



“Earlier this year, I signed Senate Bill 14 into law establishing the Texas Regulatory Efficiency Office (TREO), which is charged with reducing regulatory burdens, eliminating unnecessary rules and promoting economic growth by making Texas even more business friendly.”

— Gov. Greg Abbott, speaking to Site Selection Editor Emeritus Mark Arend in an interview for the publication's November 2025 cover story ranking Texas the No. 1 Business Climate in America

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Texas

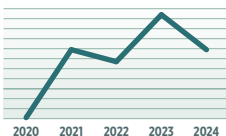
Pop. (2024): 31,290,831
Median household income (2024): \$79,721
Credit Rating: AAA / Stable (ICR)

Pop. growth 2024–2029: 1.09%
Median age (2024): 35.1
Right-to-work state: Yes

GDP

2

GDP Growth Rate Trend




2024 GDP
 (in millions of current US\$)
\$2,221,943

LEGISLATIVE & POLICY UPDATE

Earlier in 2025, Gov. Greg Abbott signed House Bill 40 into law to expand the jurisdiction of Texas business courts and the types of cases they can hear. “After years serving as a Texas Supreme Court Justice and Attorney General of Texas, this new law will allow for the Texas judicial system to move more efficiently for businesses,” said Abbott. “If the definition of a ‘sound’ business decision is challenged in a judicial context, this legislation allows more complex litigation to be tried in the Texas business courts system.”

Texas also passed S.B. 2206, which repeals the sales and use tax exemption related to the purchase, lease, rental, storage or use of depreciable tangible personal property in research and development activities. Qualifying taxpayers now may only claim the revised franchise tax credit on franchise tax reports due on or after January 1, 2026.



- 7th**
 Business Tax Climate Rank Change 2025–2026: 0
- 3rd**
 Higher Ed. R&D Expenditure in \$000s: **\$7,767,791**
- 21st**
 Number of NCRCs: **41,331** | Percent Improvement 2024–2025: **4.92%**
- 40th**
 2025 Workers’ Comp Index Rate: **0.78**
- 4th**
 Industrial power cost (¢/kWh): **6.12**
- 6th**
 Total Revenue as Share of Total Expenses, FY 2009–2023: **109.27%**

PROJECT WATCH

On June 26, 2025, a coalition led by former Texas Governor and U.S. Energy Secretary Rick Perry and Texas Tech University announced plans to invest up to \$300 billion to create a nuclear-powered Fermi America HyperGrid AI campus in the Texas Panhandle. The project will be built on a 5,800-acre site owned by Texas Tech near Amarillo and close to the DOE’s Pantex Nuclear Weapons Facility. Perry plans to use the company he founded to do it. Fermi America is an energy development firm whose goal is to power the future of AI. Fermi has teamed up with Texas Tech to develop an 11-gigawatt (GW) data center campus with 18 million sq. ft. of AI infrastructure in the middle of the High Plains region of the Texas Panhandle. If successful, HyperGrid would be the world’s largest advanced-energy and AI campus.

Perry said the project will draw 6 GW of power from on-site nuclear energy generation that will be developed by Hyundai Engineering & Construction. The remaining 5 GW will come from natural gas, solar energy and battery power. Fermi signed agreements to acquire 600 MW of gas turbines to support initial data center operations, which the firm



says will start by the end of 2026. Fermi plans to develop four 1-GW nuclear reactors which are under review by the Nuclear Regulatory Commission. In August, Fermi announced a partnership with Westinghouse to finalize the project application for the four AP1000 nuclear plants.

Fermi America TTU Campus
 Rendering courtesy of Fermi America