

By: Cain

H.B. No. 5140

A BILL TO BE ENTITLED

AN ACT

1
2 relating to a prohibition against the consideration of race or
3 ethnicity as a factor in governmental employment or contracting, in
4 other governmental functions, and in higher education admissions.

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

6 ARTICLE 1. PROHIBITIONS AGAINST CONSIDERING RACE OR ETHNICITY AS A
7 FACTOR IN GOVERNMENTAL EMPLOYMENT OR CONTRACTING, IN OTHER
8 GOVERNMENTAL FUNCTIONS, AND IN HIGHER EDUCATION ADMISSIONS

9 SECTION 1.01. Section 51.805, Education Code, is amended by
10 adding Subsection (b-1) to read as follows:

11 (b-1) A general academic teaching institution may not
12 consider an applicant's race or ethnicity as a factor in making
13 admissions decisions.

14 SECTION 1.02. Section 51.808, Education Code, is amended by
15 adding Subsection (b-1) to read as follows:

16 (b-1) A general academic teaching institution or medical
17 and dental unit may not adopt a policy under this section under
18 which the institution may consider an applicant's race or ethnicity
19 as a factor in making admissions decisions.

20 SECTION 1.03. Chapter 1, Government Code, is amended by
21 adding Section 1.004 to read as follows:

22 Sec. 1.004. PROHIBITION AGAINST CONSIDERATION OF RACE OR
23 ETHNICITY IN CERTAIN GOVERNMENTAL FUNCTIONS. (a) In this section,
24 "state agency" means a board, commission, council, committee,

1 department, office, agency, or other governmental entity in the
2 executive, legislative, or judicial branch of state government.
3 The term includes an institution of higher education as defined by
4 Section 61.003, Education Code.

5 (b) Notwithstanding any other law, a state agency, state
6 officer, or political subdivision may not consider the race or
7 ethnicity of:

8 (1) an applicant for employment as a factor in making
9 hiring decisions;

10 (2) a contractor or vendor responding to a contract
11 solicitation as a factor in awarding the contract; and

12 (3) any other person with regard to whom the state
13 agency, state officer, or political subdivision makes a decision
14 that affects the person as a factor in making that decision.

15 ARTICLE 2. CONFORMING AMENDMENTS

16 SECTION 2.01. Section 12.029, Agriculture Code, is amended
17 to read as follows:

18 Sec. 12.029. [~~MINORITY AND~~] FEMALE-OWNED BUSINESS
19 CONTRACTS. (a) The department shall establish by rule policies to
20 encourage [~~minority and~~] female-owned small businesses to bid for
21 contract and open market purchases of the department and to assist
22 those businesses in that bidding. The department shall review the
23 policies periodically to correct any deficiencies in the policies.

24 (b) The department annually shall determine the number,
25 types, and value of contracts awarded to [~~minority and~~]
26 female-owned small businesses in the year preceding the
27 determination and the ratio of the number and the value of those

1 contracts to the number and the value of all contracts awarded by
2 the department in that year.

3 (d) In this section, "~~minority and~~ female-owned small
4 business" means a business enterprise:

5 (1) that is independently owned and operated, that was
6 formed for the purpose of making a profit, and that has fewer than
7 100 employees and less than \$1 million in annual gross receipts; and

8 (2) that is controlled by one or more socially and
9 economically disadvantaged persons who own at least 51 percent of
10 the business enterprise and are socially disadvantaged because they
11 are ~~[of their identification as members of certain groups,~~
12 ~~including] women[, black Americans, Mexican Americans and other~~
13 ~~Americans of Hispanic origin, Asian Americans, and American~~
14 ~~Indians]~~.

15 SECTION 2.02. Section 5.102, Alcoholic Beverage Code, is
16 amended to read as follows:

17 Sec. 5.102. RECRUITMENT. For the purpose of providing
18 adequate personnel for all job positions in the commission, the
19 commission shall:

20 (1) develop a recruiting program that identifies
21 underrepresentation with the commission and focuses on recruiting
22 women ~~[different ethnic, racial, or gender groups]~~ for job
23 categories in which underrepresentation occurs; and

24 (2) require that all applicants be reviewed by the
25 human resources division to ensure consideration of women
26 ~~[underrepresented ethnic, racial, or gender groups]~~.

