17, 2011.

Sec. 490.252. RESEARCH SUPERIORITY. For purposes of this subchapter, the employment by a research institution of one or more world-class or nationally recognized researchers and associated
assistants in an industry eligible to receive funding under Section 490.003 is considered "research superiority."

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.
Amended by:

Acts 2011, 82nd Leg., R.S., Ch. 431 (S.B. 1047), Sec. 4, eff. June 17, 2011.

Sec. 490.253. PROPOSALS FOR FUNDING. (a) The committee shall review and consider proposals by research institutions for:

(1) creating new research superiority;

(2) attracting existing research superiority from institutions not located in this state and other research entities; or

(3) enhancing existing research superiority by attracting from outside this state additional researchers and resources.

(b) The committee shall recommend proposals eligible for funding under Section 490.251 and proposals solicited and identified under this section to the governor, lieutenant governor, and speaker of the house of representatives.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 852 (H.B. 1188), Sec. 18, eff. September 1, 2007.

Acts 2011, 82nd Leg., R.S., Ch. 431 (S.B. 1047), Sec. 5, eff. June 17, 2011.

Sec. 490.254. PRIORITY FOR FUNDING. In allocating money from the fund under this subchapter, priority shall be given to proposals that:

(1) involve scientific or technical fields that have a reasonable probability of enhancing this state's national and global economic competitiveness;

(2) may result in a medical or scientific breakthrough or a breakthrough in the area of clean energy;
(3) are interdisciplinary;
(4) have attracted or may attract federal and other
funding for research superiority;
(5) are likely to create a nationally or
internationally recognized locus of research superiority; or
(6) are matched with other funds available to the
institution seeking funding under this subchapter.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff.
June 14, 2005.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 852 (H.B. 1188), Sec. 19, eff.
September 1, 2007.

Sec. 490.255. AUTHORIZED EXPENSES. Money allocated from
the fund under this subchapter may be used for research and research
capability acquisition, including salaries and benefits, travel,
consumable supplies, other operating expenses, capital equipment,
and construction or renovation of facilities.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff.
June 14, 2005.
Amended by:

Acts 2007, 80th Leg., R.S., Ch. 852 (H.B. 1188), Sec. 20, eff.
September 1, 2007.

Sec. 490.256. PROHIBITED ACTIVITIES. (a) A research
institution may not knowingly attempt to attract an individual key
researcher or research superiority identified for consideration
for funding by another research institution in this state or a
private institution of higher education in this state under this
subchapter.

(b) An institution that violates this section is ineligible
to participate in a program or receive funding under this chapter
before the third anniversary of the date the institution last
engaged in an activity prohibited by this section.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff.
June 14, 2005.
Amended by:
Sec. 490.257. DOCUMENTATION OF BENEFITS TO STATE. (a) A research institution must document specific benefits that this state may expect to gain as a result of attracting the research superiority before the institution may enter into a contract to receive funding or incentives under this subchapter.

(b) The governor, with the express written prior approval of the lieutenant governor and the speaker of the house of representatives, may terminate funding to an institution if the institution fails to realize a benefit specified in the contract before a time specified in the contract, as determined by a periodic program review conducted by the committee.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.

Amended by:
Acts 2011, 82nd Leg., R.S., Ch. 431 (S.B. 1047), Sec. 7, eff. June 17, 2011.

SUBCHAPTER G. CLEAN COAL PROJECTS

Sec. 490.301. DEFINITION. In this subchapter, "clean coal project" has the meaning assigned by Section 5.001, Water Code.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.

Added by Acts 2005, 79th Leg., Ch. 1097 (H.B. 2201), Sec. 12(b), eff. June 18, 2005.

Amended by:
Acts 2007, 80th Leg., R.S., Ch. 562 (S.B. 1461), Sec. 1, eff. September 1, 2007.

Sec. 490.302. USE OF MONEY FOR CLEAN COAL PROJECT. (a) Notwithstanding Section 490.102, the governor may allocate money appropriated to the fund by the legislature to provide matching money for a clean coal project as described by Section 2305.037 if the governor has the express written prior approval of the
lieutenant governor and the speaker of the house of representatives to do so.

(b) The governor may allocate proceeds deposited in the fund as provided by an agreement described by Section 490.103 to provide matching money for a clean coal project as described by Section 2305.037 if the governor has the express written prior approval of the lieutenant governor and the speaker of the house of representatives to do so.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.

Added by Acts 2005, 79th Leg., Ch. 1097 (H.B. 2201), Sec. 12(b), eff. June 18, 2005.

Sec. 490.303. ELIGIBILITY OF CLEAN COAL PROJECT FOR MONEY.
Notwithstanding any other provision of this subchapter, a clean coal project constitutes an opportunity for emerging technology suitable for consideration for a grant under Subchapter C, incentives as provided by Subchapter D, grant matching as provided by Subchapter E, and acquisition of research superiority under Subchapter F.

Added by Acts 2005, 79th Leg., Ch. 280 (H.B. 1765), Sec. 1, eff. June 14, 2005.

Added by Acts 2005, 79th Leg., Ch. 1097 (H.B. 2201), Sec. 12(b), eff. June 18, 2005.