HUB Program
Texas Education X Advocacy Series

hosts

The State of Texas
Historically Underutilized Business Program

presenting

The Benefits of HUB Certification

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AGENDA

- Welcome
- Statewide HUB Program Overview
- HUB Certification
- HUB Resources
- Questions and Answers
STATEWIDE HUB PROGRAM

- Texas Government Code §2161 establishes the HUB Program and authorizes the CPA to administer the Statewide HUB program.
- The Historically Underutilized Business (HUB) Program is a component of the Statewide Procurement Division of the Comptroller of Public Accounts (CPA).
- The CPA Statewide HUB program establishes rules to administer the agency programs: Texas Administrative Code, Title 34, Chapter 20, Subchapter D, Division 1, Sections §20.281 to §20.298 (34 TAC 20).
- The 2009 Disparity Study determined there were still disparate groups in the state’s procurement process, identified the disadvantaged owner groups, and established the Statewide HUB procurement goals.
STATEWIDE HUB PROGRAM

COMPTROLLER of PUBLIC ACCOUNTS, Statewide Procurement Division

Statewide Historically Underutilized Business Program

Statewide HUB Administers Program based on Rules

HUB Certification

HUB Compliance

Reporting Statewide Expenditure

Education and Outreach HUBs and Agencies

AGENCY and UNIVERSITY INTERNAL HUB PROGRAMS
34 TAC 20.281  Policy and Purpose

It is the policy of the comptroller to encourage the use of HUBs in the state procurement process through race, ethnic, and gender-neutral means.

The purpose of the HUB program is to promote full and equal business opportunities for all businesses in state procurement and contracting in accordance with 34 TAC 20.284.

This rules describes the minimum steps and requirements to be undertaken by state entities to attain the aspirational goals recommended in the Texas Disparity Study.
Statewide Annual HUB Utilization Goals:

- **11.2%** Heavy Construction – infrastructure projects
- **21.1%** Building Construction – building (new/renovation) and maintenance projects
- **32.9%** Special Trade – construction contracts (community college or trade school edu)
- **23.7%** Professional Services – special training or professional degrees (architect, engineer)
- **26.0** Other Services – generally services (consultants, trainers, documentation)
- **21.1%** Commodities – generally goods

State agencies and institutions of higher education shall make a good faith effort to meet or exceed these goals through direct contract with HUBs as prime or through HUB subcontracting opportunities (Texas Government Code 2161, Subchapter F).
HUB CERTIFICATION

- The disparate groups in the state’s procurement are identified as:
  - Asian American
  - Black American
  - Hispanic American
  - Native American
  - American Woman
  - Service-disabled Veteran as defined by 38 U.S.C. §101(2) with at least a 20% service disability as defined by 38 U.S.C. §101(16)

*See Definitions in 34 TAC 20.282
QUALIFICATIONS:

- Business must be at least 51% owned by minority, woman, or service-disabled veteran (with at least a 20% service disability);
- Business must be primarily based in Texas;
- Owner(s) must be U.S. Citizen (except qualified service-disabled veteran)
- Owner(s) must be resident(s) of Texas (at least 1 year);
- Owner(s) must maintain active participation in control, operations, and management entities; and
- Meet small business SBA size standards in CFR §121.201.
FREE application process includes specific qualifications
FREE 4-year certification
FREE HUB DIRECTORY listing with NIGP codes
FREE Recertification begins 4 months prior to certification expiration
FREE Assistance
HUB CERTIFICATION TRANSITION

- Online HUB certification system - [https://texashub.gob2g.com/](https://texashub.gob2g.com/)
- Vendors complete application and upload supporting documents
- Application submission
- Certification application review and approval
- Vendors print certificates within the system HUB Record
- Communications are online
- Virtual and desk audits will continue
- Compliance reviews/on-sites visits will begin again soon
HISTORICALLY UNDERUTILIZED BUSINESS (HUB) PROGRAM

The Statewide Procurement Division, Historically Underutilized Business (HUB) Program administers the HUB program in accordance with Texas Government Code §216.101 and Texas Administrative Code, Title 24, Chapter 25, Subchapter D, Division 7, Sections 221.281 to 221.294.

View a list of HUB status codes and minority codes:

Apply for HUB Certification Online

The HUB certification application process has the potential to assist firms in becoming part of the Statewide HUB system.

HUB Goals

The statewide HUB active utilization goal is 9% and is referred to as “HUB Goal.” and are based on expenditures by procurement categories for the state agencies and state universities. Statewide HUB has set the following goals for total statewide expenditures with HUBs:

- 11.2% for heavy construction other than building contracts;
- 11.1% for all building construction, including general contractors and operative building contractors;
- 12.9% for all specialty trade construction contracts;
- 10.7% for professional services contracts;
- 5.5% for all other services contracts; and
- 2.1% for commodities contracts.

