

By: White

H.B. No. 93

A BILL TO BE ENTITLED

1 AN ACT
2 relating to entities that qualify as historically underutilized
3 businesses.

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

5 SECTION 1. Section 2161.001(2), Government Code, is amended
6 to read as follows:

7 (2) "Historically underutilized business" means an
8 entity:

9 (A) with its principal place of business in this
10 state that is:

11 (i) [~~(A)~~] a corporation formed for the
12 purpose of making a profit in which 51 percent or more of all
13 classes of the shares of stock or other equitable securities are
14 owned by one or more economically disadvantaged persons who have a
15 proportionate interest and actively participate in the
16 corporation's control, operation, and management;

17 (ii) [~~(B)~~] a sole proprietorship created
18 for the purpose of making a profit that is completely owned,
19 operated, and controlled by an economically disadvantaged person;

20 (iii) [~~(C)~~] a partnership formed for the
21 purpose of making a profit in which 51 percent or more of the assets
22 and interest in the partnership are owned by one or more
23 economically disadvantaged persons who have a proportionate
24 interest and actively participate in the partnership's control,

1 operation, and management;

2 (iv) [~~(D)~~] a joint venture in which each
3 entity in the venture is a historically underutilized business, as
4 determined under another subparagraph [~~paragraph~~] of this
5 paragraph [~~subdivision~~]; or

6 (v) [~~(E)~~] a supplier contract between a
7 historically underutilized business as determined under another
8 subparagraph [~~paragraph~~] of this paragraph [~~subdivision~~] and a
9 prime contractor under which the historically underutilized
10 business is directly involved in the manufacture or distribution of
11 the goods or otherwise warehouses and ships the goods; or

12 (B) with one or more places of business each
13 located in the unincorporated area of a county with a population of
14 60,000 or less.

15 SECTION 2. Section 2161.0015, Government Code, is amended
16 to read as follows:

17 Sec. 2161.0015. DETERMINING SIZE STANDARDS FOR
18 HISTORICALLY UNDERUTILIZED BUSINESSES. The comptroller
19 [~~commission~~] may establish size standards that a business may not
20 exceed if it is to be considered a historically underutilized
21 business under this chapter. In determining the size standards,
22 the comptroller [~~commission~~] shall determine the size at which:

23 (1) a business described by Section 2161.001(2)(A)
24 should be considered sufficiently large that the business probably
25 does not significantly suffer from the effects of past
26 discriminatory practices; or

27 (2) a business described by Section 2161.001(2)(B)

1 should be considered sufficiently large that the business probably
2 does not significantly suffer from the effects of geographic
3 location.

4 SECTION 3. Section 2161.125, Government Code, is amended to
5 read as follows:

6 Sec. 2161.125. CATEGORIZATION BY SEX, RACE, [~~AND~~]
7 ETHNICITY, AND GEOGRAPHIC LOCATION. The comptroller, in
8 cooperation with each state agency reporting under this subchapter,
9 shall categorize each historically underutilized business included
10 in a report under this subchapter by sex, race, [~~and~~] ethnicity, and
11 geographic location.

12 SECTION 4. This Act takes effect September 1, 2013.