

**TEXAS DEPARTMENT OF  
TRANSPORTATION 2025-2026  
EDUCATIONAL SERIES**

**DISADVANTAGED,  
SMALL, AND  
HISTORICALLY  
UNDERUTILIZED  
BUSINESSES**

- Disadvantaged Business Enterprise Program
- Small Business Enterprise Program
- Historically Underutilized Business Program



**Texas Department of Transportation (TxDOT):** Public website offering information and resources for drivers, businesses, government officials, and anyone interested in learning about TxDOT.



**TxDOT 2025-2026 Educational Series:** Focuses on key transportation issues affecting TxDOT and Texas.





## OVERVIEW

To ensure compliance with federal and state laws, regulations, and programs related to equal opportunity and non-discrimination, the Texas Department of Transportation (TxDOT) oversees the Disadvantaged Business Enterprise (DBE), Small Business Enterprise (SBE), and Historically Underutilized Business (HUB) programs. TxDOT works in coordination with the Departmental Office of Civil Rights at the Federal Highway Administration, Federal Aviation Administration, and the Federal Transit Administration.

### DISADVANTAGED BUSINESS ENTERPRISE PROGRAM

The Disadvantaged Business Enterprise Program is a United States Department of Transportation program that applies to federally assisted contracts issued by TxDOT. The Disadvantaged Enterprise Program promotes subcontract opportunities for small, minority-owned, and women-owned businesses are made available on highway, aviation, and transit projects.

A Disadvantaged Business Enterprise is a for-profit, small business that is at least 51 percent owned by one or more

socially and economically disadvantaged individuals who manage and control daily business operations. A socially and economically disadvantaged individual may be a citizen or lawfully admitted permanent resident of the United States who has been subjected to racial or ethnic prejudice, or cultural bias based on their identity as a member of a group and without regard to their individual qualities. Certain groups are presumed to be socially and economically disadvantaged, including Asian Americans, African Americans, Hispanic Americans, Native Americans, and women.

TxDOT mostly expends federal funds in the Heavy Highway Construction and Professional Services procurement categories. TxDOT sets a triennial goal for Disadvantaged Business Enterprise participation in federally funded contracts and establishes project goals for individual contracts. Only work performed by a certified Disadvantaged Business Enterprise may satisfy these goals. Contractors must make a good faith effort to solicit and subcontract with Disadvantaged Business Enterprises to meet or exceed assigned contract goals.



### Historically Underutilized Business Reporting

<https://comptroller.texas.gov/purchasing/vendor/hub/reporting.php/>



### SMALL BUSINESS ENTERPRISE PROGRAM

The Small Business Enterprise Program at TxDOT offers small businesses another avenue to maximize their opportunities of doing business with TxDOT. The program applies to highway construction and maintenance projects funded entirely by state or local funds. Businesses interested in pursuing an Small Business Enterprise certification must meet Small Business Administration size standards.

### HISTORICALLY UNDERUTILIZED BUSINESS PROGRAM

The Historically Underutilized Business Program, is a state program administered by the Texas Comptroller of Public Accounts (Comptroller), that applies to all TxDOT contracts funded entirely with state and local funds, except for projects in Heavy Highway Construction. The Historically Underutilized Business Program promotes full and equal procurement opportunities for small, minority, women, and Service-Disabled Veteran-owned businesses in state contracting. Historically Underutilized Business utilization is submitted to the Comptroller and published in the Comptroller's official Historically Underutilized Business Report.

To qualify as a Historically Underutilized Business, a business must be a for-profit entity that has not exceeded the Small Business Administration's size standards and have its principal place of business in Texas. The business must be at least 51 percent owned by an Asian Pacific

American, African American, Hispanic American, Native American, American woman, or Service-Disabled Veteran who is at least 20 percent service-disabled. The business owner must reside in Texas and actively participate in the control, operations, and management of the business affairs. TxDOT makes a good faith effort to use Historically Underutilized Businesses in all contracting opportunities, either directly as a prime contractor or indirectly as a subcontractor, to meet or exceed its annual Historically Underutilized Business goals.