27 SECTION 2.03. Sections 54.0515(d) and (e), Education Code,

1 are amended to read as follows:

2 (d) An appointed member of the committee serves at the
3 pleasure of the appointing official. In making appointments to the
4 committee, the appointing officials shall attempt to appoint
5 persons who represent the gender composition [~~minority~~
6 ~~populations,~~] and geographic regions of the state.

7 (e) It is the legislature's intent that each institution of
8 higher education, as a condition to tuition deregulation under
9 Section 54.0513, reasonably implement the following:

10 (1) each institution shall make satisfactory progress
11 towards the goals provided in its master plan for higher education
12 and in "Closing the Gaps," the state's master plan for higher
13 education; and

14 (2) each institution shall meet acceptable
15 performance criteria, including measures such as graduation rates,
16 retention rates, enrollment growth, educational quality, [~~efforts~~
17 ~~to enhance minority participation,~~] opportunities for financial
18 aid, and affordability.

19 SECTION 2.04. Section 55.03, Education Code, is amended to
20 read as follows:

21 Sec. 55.03. [~~MINORITY-OWNED AND~~] WOMEN-OWNED BUSINESSES.

22 (a) The board of regents of each institution of higher education
23 shall make a good-faith effort to award to [~~minority-owned and~~]
24 women-owned businesses:

25 (1) contracts relating to the issuance of bonds by the
26 board under this chapter in the amount of at least 25 percent of the
27 total costs of issuing those bonds; and

1 (2) contracts for the items to be financed by bonds
2 issued by the board in the amount of at least 25 percent of the
3 proceeds of those bonds.

4 (b) Not later than October 31 of each academic year, the
5 board of regents shall file with the governor and each house of the
6 legislature a written report containing the following information
7 for the previous academic year for all businesses [~~minority-owned~~
8 ~~businesses~~] and women-owned businesses, classified by gender [~~and~~
9 ~~minority group status~~]:

10 (1) the total number of contracts relating to the
11 issuance of bonds by the board under this chapter and to the items
12 to be financed by those bonds;

13 (2) the total dollar amount the board of regents must
14 pay under each contract described by Subdivision (1) of this
15 subsection; and

16 (3) the total number of businesses submitting bids or
17 proposals relating to the issuance of bonds by the board under this
18 chapter and to the items to be financed by those bonds.

19 (c) In this section, "women-owned [+

20 ~~[(1) "Minority-owned business" means a business~~
21 ~~entity at least 51 percent of which is owned by members of a~~
22 ~~minority group or, in the case of a corporation, at least 51 percent~~
23 ~~of the shares of which are owned by members of a minority group, and~~
24 ~~that is managed and controlled by members of a minority group in its~~
25 ~~daily operations.~~

26 ~~[(2) "Minority group" includes:~~

27 ~~[(A) African Americans;~~

1 ~~[(B) American Indians,~~
2 ~~[(C) Asian Americans, and~~
3 ~~[(D) Mexican Americans and other Americans of~~
4 ~~Hispanic origin.~~

5 ~~[(3) "Women-owned]~~ business" means a business entity
6 at least 51 percent of which is owned by women or, in the case of a
7 corporation, at least 51 percent of the shares of which are owned by
8 women, and that is managed and controlled by women in its daily
9 operations.

10 SECTION 2.05. Section [72.041](#), Government Code, is amended
11 to read as follows:

12 Sec. 72.041. RECRUITMENT ~~[DIVERSITY]~~. The judges of the
13 supreme court, court of criminal appeals, and courts of appeals
14 shall encourage the recruitment of women as judicial law clerks and
15 staff attorneys ~~[that reflect the gender, racial, and ethnic~~
16 ~~diversity of this state]~~.

