

By: Gallegos

S.B. No. 2271

A BILL TO BE ENTITLED

AN ACT

relating to the use of historically underutilized businesses by utilities.

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

SECTION 1. Section 12.251, Utilities Code, is amended to read as follows:

Sec. 12.251. DEFINITION. In this subchapter, "historically underutilized business" means an entity with its principal place of business in this state that is:

(1) a corporation formed for the purpose of making a profit in which 51 percent or more of all classes of the shares of stock or other equitable securities is owned by one or more economically disadvantaged persons who have a proportionate interest and actively participate in the corporation's control, operation, and management;

(2) a sole proprietorship created for the purpose of making a profit that is completely owned, operated, and controlled by an economically disadvantaged person;

(3) a partnership formed for the purpose of making a profit in which 51 percent or more of the assets and interest in the partnership is owned by one or more economically disadvantaged persons who have a proportionate interest and actively participate in the partnership's control, operation, and management;

(4) a joint venture in which each entity in the venture

1 is a historically underutilized business, as described by another
2 subdivision of this section; or

3 (5) a supplier contract between a historically
4 underutilized business as described by another subdivision of this
5 section and a prime contractor, under which contract the
6 historically underutilized business is directly involved in the
7 manufacture or distribution of the goods or otherwise warehouses
8 and ships the goods [~~has the meaning assigned by Section 481.101,~~
9 ~~Government Code~~].

10 SECTION 2. This Act takes effect September 1, 2009.