

Citizen's Guide: The SpaceX "Triple Jumbo" Hearing

Tuesday, May 26, 2026 | 9:00 AM, Hearing at 9:30 AM | Bastrop County Courthouse

1. THE PROJECT & THE 35% LOOPHOLE

- **The Program:** The Texas Enterprise Zone Program (EZP) is a State tax subsidy program at the State level that rewards investment in economically distressed "enterprise zones".
- **The Order:** Bastrop County's **proposed** Order No. 2026-09 nominates a SpaceX project (likely a solar cell factory) for the EZP subsidy, even though the project will be in Bastrop County but **outside any enterprise zone**. The Order does not identify any existing enterprise zone in the County.
- **The Loophole:** SpaceX qualifies for the EZP by promising to hire more veterans, residents of any enterprise zone in the state, and "economically disadvantaged persons" than enterprise zone businesses must hire— at least 35% of SpaceX's workforce instead of 25%.
- **The Subsidy:** SpaceX may qualify for the highest State sales and use tax refund of almost \$3.8 million from the EZP.
- **The Audit Gap:** There are no defined County audits or enforcement mechanisms in the Order for the hiring promises, no identification of any enterprise zone in the County, nor any hiring priority for Bastrop residents within or outside the 35% quota.

2. THE ACCOUNTABILITY GAP

- **Bastrop's Blank Check:** The County's *quid pro quo* for getting SpaceX into the EZP is convincing the State of its willingness to negotiate "services, incentives, and regulatory relief" for **SpaceX and other local groups and businesses**.
- Section 2 of the Order includes a long list of potential "gifts" of public money to **SpaceX and businesses**, including a broad array of property tax abatements, sales tax exemptions, cash grants and other tax relief; regulatory variances; fast-tracked permits; community improvements; and road repairs, among others.
- There is no disclosure in the Order of any deals already promised or negotiated, with SpaceX or any other business.
- The County already has abated property taxes for a data center under construction and has at least two more data centers waiting in the wings.
- **Automatic Secrecy:** State open meetings and open records laws let the County negotiate and deliberate economic development-related deals behind closed doors, hiding specific deal offers and terms from the public until they are finalized.
- **TALKING POINTS:** "Why is the County bending over backwards to give state subsidies and local gifts of taxpayer money to a multi-trillion-dollar company and its trillionaire owner? Will the County

audit SpaceX's hiring practices, and will it withdraw County incentives if quotas are not met? Will the County condition local incentives on local hiring? (There is nothing in the Order that guarantees or even requires a preference, and it does not identify any "enterprise zones" in the County.)"

TRANSPARENCY DEMAND: *"Public accountability demands that the County disclose tax and regulatory incentives SpaceX and any other business will receive, **BEFORE** voting on the Order."*

3. WATER AVAILABILITY & QUALITY

- **Upfront Impact:** Massive industrial projects consume millions of gallons of groundwater annually, stressing our aquifers and private wells.
- **Backend Impact:** Manufacturing wastewater risks; SpaceX has paid past fines for unauthorized discharge in this county.
- **Talking Point:** *"Has SpaceX provided projected water usage volume and the source of its supply? Will the County require a binding guarantee to protect the Colorado River watershed?"*

4. INFRASTRUCTURE & COST OF GROWTH

- **Roads:** Heavy industrial traffic on FM 1209 leads to rapid deterioration that taxpayers often foot the bill for.
- **Services:** Tax abatements shift the cost of increased demand for rural EMS, Fire and other services onto residents.
- **Bastrop County's "Character":** The County is on a path to high-density industrialization that may clash with the more tranquil picture of "rural-suburban community" to which residents of numerous new residential areas may aspire.

Talking Points: *"Will SpaceX pay its fair share of the cost of growth, such as the road reinforcements required by their heavy transport, or will taxpayers foot the bill for repairs that exceed the value of the new tax revenue? If we abate millions in taxes, aren't taxpayers paying the 'real' cost of growth? Order No. 2026-9, as currently written confirms the County and its taxpayers may do more for SpaceX than the other way around. Why subsidize a trillion-dollar company while residents face rising costs?"*

5. QUESTIONS FOR JUDGE KLAUS (as Liaison with the EZP):

- Will you and your Court defend the interests of your constituents and taxpayers as vigorously as you pursue economic development?
- Will you commit to pursuing local hiring commitments for **Bastrop citizens** in any incentive agreements, whether with SpaceX or other businesses, preferring those who would satisfy the 35% requirement?
- Will you commit to publicly disclosed auditing by the **County** of whether hiring quotas are satisfied annually, and to stripping incentives from businesses if hiring commitments or hiring quotas are not met, and/or if commitments and quotas to hire Bastropians are not met?