



GLENN HEGAR, TEXAS COMPTROLLER OF PUBLIC ACCOUNTS

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May 15, 2025

The Honorable Greg Abbott, Governor, State of Texas
The Honorable Dan Patrick, Lieutenant Governor, State of Texas
The Honorable Dustin Burrows, Speaker, Texas House of Representatives

Gentlemen:

The Statewide Historically Underutilized Business (HUB) Program, a component of the Statewide Procurement Division of the Texas Comptroller of Public Accounts, is pleased to submit the Fiscal 2025 Semi-Annual Expenditure Report of contracts awarded to HUBs, as required by [Texas Government Code Section 2161.121](#).

The Statewide HUB Program compiles and analyzes statewide procurement expenditures and contract awards of state agencies and institutions of higher education into this semi-annual HUB expenditure report from Sept. 1, 2024, through Feb. 28, 2025. It includes the number of bids, proposals and HUB participants; the total dollar amounts of treasury procurement expenditures and contracts awarded, both HUB and non-HUB; total number of certified HUB businesses available to participate in solicitations; a breakdown of certified HUBs by qualifying category; a breakdown of the state's term and group contract purchases; and summaries and analysis of the overall program's accomplishments toward meeting the statewide HUB goals.

During the first half of fiscal 2025, the Statewide HUB Program included 15,762 registered, Texas-certified HUB vendors, with **2,995 HUB businesses receiving 11.02 percent or \$2,091,045,018 of all statewide expenditures.**

A comparison of the total HUB expenditures and contract awards from fiscal 2024 to 2025 is reflected in the semi-annual tables, shown on Page 4 of the Executive Summary. This comparison projects an increase in HUB awards and total dollars spent with HUBs in four of the six categories: Heavy Construction, Building Construction, Professional Services and Commodities.

Additionally, the report includes a list of state agency rankings and agency supplemental letters from various state agencies and universities documenting their continued good faith efforts to educate HUBs and increase their solicitation responses.

A copy of the report is available online at HUB Reporting: <https://comptroller.texas.gov/purchasing/vendor/hub/reporting.php>.

If you have any questions or require additional information, please contact Linda Rogers, manager of the Statewide HUB Program, at 512-936-4115 or linda.rogers@cpa.texas.gov.

Respectfully,

A handwritten signature in black ink, appearing to read "Bobby Pounds", is positioned above the printed name.

Bobby Pounds, Director
Statewide Procurement Division
Texas Comptroller of Public Accounts

EXECUTIVE SUMMARY

The Statewide Historically Underutilized Business (HUB) Program is a program within the Statewide Procurement Division (SPD) of the Texas Comptroller of Public Accounts certifies small businesses that are minority-, woman- and service-disabled veteran-owned (with at least a 20 percent service disability) to increase competitive bid participation, award opportunities and accomplish the statewide established HUB goals.

Texas had **15,762** certified HUBs during the first six months of fiscal 2025, an increase of 324 at this time in fiscal 2024. Collectively, **19 percent** of HUBs participated in state contracts as prime contractors or subcontractors, receiving **11.02 percent** of all statewide expenditures.

State purchasers must search the Centralized Master Bidders List (CMBL) and include HUBs in vendor notifications when buying goods and services with a value of \$10,000 or more. Vendors are contacted directly by mail, email or telephone with invitations for bids. At the end of the first half of fiscal 2024, **21.53 percent** or **3,394** of the state's certified HUBs were registered with the CMBL.

The state's overall spending through term contract purchases during the first half of fiscal 2025 totaled **\$295.8 million**, an increase of \$26.4 million compared to the same period of the previous year. The total percentage of dollars spent with HUBs increased, with HUBs receiving **\$11.3 million** through term contracts.

The state's overall spending through group purchases for the first half of fiscal 2025 totaled **\$274.1 million**, a 17.30 percent increase from the same period in the previous year; the total group-purchasing dollars spent with HUBs decreased by 21.6 percent to **\$54.5 million**.

The state's expenditures for the first six months of the fiscal 2025 totaled **\$18.9 million** an increase of **16.2 percent** compared with fiscal 2024, while the total HUB expenditures increased **10.52 percent**.

This report summarizes current HUB status and spending trends.

TOTAL STATEWIDE EXPENDITURES

The state's total spending in the first six months of fiscal 2025 increased by \$2.7 billion following the previous fiscal year's increase of \$2.8 billion during the same period, while the share of statewide expenditures to HUB increased by 10.52 percent in 2025 following the 2024 year-over-year increase of 13.33 percent. Total expenditures with HUBs increased \$199.1 million year-over-year for the first half of fiscal 2025.