17 SECTION 2.06. Section [651.009](#)(a), Government Code, is
18 amended to read as follows:

19 (a) In each case in which the governing body of a state
20 board, commission, or other state agency that has statewide
21 jurisdiction is appointed by the governor or another appointing
22 authority, the governor or appointing authority shall ensure that,
23 to the extent possible, the membership of the governing body
24 reflects the ~~[racial, ethnic, and]~~ geographic diversity of this
25 state.

26 SECTION 2.07. Section [2161.001](#)(3), Government Code, is
27 amended to read as follows:

1 (3) "Economically disadvantaged person" means a
2 person who:

3 (A) is economically disadvantaged because of the
4 person's identification as a member of one or more of the following
5 groups [~~a certain group, including~~]:

6 (i) [~~Black Americans,~~
7 [~~(ii) Hispanic Americans,~~
8 [~~(iii)] women; or
9 [~~(iv) Asian Pacific Americans,~~
10 [~~(v) Native Americans, and~~
11 (ii) [~~(vi)]~~ veterans as defined by 38
12 U.S.C. Section 101(2) who have suffered at least a 20 percent
13 service-connected disability as defined by 38 U.S.C. Section
14 101(16); and~~

15 (B) has suffered the effects of discriminatory
16 practices or other similar insidious circumstances over which the
17 person has no control.

18 SECTION 2.08. Sections [2161.061](#)(b), (d), and (e),
19 Government Code, are amended to read as follows:

20 (b) As one of its certification procedures, the comptroller
21 may:

22 (1) approve the certification program of one or more
23 local governments or nonprofit organizations in this state that
24 certify historically underutilized businesses or [~~minority~~
25 ~~business enterprises,~~] women's business enterprises[~~or~~
26 ~~disadvantaged business enterprises~~] under substantially the same
27 definition, to the extent applicable, used by Section [2161.001](#), if

1 the local government or nonprofit organization meets or exceeds the
2 standards established by the comptroller; and

3 (2) certify a business that is certified by a local
4 government or by a nonprofit organization as a historically
5 underutilized business under this chapter.

6 (d) A local government or a nonprofit organization that
7 certifies historically underutilized businesses or [~~minority~~
8 ~~business enterprises,~~] women's business enterprises[~~or~~
9 ~~disadvantaged business enterprises~~] as described in Subsections
10 (b) and (c) shall complete the certification of an applicant or
11 provide an applicant with written justification of its
12 certification denial within the period established by the
13 comptroller in its rules for certification activities.

14 (e) A local government or a nonprofit organization that
15 certifies historically underutilized businesses under Subsection
16 (c) or that conducts a certification program described by and
17 approved under Subsection (b) shall make available to the public an
18 online searchable database containing information about
19 historically underutilized businesses and [~~minority business~~
20 ~~enterprises,~~] women's business enterprises[~~and disadvantaged~~
21 ~~business enterprises~~] certified by the local government or
22 nonprofit organization, including:

- 23 (1) the name of the business;
24 (2) the contact person or owner of the business;
25 (3) the address and telephone number of the business;
26 (4) the type or category of business, including
27 relevant capabilities of the business and the North American

1 Industry Classification System codes for the business; and

2 (5) the expiration date of the business's
3 certification.

4 SECTION 2.09. Section 2161.125, Government Code, is amended
5 to read as follows:

6 Sec. 2161.125. CATEGORIZATION OF HISTORICALLY
7 UNDERUTILIZED BUSINESSES. The comptroller, in cooperation with
8 each state agency reporting under this subchapter, shall categorize
9 each historically underutilized business included in a report under
10 this subchapter by sex[~~, race, and ethnicity~~] and by whether the
11 business qualifies as a historically underutilized business
12 because it is owned or owned, operated, and controlled, as
13 applicable, wholly or partly by one or more veterans as defined by
14 38 U.S.C. Section 101(2) who have suffered at least a 20 percent
15 service-connected disability as defined by 38 U.S.C. Section
16 101(16).

