TEXAS ECONOMIC DEVELOPMENT & TOURISM OFFICE | OFFICE OF THE GOVERNOR

TEXAS AEROSPACE AVIATION & DEFENSE INDUSTRY



The fifth full-scale test flight of SpaceX's new-generation Starship rocket lifted off from South Texas at sunrise .

AEROSPACE & AVIATION IN TEXAS

The Texas aerospace, aviation and defense industry is known for its rich history in human air flight, world-renowned accomplishments in space exploration and groundbreaking innovations that propel this sector into the future. The Lone Star State tells a story of more than 115 years of powered flight and many industry firsts — Texas is where the first person of color received a pilot's license, where the Army's first military aircraft was piloted, where mission control was located for the first moon landing and where the world's first commercial rocket launch was built.

With one of the nation's largest clusters of aerospace industry workers and an extensive network of higher education institutions, the state is one of the most important locations globally for aerospace and aviation operations. Companies have access to a large and diverse talent pool of over 150,000 skilled workers, and the state produces nearly 11,000 new aerospace and aviation-related degrees each year.

Ranked #1 for aerospace manufacturing attractiveness, the broad range of aerospace activities in Texas includes aircraft maintenance, repair and overhaul, fighter plane and helicopter assembly, advanced sensors, navigation instrument development, rocket technology, advanced space-flight research, military pilot training and commercial space travel. Texas is home to the headquarters for Southwest Airlines and American Airlines and is a major hub for United Airlines. The state also boasts 26 commercial airports, including two of the world's busiest (Dallas' DFW and Houston's IAH) and six of the nation's top 50.

As a mecca for aerospace manufacturing, the state continues to attract relocating and expanding companies from around the nation and world. Of the 19 Fortune 1000 aerospace and defense companies in 2024, 16 of those have operations in Texas. All eight of the Fortune 500 aerospace and defense companies have operations in Texas. Not to mention, Texas ranks #3 in the nation for aerospace product and part manufacturing firms and #3 for exports — valued at $11.13 billion.

Texas plays a vital role in helping protect our country. The Lone Star State has the third-highest concentration of active-duty military members in the country, across 15 active military installations, plus the U.S. Army Futures Command headquarters in Austin. These installations contribute more than $151.2 billion to the Texas economy and $89 billion in gross domestic product. Not to mention, some of the worlds largest defense contractors continue to grow their operations in the state with Texas leading the nation in defense spending and billions of dollars allocated in government contracts to Texas companies each year.

Texas is home to NASA's world-famous Johnson Space Center in Houston, and with dozens of related spaceflight contractor firms, Texas has served as a trailblazer for monumental breakthroughs in human spaceflight. Texas is also home to state-of-the-art test sites for multiple commercial space firms, including SpaceX, Blue Origin and Firefly Aerospace. Additionally, the world's first commercial space station is planned to be built by AXIOM Space in Houston.

#1 for attractiveness in aerospace manufacturing
- PwC

More than 380 public use airports throughout the state *- Texas Department of Transportation*

$151.2 billion economic impact from active military bases *- Texas Military Preparedness Commission*

#3 in nation for aerospace engineers
- U.S. Bureau of Labor Statistics

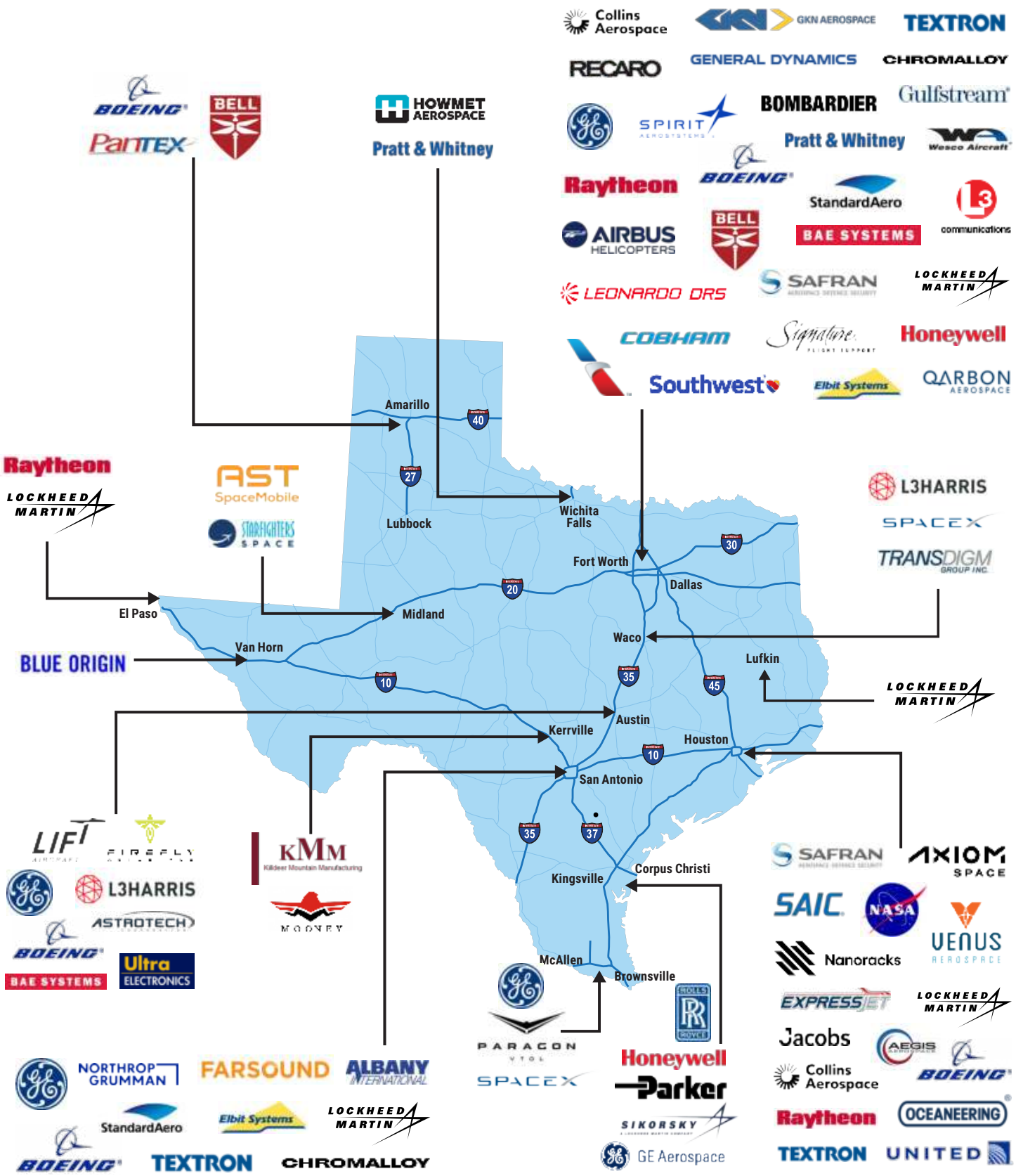
More than 56,700 total aviation-related degrees
- National Center for Science and Engineering Statistics (2018 - 2022)