FISCAL YEAR	TOTAL STATEWIDE EXPENDITURES	TOTAL HUB EXPENDITURES	HUB PERCENT
Fiscal 2025 – Semi-Annual	\$18,980,589,669	\$2,091,045,018	11.02%
Fiscal 2024 – Semi-Annual	\$16,335,016,745	\$1,891,957,323	11.58%
Fiscal 2023 – Semi-Annual	\$13,566,750,331	\$1,669,390,593	12.31%

WHO OWNS TEXAS HUBS

ELIGIBLE HUB GROUPS	FISCAL 2025, SEMI-ANNUAL			FISCAL 2024, SEMI-ANNUAL		
	Number of Certified HUBs	Males	Females	Number of Certified HUBs	Males	Females
Asian Pacific American	1,463	909	554	1,410	905	505
Black American	4,667	2,254	2,413	4,600	2,312	2,288
Hispanic American	4,833	3,162	1,671	4,785	3,157	1,628
Native American	244	170	74	247	171	76
Woman*	4,098	0	4,098	4,161	0	4,161
Service-Disabled Veteran**	485	485	0	342	342	0
TOTAL	15,790	6,980	8,810	15,545	6,887	8,658

*The "Woman" category does not include women who are service-disabled veterans or in the Asian Pacific American, Black American, Hispanic American and Native American ethnicities.

**The "Service-Disabled Veteran" category does not include women or individuals who are in the Asian Pacific American, Black American, Hispanic American and Native American ethnicities.

Source: Texas Comptroller of Public Accounts

EXPENDITURES WITH HUB GROUPS

Total expenditures with HUB groups during the first half of fiscal 2025 as compared to the first half of fiscal 2024 increased by 10.52 percent or \$199.1 million. The subcontracting totals increased in four of the six business categories, resulting in a subcontracting expenditure increase of \$285.5 million or by 42.70 percent, to total more than \$954.1 million.

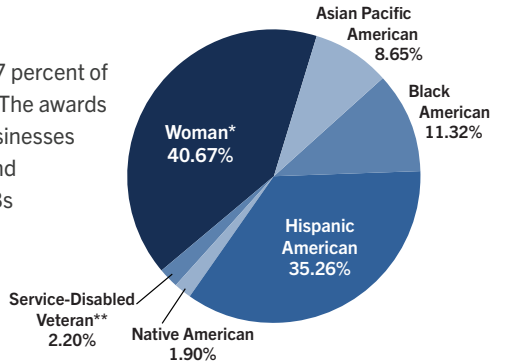
- Building Construction increased 54.06 percent.
- Professional Services increased 11.46 percent.
- Heavy Construction increased by 3.85 percent.
- Special Trade decreased by 4.93 percent.
- Other Services increased by 15.34 percent.
- Commodities decreased by 14.43 percent.

There was a small decrease in the number of awards to woman-owned HUBs; however, this group still had an increase of 9.80 percent in total expenditures. Hispanic-owned HUBs received the largest share of expenditures with HUBs.

ELIGIBLE HUB GROUPS	FISCAL 2025, SEMI-ANNUAL		FISCAL 2024, SEMI-ANNUAL	
	Number of Awards	Total HUB Expenditure	Number of Awards	Total HUB Expenditure
Asian Pacific American	259	\$318,739,287	247	\$254,056,030
Black American	339	\$218,841,575	344	\$197,948,249
Hispanic American	1,056	\$747,795,942	1,013	\$722,040,568
Native American	57	\$49,565,769	54	\$37,188,115
Woman*	1,218	\$733,562,364	1,246	\$668,060,924
Service-Disabled Veteran**	66	\$22,540,077	63	\$12,663,439
TOTAL	2,995	\$2,091,045,018	2,967	\$1,891,957,324