17 SECTION 2.10. Section 93.002(b), Health and Safety Code, is
18 amended to read as follows:

19 (b) In appointing public members under Subsection (a)(1),
20 the governor shall attempt to appoint female members [~~and members~~
21 ~~of different minority groups, including African Americans,~~
22 ~~Hispanic Americans, Native Americans, and Asian Americans~~].

23 SECTION 2.11. Section 318.003(a), Local Government Code, is
24 amended to read as follows:

25 (a) The commission must be composed of at least seven
26 residents of the county. Members of the commission must be
27 individuals who broadly reflect the age[~~, ethnic,~~] and geographic

1 diversity of the county.

2 SECTION 2.12. Section 351.1035(a), Local Government Code,
3 is amended to read as follows:

4 (a) In this section, "disadvantaged business" means:

5 (1) a corporation formed for the purpose of making a
6 profit in which at least 51 percent of all classes of the shares of
7 stock or other equitable securities are owned by one or more persons
8 who are socially disadvantaged because they are [~~of their~~
9 ~~identification as members of certain groups, including black~~
10 ~~Americans, Hispanic Americans,~~] women and [~~, Asian Pacific~~
11 ~~Americans, and American Indians, who~~] have suffered the effects of
12 discriminatory practices or similar insidious circumstances over
13 which they have no control;

14 (2) a sole proprietorship for the purpose of making a
15 profit that is 100 percent owned, operated, and controlled by a
16 person described by Subdivision (1) of this subsection;

17 (3) a partnership for the purpose of making a profit in
18 which 51 percent of the assets and interest in the partnership is
19 owned by one or more persons described by Subdivision (1) of this
20 subsection who [~~. Those persons must~~] have a proportionate interest
21 in the control, operation, and management of the partnership's
22 affairs;

23 (4) a joint venture in which each entity in the joint
24 venture is a disadvantaged business under this subsection; or

25 (5) a supplier contract between a disadvantaged
26 business under this subsection and a prime contractor under which
27 the disadvantaged business is directly involved in the manufacture

1 or distribution of the supplies or materials or otherwise
2 warehouses and ships the supplies.

3 SECTION 2.13. Section 375.003(4), Local Government Code, is
4 amended to read as follows:

5 (4) "Disadvantaged business" means:

6 (A) a corporation formed for the purpose of
7 making a profit and at least 51 percent of all classes of the shares
8 of stock or other equitable securities of which are owned by one or
9 more persons who are socially disadvantaged because they are women
10 and [~~of their identification as members of certain groups that~~]
11 have suffered the effects of discriminatory practices or similar
12 insidious circumstances over which they have no control[~~, including~~
13 ~~black Americans, Hispanic Americans, women, Asian Pacific~~
14 ~~Americans, and American Indians]~~;

15 (B) a sole proprietorship formed for the purpose
16 of making a profit that is owned, operated, and controlled
17 exclusively by one or more persons described by Paragraph (A);

18 (C) a partnership that is formed for the purpose
19 of making a profit, in which 51 percent of the assets and interest
20 in the partnership is owned by one or more persons described by
21 Paragraph (A), and in which [~~minority or~~] women partners have a
22 proportionate interest in the control, operation, and management of
23 the partnership affairs;

24 (D) a joint venture [~~between minority and women's~~
25 ~~group members~~] formed by women for the purpose of making a profit
26 [~~and the minority participation in which is based on the sharing of~~
27 ~~real economic interest, including equally proportionate control~~

1 ~~over management, interest in capital, and interest earnings, other~~
2 ~~than a joint venture in which majority group members own or control~~
3 ~~debt securities, leasehold interest, management contracts, or~~
4 ~~other interests];~~

5 (E) a supplier contract between persons
6 described in Paragraph (A) and a prime contractor in which the
7 disadvantaged business is directly involved for the manufacture or
8 distribution of the supplies or materials or otherwise for
9 warehousing and shipping the supplies; or

10 (F) a person certified as a disadvantaged
11 business by:

12 (i) this state;

13 (ii) a political subdivision of this state;

14 or

15 (iii) a regional planning commission,
16 council of governments, or similar regional planning agency created
17 under Chapter 391.

