



Supplemental Letter FY 2025 Semi Annual HUB Report Agency 458

The Texas Alcoholic Beverage Commission (TABC) is committed to implementing the State of Texas' Historically Underutilized Businesses (HUB) Program, codified in Government Code, using the framework for Texas procurement law promulgated by the State of Texas Procurement and Contract Management Guide. This commitment includes training TABC divisions about the state's HUB program. In that regard, TABC's HUB program researches available HUB companies, endeavors to connect with HUB participants, and generates an annual plan for HUB event attendance.

Unfortunately, during the first half of FY25, the agency did not meet the Commodities expenditure goal of 21.10%. Despite the underperformance, TABC saw success in issuing procurement awards to set-aside programs (WorkQuest and TCI), Statewide Procurement Division term contracts, and Department of Information Resources (DIR) contracts; the agency looks to continue upon and expand that success. The Special Trade goal of 32.90% was not met, as all awards were made to non-HUB vendors, because no HUB suppliers were available. Regarding Heavy or Building Construction, TABC had no activity under that category.

Notably, the agency's Other Services HUB achievement continues to demonstrate the effects of losing a HUB vendor following its Assignment and Assumption of the company. Once the process of incorporation was complete, the new vendor did not meet the requirements of residency to re-certify as a HUB. TABC will assist the new vendor, where possible, to re-qualify as a HUB or to explore subcontracting opportunities, with HUB suppliers.

In addition, to demonstrate good faith effort to comply with state law, TABC is committed to outreach efforts, which include but are not limited to the following:

- TABC continues to participate in the HUB Discussion Work Group which remains a key component to the success of the HUB program. This workgroup partners with DIR and the Comptroller of Public Accounts' Statewide HUB Program to produce the HUB peer work group.
- TABC will continue to strategize networking opportunities and participation in the HUB Mentor/Protégé program.

TABC will endeavor to foster collaborative and innovative approaches to meet or exceed state goals. This letter serves to recognize the ongoing efforts TABC is implementing to increase participation in the HUB program, in alignment with the state's public policy. TABC submits this supplemental letter to provide additional information and background related to its HUB program's Semi Annual HUB report for FY 2025. Please address inquiries to TABC's HUB coordinator by email to purchasing@tabc.texas.gov or by phone at (512) 206-3225.

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