

## **BILL ANALYSIS**

C.S.H.B. 1106  
By: Lucio III  
Government Reform  
Committee Report (Substituted)

### **BACKGROUND AND PURPOSE**

During the 74th legislature, a program was created that would encourage government entities to contract with businesses owned by certain classifications of minority individuals. The program designated a "historically underutilized business (HUB) coordinator" for state agencies with biennial budgets that exceed \$10 million whose job it would be to improve state relations with these businesses. In addition, businesses that met the HUB qualifications would be involved in a variety of programs including a mentor-protégé program, business presentations, strategic planning sessions, and annual reports. This would allow service-disabled veterans who own businesses to qualify as a HUB, and therefore receive all of the services and benefits of that program.

### **RULEMAKING AUTHORITY**

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

### **ANALYSIS**

The bill amends Section 2161.001(3) of the Government Code to include, in the definition of "economically disadvantaged person," veterans as defined by 38 U.S.C. Section 101(2) who have a service-connected disability as defined by 38 U.S.C. Section 101(16).

### **EFFECTIVE DATE**

September 1, 2007.

### **COMPARISON OF ORIGINAL TO SUBSTITUTE**

The original bill amends Section 2161.001(3) of the Government Code to include, in the definition of "economically disadvantaged person," veterans as defined by 38 U.S.C. Section 101(2) who either have a service-connected disability as defined by 38 U.S.C. Section 101(16) or have received the Purple Heart; whereas the substitute removes veterans who have received the Purple Heart from the definition.