Research and development (R&D) fuels this sector. Aerospace and aviation education in Texas is supported by an extensive network of higher education institutions around the state. In fact, in the last five years, Texas universities have spent more than $250 million on aerospace related R&D and produced more than 56,700 aerospace and aviation-related graduates. Further, Texas public universities spent more than $61 million on aerospace-related research in fiscal year 2022. Not to mention, corporate innovators are also developing new technologies in urban air mobility R&D — right here in the great state of Texas.

Texas is truly the new frontier for aerospace, aviation and defense. In March 2024, the Texas Space Commission was launched to cement Texas' position as a national leader in civil, commercial and military aerospace activity by promoting innovation in the fields of space exploration, research, development and commercial aerospace opportunities.

MAJOR AEROSPACE & AVIATION COMPANIES IN TEXAS

SELECT FIRMS WITH ENGINEERING, MANUFACTURING OR MAINTENANCE FACILITIES IN THE STATE.





Lockheed Martin Aeronautics Industrial Engineering Team in Fort Worth. (Photo: Lockheed Martin)

AEROSPACE & AVIATION WORKFORCE

Texas' aerospace, aviation and civilian defense labor force is one of the largest in the nation. The industry directly employs more than 150,000 Texas workers and the state is home to more than 2,000 related establishments. Within the industry, the largest sub-sector in the state is air transportation, which includes airlines, airport operations and aircraft maintenance. This category accounts for about 47% of aerospace and aviation employment in Texas. In fact, the state ranks #1 in the U.S. for total direct air transportation jobs.

The Texas workforce is significantly more specialized in aerospace manufacturing than most other states when measured by workers per capita. The share of the Texas workforce employed in aerospace manufacturing is more than four times greater than the national average.

Texas leads the nation in the number of workers employed in key aerospace and aviation occupations, including commercial pilots, aerospace engineers, aircraft mechanics, avionics technicians and aircraft assemblers. General aviation and business aviation also play a major role in the industry in Texas, generating jobs in sales of new and previously owned aircrafts, maintenance, parts sales, completion, refurbishment and personnel needed to fly and maintain the aircraft.

EDUCATION AND TRAINING

Aerospace and aviation education in Texas is supported by a highly developed network of higher education institutions around the state. Twelve of the state's public and private universities provide aeronautical programs offering degrees in aerospace engineering, aviation science and related specialties. Additionally, Texas offers 105 Federal Aviation Administration (FAA)-approved training centers, pilot and mechanic schools.

R&D AT TEXAS UNIVERSITIES

The University of Texas and Texas A&M University together account for more than half of the total expenditures in this field. Texas A&M-Corpus Christi was selected as one of only seven Unmanned Aircraft System (UAS) test sites in the nation recognized by the FAA. The Lone Star UAS program conducts research vital to integrating UAS into the nation's airspace. Research concentrates on multiple areas including safety of operations and data gathering in authorized airspace, UAS airworthiness standards, command and control link technologies, human-factors issue for UAS control-station layout and detect-and-avoid technologies.

TEXAS LEADS THE NATION IN SKILLED AEROSPACE OCCUPATIONS (2023)

Occupation	Texas Rank
Commercial Pilots	1
Airfield Operations Specialists	1
Aircraft Mechanics	1
Avionics Technicians	2
Aircraft Assemblers	2
Aerospace Engineers	2
Engine Assemblers	6

Source: U.S. Bureau of Labor Statistics



Blue Ghost Crew in Firefly clean room in Cedar Park. (Photo: Firefly)

AEROSPACE AND AVIATION-RELATED DEGREES AWARDED IN TEXAS (2018-2022)

Field	Number of Awards
Mechanical Engineering	19,278
Electrical & Electronics Engineering	12,704
Computer Engineering	5,328
General Engineering	3,936
Physics	3,724
Airframe Mechanics & Aircraft Maintenance	2,667
Aerospace, Aeronautical & Space Engineering	2,284
Aircraft Power-plant Technology	1,214
Systems Engineering	1,109

Field	Number of Awards
Materials Engineering	948
Engineering Science	752
Avionics Maintenance Technology	683
Manufacturing Engineering	572
Professional Pilot & Crew Flight	498
General Aeronautics Science & Technology	282
Aviation Management & Operations	221
Metallurgical Engineering	187
Engineering Physics	180

Source: U.S. Bureau of Labor Statistics

Texas universities are also at the helm of hypersonic high speed flight R&D. Texas A&M University is entering the final year of a five-year contract, a $100 million research consortium for the U.S. Department of Defense to modernize hypersonic flight capabilities. The University of Houston received nearly $5 million in grants from NASA to further develop aerospace engineering research. The efforts will help support NASA's goals in furthering human establishments on the moon and Mars. The University of Texas at El Paso is constructing a new $80 million Advanced Manufacturing and Aerospace Center on their campus; the 93,000-square-foot facility will boast 37 different laboratories dedicated to training more than 600 undergraduates and graduates each year.

