

TEXAS TRANSPORTATION COMMISSION

ALL Counties

MINUTE ORDER

Page 1 of 1

ALL Districts

In accordance with Title 43, Texas Administrative Code, §9.55, the Texas Transportation Commission (commission) is establishing an annual Small Business Enterprise (SBE) goal of 23 percent. The Texas Department of Transportation (department), under its authority in Transportation Code, §201.702, to develop programs for disadvantaged businesses, chose to develop the Small Business Enterprise (SBE) Program to assist disadvantaged businesses in the specialized fields of highway construction and maintenance. The program is open to all small businesses that meet the required size limitation. The SBE Program was designed to mirror the Disadvantaged Business Enterprise (DBE) and Historically Underutilized Business (HUB) programs whenever practicable so that those members of the affected industry will not be confronted with different rules based on funding source.

Pursuant to Title 43, Texas Administrative Code, §9.55, the commission, in a procedure similar to that required by the federal DBE Program and roughly equivalent to the HUB goal setting procedures, will establish annual SBE goals based on the availability of SBE firms. The annual goals represent SBE participation in contracts and purchases determined by a percentage of the total cost of highway construction and highway maintenance projects funded with state and local funds.

To determine the availability of SBEs, the department compared the total amount contracted to small businesses in FY 2005 to the total amount awarded to prime contractors in FY 2005. This comparison indicated that 12 percent of the total amount was awarded to small businesses. This percentage does not include awards to material suppliers due to the unavailability of data regarding suppliers. To further encourage the development of small businesses and to take into account the small businesses that furnish materials, the department added 11 percent to the SBE goal for a total of 23 percent.

IT IS THEREFORE ORDERED that the SBE goal of 23 percent is effective from September 1, 2006 through August 31, 2007.

Submitted and reviewed by:

Recommended by:

Director, Business Opportunity Programs Office

Executive Director

Minute Number Date Passed