## OUTREACH AND ENGAGEMENT EFFORTS

TxDOT undertakes a range of outreach and engagement efforts to recruit and assist Disadvantaged Business Enterprises, Small Business Enterprises, and Historically Underutilized Business contractors and consultants with the goal of increasing the pool of available contractors and increasing their overall capacity. These efforts include:

- **Supportive Services** – TxDOT created a Business and Community Engagement Section to provide meaningful, statewide support for all small businesses. The section is responsible for one-on-one engagement of prospective and certified Disadvantaged Business Enterprises, Historically Underutilized Business and Small Business Enterprises to assist all interested businesses in achieving their “next steps” in professional development. TxDOT provides individualized services in a broad range of specializations, including navigating business opportunities, understanding flow-down requirements, prompt payment, compliance training, and more.
- **Network Development** – TxDOT regularly partners with the Associated General Contractors of Texas and other industry representatives, TxDOT Districts, and local entities to participate in a variety of network development opportunities where Disadvantaged Business Enterprises and Historically Underutilized Business contractors and consultants can meet with industry representatives and TxDOT staff to obtain project and bidding information.





- **Mentor-Protégé** – TxDOT created a Disadvantaged Business Enterprise mentor-protégé program in its Professional Engineering Procurement Services Division to increase the participation of emerging Disadvantaged Business Enterprise firms in the procurement of professional services contracts.
- **Informational Meetings** – TxDOT created a “Doing Business with TxDOT” series, bringing together compliance, certification, business development, and district leaderships with local small businesses and prime contractors to network and identify relevant opportunities in heavy highway, professional services, facilities, and procurement contracts.
- **Customized Regional Support** – TxDOT coordinates with district and division staff to provide customized support for region-specific initiatives. Coordinated with district leadership to identify entry-level opportunities with low-competition, TxDOT engages local community-based organizations and small businesses with relevant experience to develop capacity in specialties where TxDOT needs them most.
- **Online Support** – TxDOT is a leader in providing online bidder and proposer support. Pre-Bid Q&A, Measure Twice calculators, bid item averages that show the historical cost of bid items for the past 24 months, construction production rates, training, access to conference materials, precertification and prequalification support, and more. TxDOT also provides a list of all no-bid and low-bid contracts as a resource for small businesses to identify future contracts with less competition.
- **Conference Participation** – TxDOT covers conference registration costs for Disadvantaged Business Enterprise and Historically Underutilized Business contractors and consultants. Conference attendance provides the opportunity for contractors and consultants to interact with TxDOT and other industry leaders in meaningful discussions that are critical for business development and networking opportunities.
- **Workforce Development** – TxDOT works with contractors to provide a variety of workforce development efforts. This includes the Texas Construction Career Academy, an On-The-Job Training supportive services program that provides talent development and training to increase the hiring and retention of women, minorities and disadvantaged individuals in the highway construction industry.

## MOVING FORWARD

TxDOT will continue to carry out state and federal laws and program that facilitates purchasing and contracting opportunities for Disadvantaged Business Enterprises, Historically Underutilized Businesses, and Small Business Enterprises. TxDOT aims to strengthen small businesses in Texas by enabling economic opportunity through its outreach and training efforts and collaboration with partners and stakeholders across Texas.



## MISSION

Connecting you with Texas.

## VISION

A forward thinking leader delivering mobility, enabling economic opportunity, and enhancing quality of life for all Texans.



## VALUES

### People

People are the Department's most important customer, asset, and resource. The well-being, safety, and quality of life for Texans and the traveling public are of the utmost concern to the Department. We focus on relationship building, customer service, and partnerships.

### Accountability

We accept responsibility for our actions and promote open communication and transparency at all times.

### Trust

We strive to earn and maintain confidence through reliable and ethical decision-making.

### Honesty

We conduct ourselves with the highest degree of integrity, respect, and truthfulness.



## PRIORITIES

### Safety

Design, build, operate, and maintain our transportation system with safety as our #1 priority.

### Delivery

Responsible program execution throughout the transportation life cycle (planning, design, construction, maintenance, and operations).

### Innovation

Forward-thinking, technology-focused, fostering a culture of continuous improvement.

### Stewardship

Professional, responsible stewards of resources.