AEROSPACE MANUFACTURING

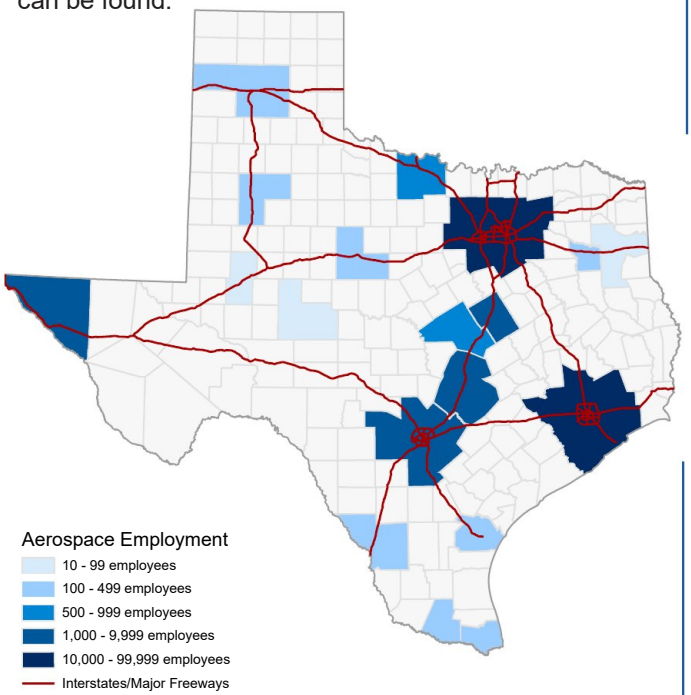
Made in Texas is a powerful global brand, and Texas has a long history as a central location for the global aerospace industry. In fact, 16 of the 19 Fortune 1000 aerospace and defense companies in 2024 have operations in Texas, proving that Texas is an ideal location for aerospace manufacturing investment. Texas ranked #1 on PwC's latest Aerospace Manufacturing Attractiveness Rankings report, which ranks states based on a number of factors, including cost, economy, geopolitical risk, infrastructure, labor, industry and tax policy.

Texas is a leader in aerospace and aircraft parts exports, ranking #3 nationally, and since 2015, total goods exported from Texas in this sector have increased by an astounding 67.5%.

Within the U.S., Texas is home to roughly 10% of all aerospace manufacturing jobs. In particular, North Texas is one of the most highly concentrated regions of aircraft and aircraft parts production in the country. The Dallas-Fort Worth metro area, anchored by heavyweights like Lockheed Martin, Bell, L-3 Communications, Boeing and Bombardier, has a concentration of aerospace manufacturing employment that makes up over 6% of all aircraft manufacturers in the nation. Elsewhere in the state, Amarillo, El Paso, Houston, San Antonio, Waco and Wichita Falls are all additional hubs of diverse aerospace manufacturing, from parts fabrication to complete aircraft assembly and overhaul.

WORKFORCE CONCENTRATIONS MAP

The highlighted regions are the areas in Texas where high concentrations of workers in the aerospace sector can be found.



GROWING HEADQUARTERS & SUPPLY CHAIN NETWORKS

Thanks to the state's superior business climate and lower operating costs, Texas continues to be a magnet for new and expanded aerospace and aviation company headquarters. A growing list of headquarter operations are found in Texas: American Airlines, Southwest Airlines, Airbus Helicopters USA, Bell, Wesco Aircraft and more are all headquartered in Texas. With a robust and growing aerospace parts manufacturing supply chain network, companies are moving to Texas to take advantage of closer proximity to customers. In late 2024, SpaceX, an emerging leader in space exploration, announced that they would move their headquarters from California to Starbase, Texas.

MAINTENANCE, REPAIR & OVERHAUL

Texas' aerospace workforce also supports the state's many maintenance, repair and overhaul (MRO) operations, where aircrafts are modified and completed or components, like engines, are rebuilt. Texas is home to many MRO facilities, including, but not limited to the following:

- BBA Aviation (Dallas Airmotive)—Dallas
- Boeing Global Services—San Antonio
- Bombardier—Dallas
- Chromalloy—San Antonio
- Elbit Systems (M7 Aerospace)—San Antonio
- Gulfstream—Dallas, Fort Worth
- Lockheed Sustainment Operations—Fort Worth
- L-3 Mission Integration—Greenville
- L-3 Platform Integration—Waco
- Pratt & Whitney—Grand Prairie
- ST Aerospace—San Antonio
- Standard Aero—Dallas, Houston, San Antonio
- Textron Aviation—Dallas, Houston, San Antonio



AIR TRANSPORTATION

Texas is home to the largest air transportation workforce in the nation, with the state's airlines, airports and related support services directly employing more than 100,000 in 2024. Dallas-Fort Worth is home to the headquarters of two international air carriers, American Airlines and Southwest Airlines. A third, United Airlines, operates a major hub in Houston.

