

BILL ANALYSIS

Senate Research Center
81R12223 MCK-D

S.B. 1958
By: Van de Putte
Government Organization
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As Filed

AUTHOR'S / SPONSOR'S STATEMENT OF INTENT

There are non-profit veteran service agencies (VSAs) that are qualified as charitable organizations under Section 501(c)(3) of the Internal Revenue Code. The principal activities conducted by VSAs include housing assistance, substance abuse treatment, case management, and employment training for low-income veterans, disabled veterans, homeless veterans, and veterans' families. In addition to these principal activities, many VSAs in Texas engage in business endeavors such as manufacturing, packaging, and maintenance services. These business entities not only provide quality products and service for consumers; they create jobs for veterans and help generate revenue to be reinvested into their organization.

Section 2155.505 (Historically Underutilized and Small Businesses) Government Code, defines "small business" as a small business concern that is defined by 13 C.F.R. Section 121.201. Section 2155 states that a "small business," if certified by the state as such, can bid for state procurement opportunities. Since VSAs are not defined as a "small business," they currently cannot bid on state procurement opportunities.

As proposed, S.B. 1958 amends Section 2155.505(a), Government Code to redefine "small business" to include a veterans service agency, and defines "veterans service agency."

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 2155.505(a), Government Code, by amending Subdivision (2) and adding Subdivision (3), as follows:

(2) Redefines "small business" to include a veterans service agency.

(3) Defines "veterans service agency."

SECTION 2. Makes Section 2155.505(a), Government Code, of this Act, prospective.

SECTION 3. Effective date: September 1, 2009.