18 SECTION 2.14. Sections 381.004(b) and (d), Local Government
19 Code, are amended to read as follows:

20 (b) To stimulate business and commercial activity in a
21 county, the commissioners court of the county may develop and
22 administer a program:

23 (1) for state or local economic development;

24 (2) for small [~~or disadvantaged~~] business
25 development;

26 (3) to stimulate, encourage, and develop business
27 location and commercial activity in the county;

1 (4) to promote or advertise the county and its
2 vicinity or conduct a solicitation program to attract conventions,
3 visitors, and businesses;

4 (5) to improve the extent to which women-owned [~~women~~
5 ~~and minority~~] businesses are awarded county contracts;

6 (6) to support comprehensive literacy programs for the
7 benefit of county residents; or

8 (7) for the encouragement, promotion, improvement,
9 and application of the arts.

10 (d) A program established under this section may be designed
11 to reasonably increase participation by [~~minority and~~] women-owned
12 businesses in public contract awards by the county by establishing
13 a contract percentage goal for those businesses.

14 SECTION 2.15. Section 901.659, Occupations Code, is amended
15 to read as follows:

16 Sec. 901.659. [~~MINORITY AND~~] DISADVANTAGED STUDENT
17 INTERNSHIPS. (a) The board shall adopt rules to encourage
18 internships for [~~minority and~~] disadvantaged students and
19 certified public accountant examination candidates who notify the
20 board not later than 90 days after the date of being accepted into
21 an accounting internship program.

22 (b) The rules adopted by the board shall include standards
23 for appropriate recognition of an accounting firm for its efforts
24 in training and hiring [~~minority or~~] disadvantaged students.

25 SECTION 2.16. Section 311.0101(d), Tax Code, is amended to
26 read as follows:

27 (d) The board by rule shall adopt goals for the

1 participation of [~~minority business enterprises and~~] women-owned
2 business enterprises in the awarding of state contracts for
3 professional services. To implement the participation goals, the
4 board shall encourage each issuer to award to [~~minority business~~
5 ~~enterprises and~~] women-owned business enterprises not less than 15
6 percent of the total value of all professional services contract
7 awards that the issuer expects to make in its fiscal year.

8 SECTION 2.17. Section 284.007(d), Transportation Code, is
9 amended to read as follows:

10 (d) In this section, "historically underutilized business"
11 means:

12 (1) a corporation formed for the purpose of making a
13 profit in which at least 51 percent of all classes of the shares of
14 stock or other equitable securities is owned, managed, and in daily
15 operations controlled by one or more persons who have been
16 historically underutilized because they are [~~of their~~
17 ~~identification as members of certain groups, including African~~
18 ~~Americans, Hispanic Americans,~~] women and [~~, Asian Pacific~~
19 ~~Americans, and Native Americans, who~~] have suffered the effects of
20 discriminatory practices or similar invidious circumstances over
21 which they have no control;

22 (2) a sole proprietorship formed for the purpose of
23 making a profit that is 100 percent owned and in daily operations is
24 controlled by a person described by Subdivision (1);

25 (3) a partnership formed for the purpose of making a
26 profit in which at least 51 percent of the assets and interest in
27 the partnership is owned by one or more persons described by

1 Subdivision (1) who also have proportionate interest in the
2 control, daily operations, and management of the partnership's
3 affairs;

4 (4) a joint venture in which each entity in the joint
5 venture is a historically underutilized business; or

6 (5) a supplier contract between a historically
7 underutilized business and a prime contractor under which the
8 historically underutilized business is directly involved in the
9 manufacture or distribution of the supplies or materials or
10 otherwise warehouses and ships the supplies or materials.