Additionally, Texas is home to six of the nation's top 50 busiest airports by passengers boarded annually. These include #2 Dallas-Fort Worth (DFW) — up from #4 in 2021 — and #15 George Bush Intercontinental Houston (IAH).

Texas has more than 380 public use airports — more than any other state — in addition to heliports and other intermodal facilities. These airports provide sales, service, operations and maintenance positions, along with a boost to the local economies in which they are located. They support Fixed Base Operators (FBOs), manufacturing, maintenance, flight operations, charter services, business aviation departments, airport personnel, air traffic controllers and many other non-aviation specific industries, for example, rental cars, restaurants and hotels.

General aviation and business aviation are also a vital part of the industry. The majority of general aviation aircrafts used for business purposes are manufactured, operated, serviced and maintained in the U.S. These aircrafts allow companies to access airports that are not served by major airlines and allow companies to be more productive.

TEXAS RANKS #1 IN THE U.S. IN AIR TRANSPORTATION EMPLOYMENT

State	Number employed
Texas	101,224
Florida	89,238
California	88,505
New York	50,831
Illinois	46,950

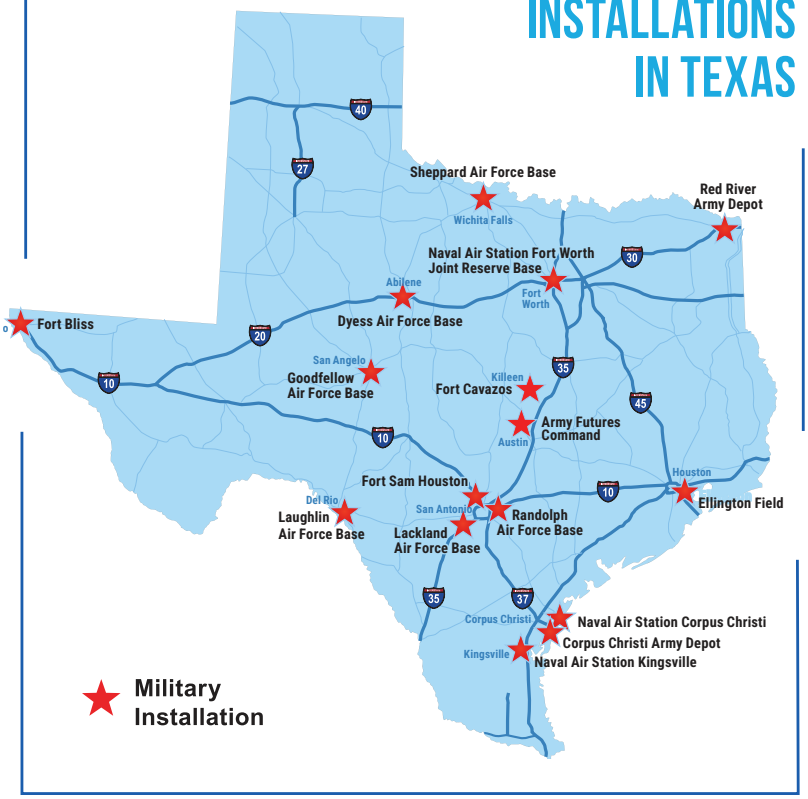
Source: U.S. Bureau of Labor Statistics

GOVERNMENT AVIATION & DEFENSE

From aerospace research and flight training to military aircraft development and space exploration, Texas is an epicenter for government and defense-related aerospace and aviation. NASA's Johnson Space Center in Houston, plus the state's 15 active military installations and Army Futures Command Headquarters, are all testament to Texas' role in the country's aerospace and defense initiatives.

The history of global military aviation began in Texas in 1910, when the first military flights took place at Fort Sam Houston in San Antonio. Today, Texas hosts the nation's third-largest population of active military personnel, with more than 110,000 serving in the ranks of the U.S. Army, Navy, Air Force and Marines. When adding in civilian employees and other military personnel, that number climbs to over 215,000 of direct jobs attributed to the Texas armed forces.

MILITARY INSTALLATIONS IN TEXAS



Texas is home to four active Air Force bases, in addition to Joint Base San Antonio, three naval air stations and the state's newest military installation, Army Futures Command. Texas is an especially important location for the country's defense aviation operations, as the U.S. Air Force stations more active personnel in Texas than any other state — with over 39,500 active and reserve members and over 56,750 total personnel in state. San Antonio, known as "Military City U.S.A.," is home to the U.S. Air Force Cyber Command, tens of thousands of Air Force personnel and one of the nation's largest clusters of cyber and intelligence employees. Private defense, space and civil contractors employ tens of thousands in Texas in aircraft and avionics manufacturing, defense R&D and maintenance and overhaul.

In early 2024, the Defense Innovation Unit (DIU), under the U.S. Department of Defense (DoD), announced a joint collaboration with entities such as AFWERX and NAVALX to launch a new Joint Defense Innovation Workspace in Austin to tap into local talent and technology to help with national security. These technologies include gaming and augmented reality (AR) for pilot training as well as new satellite tech.



Former Under Secretary of the Air Force Melissa Dalton visits the 37th Training Wing at Lackland Air Force Base in San Antonio. (Photo: Jonathan Cotto)

DEFENSE CONTRACTING

Texas is also the top recipient of defense contract and personnel spending in the country. Texas ranked #1 in defense spending in the country from the DoD, valued at $71.6 billion in 2023. The Boeing Company, L-3 Harris, Lockheed Martin, Bell, BAE Systems, GE Aerospace, RTX Corporation and Northrop Grumman are some of the largest players in the defense arena with major operations in Texas.

