

1-1 By: West S.B. No. 1293  
1-2 (In the Senate - Filed March 7, 2013; March 13, 2013, read  
1-3 first time and referred to Committee on Transportation;  
1-4 April 18, 2013, reported adversely, with favorable Committee  
1-5 Substitute by the following vote: Yeas 6, Nays 3; April 18, 2013,  
1-6 sent to printer.)

1-7 COMMITTEE VOTE

1-8	Yea	Nay	Absent	PNV
1-9	Nichols	X		
1-10	Paxton	X		
1-11	Campbell	X		
1-12	Davis	X		
1-13	Ellis	X		
1-14	Hancock	X		
1-15	Patrick	X		
1-16	Uresti	X		
1-17	Watson	X		

1-18 COMMITTEE SUBSTITUTE FOR S.B. No. 1293 By: Ellis

1-19 A BILL TO BE ENTITLED  
1-20 AN ACT

1-21 relating to creating a disadvantaged business assistance program to  
1-22 be operated by the Texas Department of Transportation.

1-23 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-24 SECTION 1. Subchapter I, Chapter 201, Transportation Code,  
1-25 is amended by adding Section 201.7025 to read as follows:

1-26 Sec. 201.7025. DISADVANTAGED BUSINESS ASSISTANCE PROGRAM.

1-27 (a) The commission by rule may establish a program for assisting  
1-28 businesses that are identified as disadvantaged businesses under  
1-29 the program established under Section 201.702.

1-30 (b) The department may establish, as an account in the state  
1-31 highway fund, a revolving fund to provide financing to foster and  
1-32 stimulate the development of the businesses. The revolving fund  
1-33 may be composed of financing application fees, loan repayments,  
1-34 guarantee fees, dividend income, donations, contributions, or  
1-35 money appropriated by the legislature for purposes for which the  
1-36 fund may be used, amounts received by the state from federal grants  
1-37 or other sources, and any other amounts received under this section  
1-38 and required by the department to be deposited in the revolving  
1-39 fund. Money that is dedicated for another purpose, including money  
1-40 that is required to be used for public roadways by the Texas  
1-41 Constitution or federal law, may not be deposited in the revolving  
1-42 fund. Interest earned on the money in the revolving fund shall be  
1-43 credited to the revolving fund.

1-44 (c) Money in the revolving fund established under this  
1-45 section may be used only to provide financing, including loans, to  
1-46 foster and stimulate the development of businesses that are  
1-47 identified as disadvantaged businesses under the program  
1-48 established under Section 201.702 and for the purposes of that  
1-49 program, particularly to help remove barriers to the participation  
1-50 of disadvantaged businesses in department contracts and to assist  
1-51 the development of those businesses so that they are able to compete  
1-52 successfully in the marketplace without program assistance.

1-53 (d) Financing from the revolving fund established under  
1-54 this section must be on terms and conditions that the department  
1-55 determines to be reasonable, appropriate, and consistent with the  
1-56 purposes and objectives of this section and the disadvantaged  
1-57 business program established under Section 201.702.

1-58 (e) The commission shall adopt rules governing the terms and  
1-59 conditions of the financing, specifically including requirements  
1-60 for appropriate security or collateral, equity interest, and the

rights and remedies of the department in the event of a default on a loan. The rules must include a requirement that applicants report to the department on the use of money distributed from the fund.

(f) A claim of the state for a payment owed to the state under this section by a person who has been provided financing under this section is considered a state debt for purposes of Section 403.055, Government Code.

SECTION 2. This Act takes effect immediately if it receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for immediate effect, this Act takes effect September 1, 2013.

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