

BILL ANALYSIS

C.S.H.B. 970
By: Lucio III
State Affairs
Committee Report (Substituted)

BACKGROUND AND PURPOSE

The 74th Legislature, Regular Session, 1995, enacted legislation creating a program that encourages a governmental entity to contract with a business owned by certain classifications of minority individuals that are economically disadvantaged due to their identification as members of a certain group and who have suffered the effects of discriminatory practices or other similar insidious circumstances over which they had no control.

The program designates a historically underutilized business (HUB) coordinator for a state agency with a biennial budget that exceeds \$10 million who is charged with improving agency relations with such businesses. In addition, a business that meets HUB qualifications is eligible to be involved in a variety of programs including a mentor-protégé program and programs relating to business presentations, strategic planning sessions, and annual reports. This bill seeks to allow certain businesses owned, operated, or controlled by persons with a disability who have faced the effects of discrimination in employment to qualify as HUBs and receive all related services and benefits.

C.S.H.B. 970 includes in the definition of "economically disadvantaged person" for purposes of provisions relating to historically underutilized businesses a person with a disability. The bill requires the comptroller of public accounts, in cooperation with each state agency that reports activity relating to procurements from a HUB, in addition to categorizing by sex, race, and ethnicity, to categorize each HUB by disability.

RULEMAKING AUTHORITY

It is the committee's opinion that rulemaking authority is expressly granted to the comptroller of public accounts in SECTION 2 of this bill.

ANALYSIS

C.S.H.B. 970, under provisions relating to a historically underutilized business (HUB), amends the Government Code to include in the definition of "economically disadvantaged person" a person with a disability, as defined in federal law to mean a physical or mental impairment that substantially limits one or more of the major life activities of an individual, a record of such an impairment, or being regarded as having such an impairment.

C.S.H.B. 970 prohibits the comptroller of public accounts from certifying a business as a HUB on the basis of the business being owned by one or more economically disadvantaged persons who qualify as economically disadvantaged solely based on disability unless the business submits to the comptroller, for each owner of the business claiming to be an economically disadvantaged person on the basis of disability, an affidavit from the business owner's physician verifying the person's disability.

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categorize each HUB included in a report by disability.

C.S.H.B. 970 requires the comptroller to adopt rules relating to the requirements for disabled persons to qualify as economically disadvantaged persons under HUB provisions.

EFFECTIVE DATE

September 1, 2009.

COMPARISON OF ORIGINAL AND SUBSTITUTE

C.S.H.B. 970 differs from the original by clarifying the requirement that, in cooperation with each state agency that reports activity relating to procurements from a HUB, the comptroller of public accounts categorize each HUB included in a report by disability rather than by whether the HUB derives its status as a HUB because it is owned or owned, operated, and controlled, as applicable, wholly or partly by one or more persons with a disability, as in the original.

C.S.H.B. 970 adds a provision not in the original requiring the comptroller to adopt rules relating to the requirements for disabled persons to qualify as economically disadvantaged persons under HUB provisions.

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