In 2024, Bell opened a 47,000 square foot Weapon Systems Integration Lab in Arlington — a nearly $430 million capital investment — as part of their commitment to deliver the U.S. Army's Future Long-Range Assault Aircraft (FLRAA). The FLRAA will bring revolutionary capabilities to the U.S. and its allies, and marked the first project to be qualified under the new Texas Jobs, Energy, Technology, and Innovation (JETI) incentive program (see pg. 11). Further, Albers Aerospace plans to invest $50 million into Amarillo to supply engineering, manufacturing and aviation services to the DoD.



NASA's Shuttle Flight Control Room in Houston, Texas. (Photo: NASA)

The Lyndon B. Johnson Space Center serves as a landmark of historic space travel and scientific breakthrough.

SPACE TRAVEL & EXPLORATION

GIANT LEAPS START IN TEXAS

No state has played a more important role in the history of human spaceflight than Texas. The Johnson Space Center serves as the home for NASA's International Space Station (ISS) mission operations, the Orion Program and a host of future space developments. NASA is developing the next generation of transport systems through strategic partnerships with Texas companies that are leading the way in commercial spaceflight technology.

While Houston may be widely known as the epicenter of Texas' space technology industry; spacecraft manufacturing and testing is happening in areas across the state — from Brownsville and Harlingen in the Rio Grande Valley, McGregor and Austin in Central Texas to Midland and Van Horn in West Texas.

TEXAS SPACE COMMISSION

The Texas Space Commission (TSC) was established to strengthen the state's proven leadership in civil, commercial and military aerospace activity. Through the creation of the TSC, Texas has committied to promote innovation in the fields of space exploration and commercial aerospace opportunities, including the integration of space, aeronautics and aviation industries into the economy.

Further, the Texas Aerospace Research & Space Economy Consortium (TARSEC) was established to identify and provide research and funding opportunities to the TSC for entities within the state that strengthen Texas' leadership in civil, commercial and military aerospace activity.

NASA JOHNSON SPACE CENTER

For more than half a century, NASA's Lyndon B. Johnson Space Center (JSC) in Houston has led the U.S. and the world toward monumental advancements in human space discovery. JSC was established in 1961 as the Manned Spaceflight Center and the home of Mission Control for the U.S. human space flight program, including the historic Apollo missions that took humans to the moon for the first time and all 135 Space Shuttle flights. Together, Houston and JSC share an identity around the world as landmarks of historic space travel and scientific breakthrough.

JSC is playing a vital role in the future of space exploration through its technology development and commercial partnerships, as well as its management of NASA's Commercial Crew Program. The Commercial Crew Program, which invests financial and technical resources into the private-sector space transportation industry, represents a revolutionary approach to government and commercial collaborations for the advancement of space exploration.

Today, JSC leads NASA's ISS operations and the development of the Orion crew vehicle, which NASA is designing to carry astronauts to new destinations in deep space as part of the Artemis Campaign. Building on decades of exploration, NASA is aiming to send humans to Mars. Having sent a Mars rover to collect rocks and soil samples for study in 2020, NASA is working to understand the current weather, winds, radiation and dust environment, to demonstrate technologies which will help humans once there. NASA recently completed a successful study of four astronaut volunteers in a simulated Martian habitat where the subjects were isolated for a whole year.

With the Artemis campaign, NASA is exploring the Moon for scientific discovery, technology advancement and to learn how to live and work on the Moon as humans prepare for missions to Mars. Two Texas-based companies were awarded study contracts to help support life and work on the lunar surface. Intuitive Machines and MDA Space, both in Houston, were selected for logistics handling and offloading, and surface cargo and mobility studies. These contracts — with a total combined value of $24 million across nine American companies — will propose innovative strategies and concepts for logistics and mobility solutions, including advanced robotics and autonomous capabilities. Texas A&M University announced their plans to develop a $200 million space institute next to the JSC in early 2024. The facilities are expected to cover nearly 30 acres and will be dedicated to research and testing space travel operations on a simulated lunar and mars scape.

It is clear that both the JSC and NASA play critical roles in education, research, tourism and industry growth in Texas. An estimated 51% — about $2.3 billion — of JCS's total budget is expended on contracts with Texas-based businesses. In 2023, NASA's operations in Texas maintained more than 39,000 jobs, generated more than $9.8 billion in economic output and led to a state tax revenue of $289 million.



Texas is home to state-of-the-art development and test sites for the world's most innovative commercial space firms.

SpaceX's Starbase located at Boca Chica, Texas. (Photo: SpaceX)

COMMERCIAL SPACE INDUSTRY

Texas is home to state-of-the-art development and test sites for multiple commercial space firms all leading the way in cargo, satellite and space tourism transport. SpaceX operates commercial launch sites in Boca Chica and McGregor, while Blue Origin conducts space tourism launches from Van Horn. Not to mention, Texas is home to two FAA-licensed spaceports — the Houston Spaceport and the Midland International Air and Space Port.

