

## **BILL ANALYSIS**

Senate Research Center  
89R2829 RDS-D

S.B. 390  
By: Middleton  
Veteran Affairs  
3/31/2025  
As Filed

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

S.B. 390 aims to amend the "historically underutilized business" definition in the Texas Government Code to include veteran-owned businesses. Specifically, this bill proposes that a small business owned and controlled by veterans, as certified by the Small Business Administration, be recognized as a historically underutilized business for state contracting.

As proposed, S.B. 390 amends current law relating to including certain veteran-owned businesses within the definition of a historically underutilized business for purposes of state contracting.

### **RULEMAKING AUTHORITY**

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Section 2161.001 (2), Government Code, as follows:

(2) Provides that "historically underutilized business" means an entity with its principal place of business that meets certain criteria, including being a small business concerned owned and controlled by veterans that is certified as a veteran-owned small business by the United States Small Business Administration. Makes nonsubstantive changes.

SECTION 2. Effective date: September 1, 2025.