

By: Hernandez

H.B. No. 1717

A BILL TO BE ENTITLED

1 AN ACT

2 relating to the consideration of ownership interests of certain  
3 persons with a disability in determining whether a business is a  
4 historically underutilized business for purposes of state  
5 contracting.

6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

7 SECTION 1. Section 2161.001(3), Government Code, is amended  
8 to read as follows:

9 (3) "Economically disadvantaged person" means a  
10 person who:

11 (A) is economically disadvantaged because of the  
12 person's identification as a member of a certain group, including:

13 (i) Black Americans;

14 (ii) Hispanic Americans;

15 (iii) women;

16 (iv) Asian Pacific Americans;

17 (v) Native Americans; ~~and~~

18 (vi) veterans as defined by 38 U.S.C.  
19 Section 101(2) who have suffered at least a 20 percent  
20 service-connected disability as defined by 38 U.S.C. Section  
21 101(16); and

22 (vii) persons with a disability as defined  
23 by 42 U.S.C. Section 12102; and

24 (B) has suffered the effects of discriminatory

1 practices or other similar insidious circumstances over which the  
2 person has no control.

3 SECTION 2. Section 2161.002, Government Code, is amended by  
4 adding Subsection (e) to read as follows:

5 (e) The comptroller shall adopt rules to provide goals for  
6 increasing the contract awards for the purchase of goods or  
7 services by the comptroller and other state agencies to businesses  
8 that qualify as historically underutilized businesses because the  
9 businesses are at least 51 percent owned or owned, operated, and  
10 controlled, as required by Section 2161.001(2), by one or more  
11 persons with a disability as defined by 42 U.S.C. Section 12102.  
12 The goals established under this subsection are in addition to the  
13 goals established under Subsections (c) and (d), and the goals  
14 established under Subsections (c) and (d) may not be reduced as a  
15 result of the establishment of goals under this subsection.

16 SECTION 3. Section 2161.061, Government Code, is amended by  
17 adding Subsection (f) to read as follows:

18 (f) To be certified by the comptroller as a historically  
19 underutilized business, a business owned by one or more persons who  
20 qualify as economically disadvantaged solely based on being a  
21 person with a disability as defined by 42 U.S.C. Section 12102 must  
22 submit to the comptroller an affidavit from a physician licensed to  
23 practice medicine in this state for each owner claiming a  
24 disability verifying that owner's disability.

25 SECTION 4. Section 2161.125, Government Code, is amended to  
26 read as follows:

27 Sec. 2161.125. CATEGORIZATION OF HISTORICALLY

1 UNDERUTILIZED BUSINESSES. The comptroller, in cooperation with  
2 each state agency reporting under this subchapter, shall categorize  
3 each historically underutilized business included in a report under  
4 this subchapter by sex, race, and ethnicity and by whether the  
5 business qualifies as a historically underutilized business  
6 because it is owned or owned, operated, and controlled, as  
7 applicable, wholly or partly by one or more persons with a  
8 disability as defined by 42 U.S.C. Section 12102 or one or more  
9 veterans as defined by 38 U.S.C. Section 101(2) who have suffered at  
10 least a 20 percent service-connected disability as defined by 38  
11 U.S.C. Section 101(16).

12 SECTION 5. This Act takes effect September 1, 2023.