SPACEX

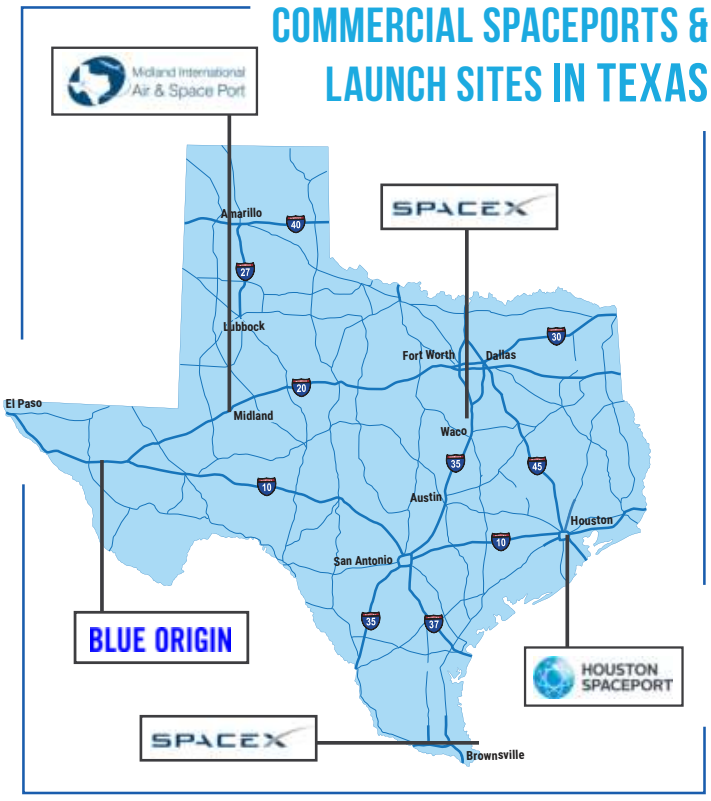
SpaceX designs, manufactures, tests and launches satellites and spacecraft for orbit and cargo transport. Founded by Tesla CEO Elon Musk, the company regularly shuttles astronauts and spacecrafts to the International Space Station (ISS) following an official certification from NASA as part of their Commercial Crew Program aiming to provide safe, reliable and cost-effective human transportation to and from the ISS through various American private industries.

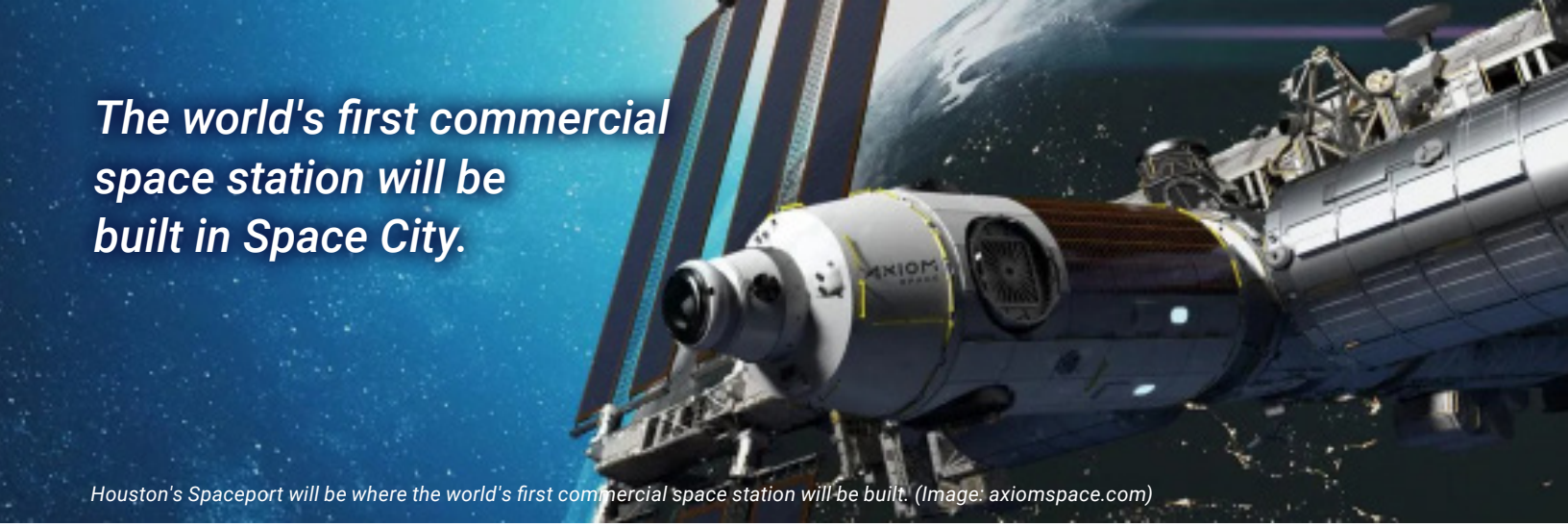
In early 2012, SpaceX completed an office and launch pad expansion at its McGregor rocket development facility, where the company conducts engine tests for its Falcon 9 launch vehicle. SpaceX was the first private company to send a spacecraft to the ISS, when the Falcon 9 successfully delivered a Dragon cargo capsule to the ISS in 2020. Since then, SpaceX has been transporting people to the orbiting laboratory under NASA's Commercial Crew Program, and it is the first and only company to complete an all-civilian crew mission to orbit.

SpaceX's site, Starbase, in Boca Chica Beach, near Brownsville, is the world's first commercial rocket launch site, developed in 2019. SpaceX has completed multiple high-altitude flight tests of their Starship prototype—a fully reusable, two-stage-to-orbit super heavy-lift launch vehicle. The Starship will be the world's most powerful launch vehicle ever developed, with the ability to carry more than 100 metric tonnes to Earth's orbit. In 2021, the Starship was selected as NASA's Human Landing System under the Artemis program to carry out missions to the Moon and Mars.

In 2023, Starlink, a wholly owned subsidiary of SpaceX, opened a facility in Texas for the manufacturing of their satellites, which provide internet connection to remote places around the world. They announced an $8 million expansion to double production in September 2024. With SpaceX's existing Starbase rocket launch site already located in Texas, Musk annouced they will move their headquarters from California to Starbase, Texas.