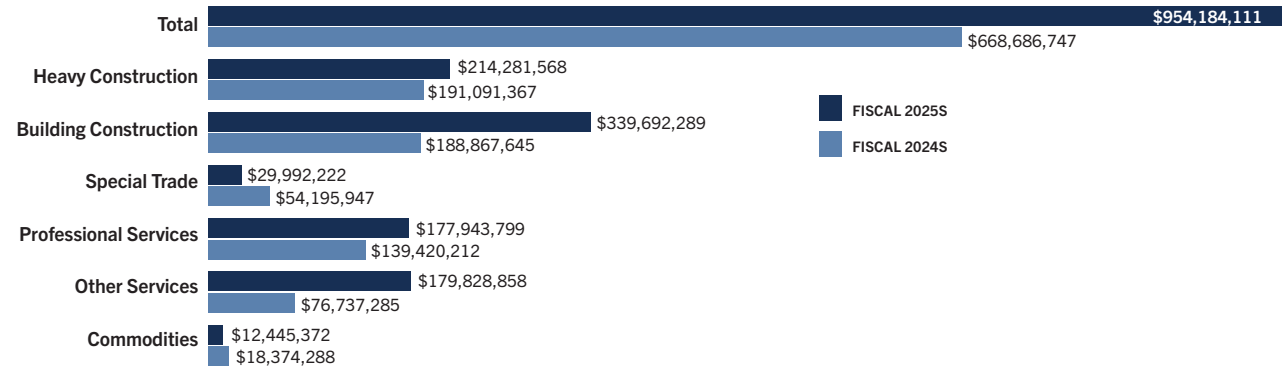
WHO RECEIVES HUB AWARDS?

For the first six months of fiscal 2025, Anglo-American women-owned businesses received 40.67 percent of the state HUB awards. Hispanic American-owned businesses came in second at 35.26 percent. The awards to Asian American-owned businesses comprised 8.65 percent, while Black American-owned businesses received 11.32 percent; Native American-owned businesses received 1.90 percent of awards, and Service-disabled Veteran-owned businesses received 2.20 percent. Total dollars spent with HUBs increased by 10.52 percent or \$199.1 million compared to the first six months in fiscal 2024.



SUBCONTRACTING

The following chart compares subcontracting spending with HUBs for the first six months of fiscal 2025 and fiscal 2024. See chart for subcontracting numbers:



Note: The number of awards reflected in the table above are those made to vendor ID numbers eligible for HUB credit. Similarly, the percentages reflected in the pie chart above are based on the number of vendor ID numbers eligible for HUB credit.
*The "Woman" category does not include women who are service-disabled veterans or in the Asian Pacific American, Black American, Hispanic American and Native American ethnicities.
**The "Service-Disabled Veteran" category does not include women or individuals who are in the Asian Pacific American, Black American, Hispanic American and Native American ethnicities.
Source: Texas Comptroller of Public Accounts

BUSINESS CATEGORIES

State spending with HUBs increased by \$267.1 million in four categories during the first half of fiscal 2025: Heavy Construction, Building Construction, Professional Services and Commodities.

Fiscal 2025 – Semi-Annual***

CATEGORY	HUB GOALS*	TOTAL EXPENDITURES	TOTAL HUB EXPENDITURES	HUB PERCENT
Heavy Construction	11.20%	\$6,206,657,645	\$276,354,865	4.45%
Building Construction	21.10%	\$2,467,142,895	\$423,986,604	17.19%
Special Trade	32.90%	\$628,840,770	\$159,984,872	25.44%
Professional Services	23.70%	\$1,194,768,154	\$282,418,443	23.64%
Other Services	26.00%	\$4,037,695,348	\$594,323,245	14.72%
Commodities	21.10%	\$4,445,484,855	\$353,976,985	7.96%
TOTAL**		\$18,980,589,669	\$2,091,045,018	11.02%

Fiscal 2025 Semi-Annual Statewide HUB Subcontracting Expenditures: \$954,184,111

Fiscal 2024 – Semi-Annual***

CATEGORY	HUB GOALS*	TOTAL EXPENDITURES	TOTAL HUB EXPENDITURES	HUB PERCENT
Heavy Construction	11.20%	\$4,800,700,471	\$266,121,065	5.54%
Building Construction	21.10%	\$1,456,725,366	\$275,202,031	18.89%
Special Trade	32.90%	\$677,139,937	\$168,285,950	24.85%
Professional Services	23.70%	\$992,164,369	\$253,375,408	25.54%
Other Services	26.00%	\$4,312,747,331	\$515,300,048	11.95%
Commodities	21.10%	\$4,095,539,268	\$413,672,819	10.10%
TOTAL**		\$16,335,016,745	\$1,891,957,323	11.58%

