



FLOOR AMENDMENT NO. _____

BY: Davis

1 Amend C.S.S.B. No. 1 (house committee printing), as follows:

2 (1) In Article IX of the bill, Reporting Requirements, on page IX-38 , strike
3 Sec 7.07. - Historical Underutilized Business Policy Compliance - and insert the
4 following:

5 **Sec. 7.07. Historically Underutilized Business Policy Compliance.**

6 (a) (1) Before December 1, 2021, each agency or institution shall submit a
7 report demonstrating to the Legislative Budget Board and Comptroller
8 compliance and a plan for maintaining future compliance with
9 Government Code, §2161.123 and that it will make good faith efforts
10 to meet its goals established under Government Code, §2161.123 (d)(5)
11 for increasing the agency's or institution's use of historically
12 underutilized businesses (HUBs) in purchasing and public works
13 contracting.

14 (2) The State Auditor's Office (SAO) shall audit compliance with HUB
15 provisions at least once per biennium. The SAO should make
16 recommendations to the entities audited. Copies of the audit report shall
17 be submitted to the Legislative Budget Board and Comptroller.

18 (3) In demonstrating to the Legislative Budget Board and Comptroller
19 that the agency or institution is compliant and will in the future maintain
20 compliance or become compliant with Government Code, §2161.123
21 and that it will make good faith efforts to meet the agency's or

1 institution's HUB purchasing and contracting goals, the agency or
2 institution shall submit a plan addressing:

3 (A) Statistical disparities by race, ethnicity and gender
4 classification in current HUB utilization, particularly in prime
5 contracting;

6 (B) Statistical disparities by race, ethnicity and gender
7 classification in the private marketplace, particularly in the area
8 of utilization of women- and minority-owned firms in
9 commercial construction;

10 (C) Statistical disparities in firm earnings by race, ethnicity and
11 gender classification;

12 (D) Anecdotal testimony of disparate treatment as presented by
13 business owners in interviews, surveys, public hearings and
14 focus groups;

15 (E) Details of the agency's outreach plan; and

16 (F) Proper staffing of the agency's HUB department.

17 (b) Upon being identified as lacking in compliance with HUB provisions
18 by the SAO or at the request of the Legislative Budget Board, a state
19 agency or institution shall also provide quarterly reports to the
20 Legislative Budget Board and Comptroller on the status of
21 implementation of the plan described under Subsection (a) of this
22 section.