11 SECTION 2.18. Section 431.109(e), Transportation Code, is
12 amended to read as follows:

13 (e) In this section, "historically underutilized business"
14 means:

15 (1) a corporation formed for the purpose of making a
16 profit in which at least 51 percent of all classes of the shares of
17 stock or other equitable securities is owned, managed, and in daily
18 operations controlled by one or more persons who have been
19 historically underutilized because they are [~~of their~~
20 ~~identification as members of certain groups, including African~~
21 ~~Americans, Hispanic Americans,~~ women and [~~, Asian Pacific~~
22 ~~Americans, and Native Americans, who~~] have suffered the effects of
23 discriminatory practices or similar invidious circumstances over
24 which they have no control;

25 (2) a sole proprietorship formed for the purpose of
26 making a profit that is 100 percent owned and in daily operation is
27 controlled by a person described by Subdivision (1);

1 (3) a partnership formed for the purpose of making a
2 profit in which at least 51 percent of the assets and interest in
3 the partnership are owned by one or more persons described by
4 Subdivision (1) and who also have proportionate interest in the
5 control, daily operation, and management of the partnership's
6 affairs;

7 (4) a joint venture in which each entity in the joint
8 venture is a historically underutilized business; or

9 (5) a supplier contract between a historically
10 underutilized business and a prime contractor under which the
11 historically underutilized business is directly involved in the
12 manufacture or distribution of the supplies or materials or
13 otherwise warehouses and ships the supplies or materials.

14 SECTION 2.19. Section [451.251](#), Transportation Code, is
15 amended to read as follows:

16 Sec. 451.251. CONTRACT GOALS FOR DISADVANTAGED BUSINESSES.
17 An authority that does not have an up-to-date disadvantaged
18 business enterprise program[~~, as defined by 49 C.F.R. Part 237~~] to
19 assist [~~minorities and~~] women in participating in authority
20 contracts should establish goals for that participation. The
21 recommended contract goals are:

22 (1) 17 percent for construction, 11 percent for
23 purchasing, and 24 percent for professional services; or

24 (2) the weighted average equivalent of the categories
25 in Subdivision (1).

26 SECTION 2.20. The heading to Section [451.252](#),
27 Transportation Code, is amended to read as follows:

1 Sec. 451.252. WOMEN-OWNED BUSINESSES [~~MINORITY AND~~
2 ~~DISADVANTAGED INDIVIDUALS~~] PROGRAM: CERTAIN AUTHORITIES.

3 SECTION 2.21. Section 451.252(a), Transportation Code, is
4 amended to read as follows:

5 (a) The board of an authority confirmed before July 1, 1985,
6 shall establish a program to encourage participation in contracts
7 of the authority by businesses owned by women [~~minorities or~~
8 ~~disadvantaged individuals~~].

9 SECTION 2.22. The heading to Section 451.253,
10 Transportation Code, is amended to read as follows:

11 Sec. 451.253. [~~MINORITY AND~~] WOMEN-OWNED BUSINESS PROGRAM:
12 CERTAIN AUTHORITIES.

13 SECTION 2.23. Sections 451.253(a), (c), and (d),
14 Transportation Code, are amended to read as follows:

15 (a) An authority with a regional economic development
16 facility approved under Subchapter E may establish a program
17 reasonably designed to increase the participation of [~~minority and~~
18 women-owned businesses in public contracts awarded by the
19 authority, and if the program is established, the board shall
20 provide a plan to assist [~~minority and~~] women-owned businesses in
21 the area served by the authority to achieve the purposes of the
22 program. If the board establishes a [~~an overall minority and~~
23 women-owned business contract percentage goal as a part of the
24 program, the goal may not exceed the capability of the [~~minority~~
25 ~~and~~] women-owned businesses in the area served by the authority to
26 perform the number and type of contracts awarded by the authority,
27 as determined by a qualified, independent source.

1 (c) This section does not affect Sections 451.110 and
2 451.111, but prospective bidders may be required to meet uniform
3 standards designed to assure a reasonable degree of participation
4 by ~~[minority and]~~ women-owned businesses in the performance of any
5 contract.

