H.B. No. 676

A BILL TO BE ENTITLED 1 AN ACT 2 relating to the consideration of ownership interests of certain persons with a disability in determining whether a business is a 3 historically underutilized business for purposes of 4 state 5 contracting. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS: 6 7 SECTION 1. Section 2161.001(3), Government Code, is amended to read as follows: 8 9 (3) "Economically disadvantaged person" means а 10 person who: 11 (A) is economically disadvantaged because of the 12 person's identification as a member of a certain group, including: (i) Black Americans; 13 14 (ii) Hispanic Americans; 15 (iii) women; (iv) Asian Pacific Americans; 16 (v) Native Americans; [and] 17 18 (vi) veterans as defined by 38 U.S.C. Section 101(2) who have suffered at least a 19 20 percent 20 service-connected disability as defined by 38 U.S.C. Section 21 101(16); and 22 (vii) persons with a disability as defined 23 by 42 U.S.C. Section 12102; and 24 (B) has suffered the effects of discriminatory

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By: Hernandez

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1 practices or other similar insidious circumstances over which the 2 person has no control.

3 SECTION 2. Section 2161.002, Government Code, is amended by 4 adding Subsection (e) to read as follows:

5 (e) The comptroller shall adopt rules to provide goals for increasing the contract awards for the purchase of goods or 6 services by the comptroller and other state agencies to businesses 7 8 that qualify as historically underutilized businesses because the businesses are at least 51 percent owned or owned, operated, and 9 controlled, as required by Section 2161.001(2), by one or more 10 persons with a disability as defined by 42 U.S.C. Section 12102. 11 12 The goals established under this subsection are in addition to the goals established under Subsections (c) and (d), and the goals 13 established under Subsections (c) and (d) may not be reduced as a 14 result of the establishment of goals under this subsection. 15

SECTION 3. Section 2161.061, Government Code, is amended by adding Subsection (f) to read as follows:

(f) To be certified by the comptroller as a historically underutilized business, a business owned by one or more persons who qualify as economically disadvantaged solely based on being a person with a disability as defined by 42 U.S.C. Section 12102 must submit to the comptroller an affidavit from a physician licensed to practice medicine in this state for each owner claiming a disability verifying that owner's disability.

25 SECTION 4. Section 2161.125, Government Code, is amended to 26 read as follows:

27 Sec. 2161.125. CATEGORIZATION OF HISTORICALLY

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1 UNDERUTILIZED BUSINESSES. The comptroller, in cooperation with each state agency reporting under this subchapter, shall categorize 2 each historically underutilized business included in a report under 3 this subchapter by sex, race, and ethnicity and by whether the 4 business qualifies as a historically underutilized business 5 because it is owned or owned, operated, and controlled, as 6 applicable, wholly or partly by one or more persons with a 7 disability as defined by 42 U.S.C. Section 12102 or one or more 8 veterans as defined by 38 U.S.C. Section 101(2) who have suffered at 9 least a 20 percent service-connected disability as defined by 38 10 U.S.C. Section 101(16). 11

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SECTION 5. This Act takes effect September 1, 2021.