Disparity Study

In September 2009, the Comptroller’s Office retained an independent version, VotF of America, to determine if there is a compelling interest to continue a narrowly tailored HUB program, as required by the U.S. Supreme Court. The purpose of the study was to help to comprehensively review the statewide utilization of HUBs and to evaluate various options for program development.

HUB Certification

Texas Government Code §216.101-216.304 authorizes the Comptroller of Public Accounts Statewide HUB Program to certify qualified small businesses and enter into Memoranda of Agreements (MOAs)
NEW SYSTEM FOR HUB CERTIFICATION

https://texashub.gob2g.com/

HUB WEBPAGE

https://comptroller.texas.gov/purchasing/vendor/hub/

TEXAS STATEWIDE HUB SYSTEM (TSHS)

CURRENT HUB CERTIFIED VENDOR RECORDS HAVE BEEN TRANSFERRED WITH ACCESS TO TSHS

PROFILE IS ALREADY TO BE CREATED

SIGN INTO THE TSHS SYSTEM TO UPDATE INFORMATION

HUB DIRECTORY PROFILE REQUIRE NIGP CODES AND CONTACT INFO

CERTIFICATION HUB RECORDS ARE COMPLETELY ONLINE
HUB CERTIFICATION SYSTEM

WARNING - RESTRICTED GOVERNMENT SYSTEM.
This system is restricted to authorized users only. Unauthorized access, use, or misuse or modification of this system, the data contained herein, or in transit to/from this system, may constitute a violation of federal, state and local laws and subject individual(s) to criminal and/or civil prosecution and penalties. This system and associated usage is subject to monitoring and security testing by authorized personnel. There is no expectation of privacy except as otherwise provided by applicable privacy laws.
HUB CERTIFICATION TSHS PROCESS

VENDORS COMPLETE APPLICATION AND UPLOAD SUPPORTING DOCUMENTS

ONCE APPLICATION IS COMPLETE, THE SYSTEM ALLOWS FOR APPLICATION SUBMISSION

CERTIFICATION APPLICATIONS ARE ACCEPTED, REVIEWED, AND APPROVED ONLINE

ALL COMMUNICATIONS ARE THROUGH THE SYSTEM AND SENT TO EMAIL LISTED ON THE APPLICATION

VENDORS MAY PRINT APPROVED CERTIFICATE THROUGH THE TSHS HUB RECORD

NIGP CODES SHOULD BE COMPLETED IMMEDIATELY TO ALLOW INVITATIONS FOR BID

RANDOM IN-PERSON ON-SITE VISITS WILL RESUME WHEN TRAVEL RESUMES

HUB CERTIFICATIONS ARE VALID FOR 4-YEARS
**TEXAS COMPTROLLER OF PUBLIC ACCOUNTS (CPA)**

**HUB RESOURCES**

- **CENTRALIZED MASTER BIDDER’S LIST (CMBL) – STATE OF TEXAS VENDOR LIST**
  - $70.00 ANNUAL FEE
  - HUB DIRECTORY LIST
  - PURCHASER LIST FOR PROCUREMENT NOTIFICATIONS

- **HISTORICALLY UNDERUTILIZED BUSINESS (HUB)**
  - FREE SMALL BUSINESS CERTIFICATION
  - HUB COORDINATOR LIST
  - HUB REPORTS

- **NIGP COMMODITY CODE BOOK**

- **ELECTRONICALLY STATE BUSINESS DAILY (ESBD)**
  - PROCUREMENT/SOLICITATION POSTINGS
Purchasing

CENTRALIZED MASTER BIDDERS LIST (CMBL)

Manufacturers, suppliers, and other vendors wishing to furnish materials, equipment, supplies, and services to the state should register for the Centralized Master Bidders List (CMBL) to receive bidding opportunities.

The CMBL is a master database used by the state of Texas purchasing entities to develop a mailing list for vendors to receive bids based on the products or services they can provide to the state of Texas.

The CMBL annual registration fee is $70 and may be paid online by credit, debit card, electronic check (U.S. addresses only), or by paper check at the address below.

View a list of CMBL status codes.

Active CMBL Vendors:

Vendors can manage and update their CMBL business profile, as well as submit their CMBL annual registration fee in the online vendor registration system.

Comptroller of Public Accounts (CPA) Bid Notification

The Comptroller of Public Accounts, as well as other purchasing entities, is moving toward electronic notification for solicitations. We strongly suggest that an active, accurate and current email address is maintained on your company’s CMBL profile to ensure bid opportunities are received timely.