Furthermore, SpaceX has initiated the controlled de-orbit of over 400 satellites out of the nearly 6,000 Starlink satellites launched, in their committment to exceed space safety and sustainability regulations. As satellites are identified at increased probability to fail, a controlled lowering operation is initiated, allowing the satellites to maintain maneuverability and collission avoidance capabilities during descent.





Houston's Spaceport will be where the world's first commercial space station will be built. (Image: axiomspace.com)

BLUE ORIGIN

Blue Origin is a Washington-based private aerospace company, founded by Jeff Bezos, with a mission to develop a lower-cost system for human spaceflight. Blue Origin's New Shepard vehicle is a rocket-propelled, vertical take-off, vertical-landing spacecraft designed for suborbital space tourism. In 2015, Blue Origin conducted the first development test flight of the New Shepard space vehicle, and that same year, completed the craft's first successful powered vertical landing, enabling vehicle reuse. In 2017, the Crew Capsule 2.0 took its first flight and returned to Earth via parachute assisted descent. Blue Origin made history with the New Shepard program after sending their first humans into space in July 2021. Blue Origin conducts flight tests of prototype vehicles at its launch facility in Van Horn, Culberson County.

In 2023, Amazon executive Dave Limp was tapped by Bezos to proceed him as the new CEO of Blue Origin. With Limp in the driver's seat, the company reported their newest rocket New Glenn successfully reached its intended orbit in January 2025. The New Glenn rocket is designed to be partly reusable and carry a load of 45 metric tonnes to low-earth orbit.

BOEING

In Houston, Boeing supports civil space programs and various NASA programs such as the ISS, Commercial Crew Development program and the Space Launch System. Boeing's Crew Space Transportation (CST) system provides NASA with transportation to and from the ISS. The CST-100, also known as Starliner, is a reusable capsule-shaped spacecraft that can accommodate up to seven passengers or a mix of crew and cargo to low-earth orbit destinations such as the ISS. Boeing has designed the spacecraft to be compatible with a variety of expendable rockets and United Launch Alliance's (ULA) Atlas V vehicle. The Starliner capsule has an innovative, weld-less design and features Boeing LED "Sky Lighting," wireless internet and tablet technology for crew interfaces. The Starliner's first successful mission took place in 2019, with its first human-crewed mission in June 2024. Boeing's Starliner marked the first time in human spaceflight history that NASA had contracted with a commercial company for a human spaceflight mission.

FIREFLY AEROSPACE

Firefly Aerospace, headquartered in Austin, is a provider of economical launch vehicles, spacecraft and in-space services. Firefly is developing a number of vehicles tailored for the small to medium launch market: Alpha, Lunar Lander, Beta, Gamma and Space Utility Vehicle.

Firefly has been awarded three NASA contracts since 2021. In May 2021, Firefly was awarded a $93.3 million contract to deliver a suite of ten NASA-sponsored science and technology demonstration payloads to the Moon. In 2023, Firefly was awarded two additional contracts from NASA totaling approximately $120 million to provide spacecrafts to deliver lunar payloads and radio frequency calibration services.

As production cadence increases, Firefly more than doubled their manufacturing operations in the Central Texas community of Briggs in early 2024. The 115,000-square-foot expansion included two large-scale buildings for rocket production, assembly and integration, and two additional engine testing stands to mimic flight loads.

As part of NASA's Commercial Lunar Payload Services (CLPS) initiative, Firefly's Blue Ghost lander — launched on SpaceX's Falcon 9 rocket — successfully landed on the Moon's surface in March 2025, delivering on their committment to bring science and technology demonstrations to the Moon. This achievement marked the first commercial company in history to achieve a fully successful Moon landing.



Image captured by Blue Ghost shows its shadow on the Moon's surface and Earth on the horizon. (Photo: Firefly Aerospace)

SPACEPORTS & LAUNCH SITES

Texas is one of ten U.S. states to have FAA-licensed spaceports: the Houston Spaceport and the Midland International Air & Space Port. The Lone Star State also has commercial launch sites in McGregor, Boca Chica and Van Horn.

HOUSTON SPACEPORT

Owned and managed by the Houston Airport System, the Houston Spaceport is located at Ellington Airport in the heart of Space City. In 2019, Phase I of an expansion project at the spaceport concluded the construction of streets, utilities and distribution and communications facilities. At a cost of about $24 million, roughly 150 acres of spaceport land was filled with the infrastructure necessary to attract aerospace companies. The first phase managed to attract a $40 million Lunar Operations Center from Intuitive Machines and a 22-acre Space Flight and Assembly facility from Axiom Space, 10,000 square feet of which will be dedicated to Houston's first ever Spaceflight Technology Incubator. Phase II, which picked up in April 2024, includes more parcels for additional aerospace companies as well as a hotel, restaurants and retail centers to make the spaceport a destination.

MIDLAND INTERNATIONAL AIR & SPACE PORT

The Midland International Airport (MAF), located in West Texas, is the first airport in the U.S. with regular passenger air service to also be issued a commercial spaceport license by the FAA. Now known as the Midland International Air & Space Port, the facility is home to the Spaceport Business Park, which accommodates a wide range of aerospace and aviation businesses. Also located on site is the Midland Altitude Chamber Complex, which is a testing facility featuring three hypobaric chambers for testing equipment and training personnel.

SPACEX

SpaceX's launch site in Boca Chica Beach is the world's first commercial rocket launch site. Also known as Starbase, the facility employs approximately 3,400 full-time SpaceX employees and contractors. Alongside moving the company's headquarters to the Lone Star State, SpaceX plans on increasing the number of launches and landings at the Boca Chica launch site to 25 annually. The company has been testing Starship prototypes at the site since 2019.



