Amend CSHB 4 (house committee printing) as follows:

(1) On page 2, between lines 9 and 10, insert the following:

(3) "Historically underutilized business" has the meaning assigned by Section 2161.001, Government Code.

(2) On page 2, line 10, strike "(3)" and substitute "(4)".

(3) On page 5, between lines 21 and 22, insert the following:

(c) The board shall undertake to use money from the fund to provide financing to projects that prioritize using historically underutilized businesses in compliance with statewide annual goals adopted under Chapter 2161, Government Code. Projects that receive financing may satisfy the statewide annual goals by contracting directly or indirectly through subcontracts with historically underutilized businesses.

(4) On page 16, line 23, strike "<u>may</u>" and substitute "<u>shall</u>".

(5) On page 16, line 25, between "<u>responsibilities</u>" and the period, insert the following:

, including rules to:

(1) ensure compliance with statewide annual goals relating to historically underutilized businesses; and

(2) require that the advisory committee report to the executive director at least annually regarding the participation level of historically underutilized businesses in projects in the state water plan that receive funding related to a bond enhancement agreement under this subchapter.

(i-1) If the level of participation by historically underutilized businesses in projects in the state water plan that receive funding related to a bond enhancement agreement under this subchapter does not meet statewide annual goals adopted under Chapter 2161, Government Code, the advisory committee shall make recommendations to the board to improve the participation level

(6) On page 17, between lines 14 and 15, insert the following:

(c) Rules adopted under Subsection (a)(2) must provide for giving a higher priority to projects that will:

(1) comply with rules relating to historically

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underutilized businesses; and

(2) create significant opportunities for historically

underutilized businesses.