Contact Information

COVID-19 Information for Vendors

Fraud Alert

Translation:

CMBL Application

Related Links

- Highway Districts
- Search for CMBL/HUB vendors
- About CMBL
- Registration Instructions
- Profile Updates
- CMBL Frequently Asked Questions
- CMBL Refund Policy
- NIGP Commodity Book
- CMBL/HUB Search Tips
- Delivery Zones and Districts
HISTORICALLY UNDERUTILIZED BUSINESS REPORTING

The Statewide Procurement Division (SPD) Historically Underutilized Business (HUB) Program has been tasked with the reporting of expenditures made by state agencies and institutions of higher education.

To accomplish this task, SPD is committed to providing this information semi-annually September 1 - February 28 and annually September 1 - August 31.

How does the HUB Report assist state agencies and institutions of higher education?

By using the HUB Report, agencies can track their expenditures and utilize it as a benchmarking tool to meet or exceed their HUB utilization in each of the following categories:

- Heavy construction
- Building construction
- Special trade construction
- Professional services
- Other services
- Commodity purchasing

Not only does the HUB Report capture expenditures, but it also contains Supplementary Summary Letters that identify agency Outreach and Good Faith Efforts.

How does the HUB Report assist Vendors?

The HUB Report is not limited to state agencies and institutions of higher education. The information within the report can also be used by vendors and the public to determine where state agencies purchase products or services. Once this has been identified, vendors can contact agency’s HUB coordinator to introduce their business and further understand state procurement.

HUB Reports

2021
- Fiscal Year 2021 Annual HUB Report
- HUB FY 2021 Semi-annual Report
- HUB Education and Outreach Report Fiscal 2021-2022

Related Links
- HUB Events
- Calendar of Events
- How to apply for OMB or HUB
- Modify OMB Profile
- Modify HUB Profile
- Certification Process
- Certification Agreements
- Bid Opportunities
- HUB and Business Resources
- HUB Reports and Forms
- NIGP Commodity Base
- Galaxy Zone and Districts
- HUB Mentor Program
- Texas Government Code, Chapter 2151
- Texas Administrative Code, Chapter 30, Subchapter D
- Texas Statewide HUB system
- Search for OMB/HUB Vendors
STATEWIDE HUB PROGRAM

RELATED LINKS

- https://comptroller.texas.gov/purchasing/vendor/hub/
- Certification Process
- Modify HUB and CMBL Profile
- HUB and Business Resources
- HUB Reports and Forms

HISTORICALLY UNDERUTILIZED BUSINESS (HUB) PROGRAM

The Statewide Procurement Division, Historically Underutilized Business (HUB) Program administers the HUB program in accordance with Texas Government Code Title 21, Chapter 120, Subchapter A, Division 1, Sections 522.311 to 522.298.

View a list of HUB status codes and ethnicity codes.

Apply for HUB Certification Online

The HUB certification application process has never been easier. Ready to apply? Apply to become a certified HUB on the Texas Statewide HUB System.

HUB Goals

The statewide HUB Annual Utilization Goals are often referred to as "HUB Goals" and are expenditures by procurement categories for the state agencies and state universities. Statewide HUB has set the following goals for total statewide expenditures with HUBs:

- 11.2% for heavy construction other than building contracts;
- 21.1% for all building construction, including general contractors and subcontractors’ contracts;
- 32.0% for all special trade construction contracts;
- 23.7% for professional services contracts;
- 26.0% for all other services contracts; and
- 21.1% for commodities contracts.

Disparity Study

In September 2016, the Comptroller’s office retained an independent vendor, MGT of America, to determine if there is a compelling interest to continue a narrowly tailored HUB program, as required by the U.S. Supreme Court. The purpose of the study was twofold: to comprehensively review the state’s utilization of HUBs and to evaluate various options for program development.

HUB Certification

Texas Government Code §2161.061 authorizes the Comptroller of Public Accounts Statewide HUB Program to certify qualified small businesses and enter into Memorandums of Agreements (MOAs) with other small business certifying entities to maximize the HUBs certified. To review the Certification...
Texas Comptroller of Public Accounts (CPA)
Hub Resources Review

- Centralized Master Bidder’s List (CMBL) – State of Texas Vendor List
  - $70.00 Annual Fee
  - Hub Directory List
  - Purchaser List for Procurement Notifications

- Historically Underutilized Business (HUB)
  - Free Small Business Certification
  - Hub Coordinator List
  - Hub Reports

- NIGP Commodity Code Book

- Electronically State Business Daily (ESBD)
  - Procurement/Solicitation Postings
Q&A

DISCUSSIONS

STATEWIDE HUB PROGRAM
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1-888-863-5881
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