Blue Origin's New Shepard launch from Van Horn. (Photo: Blue Origin)

SpaceX's McGregor testing site is used for research and development of new rocket engines and thrusters as well as final component testing. SpaceX brought about 600 jobs to the area and has spent approximately $1.5 billion in the last two years with Texas suppliers.

BLUE ORIGIN

Blue Origin currently conducts all engine and flight tests for the New Shepard reusable launch vehicles at their privately owned and operated launch facility outside of Van Horn. Since 2021, Blue Origin's New Shepard program has successfully launched 26 missions. Eight of those missions included human passengers for a total of 43 people launched into space.

LAUNCHPAD FOR NEW TECHNOLOGIES

URBAN AIR MOBILITY

In the 87th Legislative Session, Senate Bill 763 required the Texas Transportation Commission to establish the Urban Air Mobility (UAM) Advisory Committee. The FAA defines UAM as "a safe and efficient aviation transportation system that will use highly automated aircrafts to operate and transport passengers or cargo at lower altitudes within urban and suburban areas." Texas has continued to stay on the forefront of the rapidly evolving sector as corporate partners and innovators develop new technologies in UAM.

Hillwood and Bell demonstrated a point-to-point unmanned aircraft system (UAS) package delivery in North Texas at the AllianceTexas Mobility Innovation Zone in early 2021.

Red Oak-based **Qarbon Aerospace** has partnered with **Supernal**, a Hyundai subsidiary, on an electric vertical take-off-and-landing (eVTOL) project. The air taxis, designed to carry four passengers and an operating pilot, could be available for quick trips within cities as soon as 2028.

The City of Sugar Land and **Wisk Aero** announced their partnership to bring autonomous Advanced Air Mobility (AAM) to the greater Houston region in February 2024. The two entities are working to develop vertiport infrastructure at the Sugar Land Regional Airport.

In March 2024, Austin-based **LIFT Aircraft** launched the world's first eVTOL "pay-per-flight" experience. Their aircraft, HEXA, can be piloted without a license once properly trained.

In October 2024, rural Calhoun County's Emergency Management Service announced a partnership with eVTOL manufacturer **Jump Aero** to trial the development of their JA1 Pulse eVTOL for first responser missions in the county. Calhoun County is trialing the JA1 Pulse in its emergency response service due to its many islands and remote, rural communities and its susceptibility to natural disasters.



STATE INCENTIVES & INITIATIVES

The Office of Aerospace & Aviation, within the Texas Economic Development & Tourism Office, works closely with decision makers in the aerospace industry, other governmental agencies and academic institutions to coordinate industry development efforts. In addition, the State of Texas offers a robust incentive program portfolio for aerospace, aviation and defense companies looking to expand or relocate in the state.

TEXAS SPACE EXPLORATION & AERONAUTICS RESEARCH FUND

The Texas Space Exploration & Aeronautics Research Fund (TSEARF) provides grants to eligible entities for technology development, research or workforce training required for space flight. Additionally, TSEARF provides grants for the curation of post-mission materials involved in space exploration and the development of useful or necessary infrastructure for spaceports.

SPACEPORT TRUST FUND

The Spaceport Trust Fund (STF) is a financial tool to support the development of infrastructure necessary for establishing a spaceport in Texas. Fund proceeds are available to any spaceport development corporation which has secured a viable business entity capable of launching and landing a reusable launch vehicle or spacecraft.

TEXAS ENTERPRISE FUND

The Texas Enterprise Fund (TEF) awards “deal-closing” grants to companies considering a new project for which one Texas site is competing with other out-of-state sites. The fund serves as a performance-based financial incentive for those companies whose projects would contribute significant capital investment and new job opportunities to Texas.

Since its inception in 2003, TEF has awarded more than $44.5 million to aerospace, aviation and defense companies, which have committed to creating over 4,500 new jobs in Texas.

TEXAS JOBS, ENERGY, TECHNOLOGY AND INNOVATION (JETI)

House Bill 5 of the 88th Legislature created the Texas Jobs, Energy, Technology and Innovation (JETI) Act. JETI is a competitive economic incentive program used to attract large, capital-intensive economic development projects, bringing new capital investment and creating new, high-paying jobs in Texas communities.

TEXAS ENTERPRISE ZONE PROGRAM

The Texas Enterprise Zone Program (EZP) is a state sales and use tax refund program designed to encourage private investment and job creation in economically distressed areas of the state.

R&D AND MANUFACTURING TAX EXEMPTIONS

A research and development tax incentive is available for companies conducting qualified research activities (QRAs) in the state. The incentive provides Texas companies the option of selecting either a sales tax exemption on property purchased by personnel engaged in QRAs or the franchise tax credit. State sales and use tax exemptions are available to manufacturing operations for tangible property, natural gas and electricity.

GOVERNOR’S UNIVERSITY RESEARCH INITIATIVE

The Governor’s University Research Initiative (GURI) was established to help Texas public institutions of higher education recruit distinguished researchers from around the world to the state of Texas. The program seeks to bolster the standing of Texas public colleges and universities and economic development efforts statewide.

OFFICE OF THE GOVERNOR

TEXAS ECONOMIC DEVELOPMENT & TOURISM OFFICE

The Texas Economic Development & Tourism Office (EDT) serves as the state’s leading economic development organization marketing Texas as the world’s premier business investment destination. The Office pursues business expansion and relocation prospects, with the goal of developing job creation and export opportunities for the Texas business community.

gov.texas.gov/business

@TexasEconDev

P.O. Box 12428
Austin, TX 78711
512.936.0100