Fiscal 2024 Semi-Annual Statewide HUB Subcontracting Expenditures: \$668,839,637

Fiscal 2023 Annual – Semi-Annual***

CATEGORY	HUB GOALS*	TOTAL EXPENDITURES	TOTAL HUB EXPENDITURES	HUB PERCENT
Heavy Construction	11.20%	\$3,880,786,716	\$249,608,532	6.43%
Building Construction	21.10%	\$920,021,103	\$148,813,367	16.17%
Special Trade	32.90%	\$495,524,111	\$119,189,814	24.05%
Professional Services	23.70%	\$748,747,208	\$177,824,436	23.75%
Other Services	26.00%	\$3,867,128,746	\$586,145,730	15.16%
Commodities	21.10%	\$3,654,542,444	\$387,808,711	10.61%
TOTAL**		\$13,566,750,331	\$1,669,390,593	12.31%

Fiscal 2023 Semi-Annual Statewide HUB Subcontracting Expenditures: \$464,614,760

Fiscal 2024 – Annual

CATEGORY	HUB GOALS*	TOTAL EXPENDITURES	TOTAL HUB EXPENDITURES	HUB PERCENT
Heavy Construction	11.20%	\$11,013,863,189	\$504,383,334	4.58%
Building Construction	21.10%	\$3,701,168,838	\$728,982,963	19.70%
Special Trade	32.90%	\$1,334,666,777	\$366,244,490	27.44%
Professional Services	23.70%	\$2,146,480,955	\$545,949,923	25.43%
Other Services	26.00%	\$8,301,820,606	\$1,046,992,049	12.61%
Commodities	21.10%	\$9,327,168,858	\$923,589,036	9.90%
TOTAL**		\$35,825,169,225	\$4,116,141,798	11.49%

Fiscal 2024 Annual Statewide HUB Subcontracting Expenditures: \$1,526,906,368

* For HUB reporting purposes, expenditures with all HUBs certified at any time during the current fiscal year are counted toward annual HUB procurement usage goals.

** Slight differences in some totals are due to rounding.

*** Total for first six months of fiscal year.

Source: Texas Comptroller of Public Accounts

SPENDING ON STATEWIDE TERM CONTRACTS

Term contracts are developed to consolidate the needs of multiple agencies and provide a simpler purchasing process for commonly used items, yielding lower prices through higher-volume purchases.

During the first six months of fiscal 2025, \$26.4 million more was spent through term contracts compared to the first half of fiscal 2024. Total state spending with HUBs through term contracts increased by \$7.5 million.

Fiscal 2025 – Semi-Annual***

TERM CONTRACTS	HUB GOALS*	TOTAL EXPENDITURES	TOTAL HUB EXPENDITURES	HUB PERCENT
Heavy Construction	11.20%	\$32,252	\$0	0.00%
Building Construction	21.10%	\$1,580,257	\$893,806	56.56%
Special Trade	32.90%	\$437,284	\$0	0.00%
Professional Services	23.70%	\$1,004,445	\$16,800	1.67%
Other Services	26.00%	\$15,804,431	\$124,242	0.79%
Commodities	21.10%	\$276,921,216	\$10,273,111	3.71%
TOTAL**		\$295,779,885	\$11,307,959	3.82%

Fiscal 2024 – Semi-Annual***

TERM CONTRACTS	HUB GOALS*	TOTAL EXPENDITURES	TOTAL HUB EXPENDITURES	HUB PERCENT
Heavy Construction	11.20%	\$0	\$0	0.00%
Building Construction	21.10%	\$6,235,591	\$233,166	3.74%
Special Trade	32.90%	\$547,531	\$11,552	2.11%
Professional Services	23.70%	\$740,514	\$0	0.00%
Other Services	26.00%	\$18,069,853	\$688,453	3.81%
Commodities	21.10%	\$243,798,655	\$2,898,450	1.19%
TOTAL**		\$269,392,144	\$3,831,621	1.42%

Fiscal 2023 – Semi-Annual***

TERM CONTRACTS	HUB GOALS*	TOTAL EXPENDITURES	TOTAL HUB EXPENDITURES	HUB PERCENT
Heavy Construction	11.20%	\$116,504	\$0	0.00%
Building Construction	21.10%	\$2,201,104	\$116,857	5.31%
Special Trade	32.90%	\$133,546	\$0	0.00%
Professional Services	23.70%	\$907,125	\$0	0.00%
Other Services	26.00%	\$14,286,472	\$202,638	1.42%
Commodities	21.10%	\$201,173,983	\$2,904,624	1.44%
TOTAL**		\$218,818,734	\$3,224,119	1.47%

Fiscal 2024 – Annual

TERM CONTRACTS	HUB GOALS*	TOTAL EXPENDITURES	TOTAL HUB EXPENDITURES	HUB PERCENT
Heavy Construction	11.20%	\$1,975	\$0	0.00%
Building Construction	21.10%	\$10,152,540	\$136,140	1.34%
Special Trade	32.90%	\$1,363,874	\$0	0.00%
Professional Services	23.70%	\$1,833,122	\$0	0.00%
Other Services	26.00%	\$30,082,138	\$1,522,800	5.06%
Commodities	21.10%	\$493,159,006	\$5,441,110	1.10%
TOTAL**		\$536,592,655	\$7,100,050	1.32%

* For HUB reporting purposes, expenditures with all HUBs certified at any time during the current fiscal year are counted toward annual HUB procurement usage goals.

