

## **BILL ANALYSIS**

Senate Research Center

H.B. 625  
By: Hernandez (Madla)  
State Affairs  
5-14-97  
Engrossed

### **DIGEST**

Currently, applicants for certification as a historically underutilized or disadvantaged business must disclose all of their financial information. This information is subject to public information provisions. Other small businesses do not have to make this information public and may receive a competitive advantage over those companies who are not required to make their information public. H.B. 625 would exempt information submitted in an application for certification as a historically underutilized or disadvantaged business from disclosure and public information laws.

### **PURPOSE**

As proposed, H.B. 625 outlines provisions regarding the disclosure of certain information submitted to a governmental entity by a potential vendor or contractor.

### **RULEMAKING AUTHORITY**

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

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Chapter 552C, Government Code, by adding Section 552.127, as follows:

Sec. 552.127. EXCEPTION: CERTAIN INFORMATION SUBMITTED BY POTENTIAL VENDOR OR CONTRACTOR. Provides that information submitted by a potential vendor or contractor to a governmental body in connection with an application for certification as a historically underutilized or disadvantaged business under a local, state, or federal certification program is excepted from the requirements of Section 552.021, except as provided by this section. Sets forth instances in which the information is prohibited from being disclosed, notwithstanding Section 552.007 and except as provided by Subsection (c). Provides that information submitted by a vendor or contractor or a potential vendor or contractor to a governmental body in connection with a specific proposed contractual relationship, a specific contract, or an application to be placed on a bidders list, including information that may also have been submitted in connection with an application for certification as a historically underutilized or disadvantaged business, is subject to required disclosure, except from required disclosure, or confidential in accordance with other law.

SECTION 2. Makes application of this Act retroactive.

SECTION 3. Emergency clause.  
Effective date: upon passage.