



BUILDING AMERICA

THE MERIT SHOP SCORECARD

A Review & Ranking of State Construction Environments

Texas

Project Labor Agreements

No state policy. However, there is a prohibition in place that states a project may not be awarded for state-funded work based on a person or company's membership in any association, etc., which may indirectly ban union-only PLAs.

Prevailing Wage

Yes; no monetary threshold.

Right to Work

Yes.

Public-Private Partnerships

Statute authorizes the use of P3s on horizontal and vertical construction projects. Unsolicited bids are accepted, but through a competitive bid process.

Workforce Development Incentives

Skills Development Fund – Allows employers to partner with 2-year public community or technical colleges so that the colleges may provide training to employees, although funding never goes straight to associations or employers. The colleges are the eligible applicants, grantees, primary training providers, fiscal agents and they administer the grants. It is also possible for the colleges to partner with industry groups to identify and customize the curriculum and deliver a portion of the training.

Skills for Small Business – Businesses with fewer than 100 employees are eligible to apply for funds applied to training new workers, though it also may help upgrade the skills of incumbent workers. The program pays up to \$1,800 for each new employee being trained and \$900 for existing employees per 12-month period.

Career and Technical Education

OVERALL RANK 25

Project Labor Agreements C

Prevailing Wage F

Right to Work A

Public-Private Partnerships A

Workforce Development Incentives B

Career & Technical Education A

Job Growth Rate A

Compared to the National Average

TEXAS		NATIONAL
C	PLA	B
A	PPP	C
B	WDI	C
A	CTE	B
A	JGR	C

Visit Our Local State Chapters

[ABC Central Texas Chapter](#)

97% of CTE high school graduates are placed in colleges or careers.

Texas does recognize NCCER as an approved curriculum for CTE programs.

Job Growth Rate

8.5%

Industry Overview

Prompt Pay

Private: Payment must be made no later than the 35th day after the date the owner receives the request.

Public: Payment must be made 31 days after invoice.

Subs:

- Private: The prime must pay subs and subs must pay lower tiers within 7 days.

- Public: The prime must pay sub and sub must pay prime within 10 days.

Immigration/E-Verify Mandate

Statute requires state agencies, contractors, and institutions of higher education to use E-Verify.

Percentage of State GDP From Nonresidential Construction

5.0%.

Incidence Rate

1.7

Occupational Safety & Health Oversight (State vs. Federal)

Federal oversight.

Percentage of Union Membership in Private Construction

3.2%.

Marijuana Legalization Status

Fully illegal.

Business Facts

Minimum Wage

7.25

Percentage of Pensions Funded

73%

Effective Real-Estate Tax Rate

1.86%

Corporate Income Tax Rate(s)

0% (Tax on Gross Receipts)

State and Local Public Construction Expenditures (in millions)

30,808

[ABC Coastal Bend Chapter](#)

[ABC Greater Houston Chapter](#)

[ABC South Texas Chapter](#)

[ABC Southeast Texas Chapter](#)

[TEXO](#)

[ABC of Texas](#)

[ABC Texas Gulf Coast Chapter](#)

[ABC Texas Mid Coast Chapter](#)