** Slight differences in some totals are due to rounding.

*** Total for first six months of fiscal year.

Source: Texas Comptroller of Public Accounts

SPENDING ON STATEWIDE GROUP PURCHASING

Group purchasing allows institutions of higher education to coordinate their purchases and maximize their purchasing power.

During the first half of fiscal 2025, statewide group purchases increased by approximately \$40.5 million compared to the first half of fiscal 2024. Total state expenditures with HUBs in group purchasing decreased by 21.60 percent to \$54.5 million.

Fiscal 2025 – Semi-Annual***

GROUP PURCHASING	HUB GOALS*	TOTAL EXPENDITURES	TOTAL HUB EXPENDITURES	HUB PERCENT
Heavy Construction	11.20%	\$78,240	\$78,240	100.00%
Building Construction	21.10%	\$14,559,339	\$6,425,736	44.13%
Special Trade	32.90%	\$12,174,815	\$4,681,405	38.45%
Professional Services	23.70%	\$5,272,554	\$660	0.01%
Other Services	26.00%	\$57,685,563	\$9,548,011	16.55%
Commodities	21.10%	\$184,410,181	\$33,748,025	18.30%
TOTAL**		\$274,180,692	\$54,482,077	19.87%

Fiscal 2024 – Semi-Annual***

GROUP PURCHASING	HUB GOALS*	TOTAL EXPENDITURES	TOTAL HUB EXPENDITURES	HUB PERCENT
Heavy Construction	11.20%	\$0	\$0	0.00%
Building Construction	21.10%	\$4,911,919	\$1,410,708	28.72%
Special Trade	32.90%	\$14,088,564	\$4,585,649	32.55%
Professional Services	23.70%	\$1,558,120	\$141	0.01%
Other Services	26.00%	\$56,560,833	\$14,093,911	24.92%
Commodities	21.10%	\$156,618,804	\$49,399,653	31.54%
TOTAL**		\$233,738,240	\$69,490,062	29.73%

Fiscal 2023 – Semi-Annual

GROUP PURCHASING	HUB GOALS*	TOTAL EXPENDITURES	TOTAL HUB EXPENDITURES	HUB PERCENT
Heavy Construction	11.20%	\$0	\$0	0.00%
Building Construction	21.10%	\$596,562	\$532,531	89.27%
Special Trade	32.90%	\$7,780,123	\$1,930,885	24.82%
Professional Services	23.70%	\$420,099	\$83	0.02%
Other Services	26.00%	\$21,585,650	\$4,706,259	21.80%
Commodities	21.10%	\$89,804,227	\$34,244,597	38.13%
TOTAL**		\$120,186,661	\$41,414,355	34.46%

Fiscal 2024 – Annual

GROUP PURCHASING	HUB GOALS*	TOTAL EXPENDITURES	TOTAL HUB EXPENDITURES	HUB PERCENT
Heavy Construction	11.20%	\$53,641	\$53,641	100.00%
Building Construction	21.10%	\$19,767,725	\$8,869,223	44.87%
Special Trade	32.90%	\$34,605,668	\$14,930,774	43.15%
Professional Services	23.70%	\$1,744,463	\$23,335	1.34%
Other Services	26.00%	\$96,714,206	\$25,857,255	26.74%
Commodities	21.10%	\$342,879,331	\$100,969,707	29.45%
TOTAL**		\$495,765,034	\$150,703,935	30.40%

* For HUB reporting purposes, expenditures with all HUBs certified at any time during the current fiscal year are counted toward annual HUB procurement usage goals.

** Slight differences in some totals are due to rounding.

***Total for first six months of fiscal year.

Source: Texas Comptroller of Public Accounts

State agencies and higher education institutions are responsible for the accuracy of their self-reported data and are required to confirm they have reported correct information to the Comptroller's Statewide Procurement Division before the division finalizes the state's semi-annual and annual HUB reports.