6 (d) In this section, "women-owned"
7 ~~[(1) "Minority" includes blacks, Hispanics, Asian~~
8 ~~Americans, American Indians, and Alaska natives.]~~

9 ~~[(2) "Minority business" means a business concern more~~
10 ~~than 50 percent of which is owned and controlled in management and~~
11 ~~daily operations by members of one or more minorities.]~~

12 ~~[(3) "Women-owned business" means a business concern~~
13 ~~more than 50 percent of which is owned and controlled in management~~
14 ~~and daily operations by one or more women.]~~

15 SECTION 2.24. Section 451.353(b), Transportation Code, is
16 amended to read as follows:

17 (b) A revenue bond indenture may limit a power of the
18 authority provided by Sections 451.054-451.060, 451.061(a) or (b),
19 451.064-451.068 ~~[451.064-451.069]~~, or 451.107(a) ~~[, or 451.251]~~ as
20 long as the bonds issued under the indenture are outstanding.

21 SECTION 2.25. The heading to Section 452.201,
22 Transportation Code, is amended to read as follows:

23 Sec. 452.201. ~~[MINORITY AND]~~ WOMEN-OWNED BUSINESS PROGRAM
24 IN CERTAIN AUTHORITIES.

25 SECTION 2.26. Sections 452.201(a), (b), (d), and (e),
26 Transportation Code, are amended to read as follows:

27 (a) An authority consisting of one subregion governed by a

1 subregional board created under Subchapter O may establish a
2 program reasonably designed to increase the participation of
3 ~~[minority and]~~ women-owned business enterprises in contracts
4 awarded by the authority. If the program is established, the board
5 shall provide a program outlining acceptable assistance to be given
6 ~~[minority and]~~ women-owned business enterprises in the area served
7 by the authority to achieve the purposes of the program.

8 (b) An overall ~~[minority and]~~ women-owned business
9 enterprise contract percentage goal may be established as a part of
10 the program only after reasonable consultation with affected
11 organizations and a qualified independent source and after public
12 comment. In establishing a goal, the authority shall consider the
13 various types of construction contracts the authority expects to
14 award and the effect of market conditions on the feasibility of
15 attaining the goals.

16 (d) This section does not affect Sections [452.106](#), [452.107](#),
17 and [452.108](#)(a) and (b), but prospective bidders may be required to
18 meet uniform standards designed to assure a reasonable degree of
19 participation by ~~[minority and]~~ women-owned business enterprises
20 in the performance of any contract.

21 (e) In this section, "women-owned" ~~+~~

22 ~~[(1) "Minority" includes blacks, Hispanics, Asian~~
23 ~~Americans, American Indians, and Alaska natives.]~~

24 ~~[(2) "Minority business enterprise" means a small~~
25 ~~business concern at least 51 percent of which is owned and~~
26 ~~controlled in management and daily operations by members of one or~~
27 ~~more minorities.]~~

1 [~~(3)~~ "~~Women-owned~~] business enterprise" means a small
2 business concern at least 51 percent of which is owned and
3 controlled in management and daily operations by one or more women.

4 SECTION 2.27. The following laws are repealed:

5 (1) Sections 381.004(a)(2) and (3), Local Government
6 Code; and

7 (2) Section 161.131, Natural Resources Code.

8 SECTION 2.28. Section 51.803(k), Education Code, is
9 repealed.

10 ARTICLE 3. TRANSITION AND EFFECTIVE DATE

11 SECTION 3.01. The change in law made by this Act to
12 Subchapter U, Chapter 51, Education Code, applies beginning with
13 admissions to a general academic teaching institution for the
14 2024-2025 academic year. Admissions for an academic period
15 preceding that academic year are covered by the law in effect
16 immediately before the effective date of this Act, and the prior law
17 is continued in effect for that purpose.

18 SECTION 3.02. (a) Except as provided by Subsection (b) of
19 this section, this Act takes effect September 1, 2023.

20 (b) The section of this Act repealing Section 51.803(k),
21 Education Code, takes effect January 1, 2024.