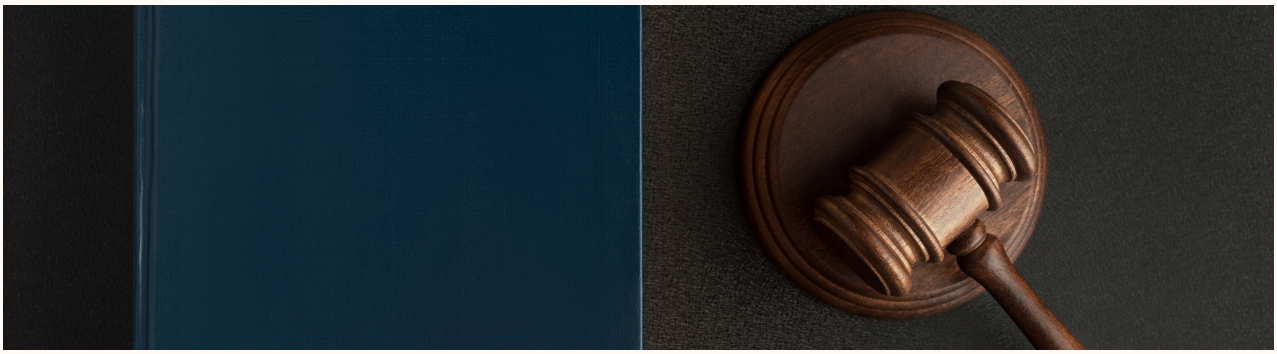
THE ADELANTE BRIEF

JUNE 2026

GLOBE EXPRESS TRUCKING INC., ET AL. V. KELLY HANCOCK, ET AL.

On April 13th, 2026, the 126th Judicial District Court in Travis County ordered that the state's Historically Underutilized Business Program rules be temporarily reinstated until a final decision is made regarding the Comptroller's emergency rules at a full jury trial later this November. This allows woman and minority -owned businesses to qualify for the program for now after having been removed from qualifying for the program late last year.



History:
Late in 2025, the state agency implemented emergency rules that removed women and minority-owned business from qualifying for the Historically Underutilized Business program (HUB). The HUB program was an initiative designed to promote full and equal state procurement and contracting opportunities for small businesses owned by Black individuals and other people of color, women, and service-disabled veterans. This program was signed into legislation under the Bush administration in 1999 in Texas.

The Republican party sought to change the qualifications through legislature and reform the HUB program but the bills were unsuccessful in both chambers. The Comptroller announced it would not be issuing new certifications while the program is under review, and then implemented emergency rules to remove women and minority-owned businesses from qualifying for the HUB certification leaving only service-disabled veteran business owners as eligible for the program. The Comptroller cited the 2023 Supreme Court decision that ended Affirmative Action in college admissions as well a 2025 Texas executive order that banned DEI policies in Texas agencies.

The Impact:
After the emergency rules were implemented that shrank the program from over 15,000 participants to less than 500. That's roughly 97% of the businesses that were certified under the HUB program.

The Lawsuit:
Four businesses, later joined by two more after the lawsuit was filed, sued the state executive agency alleging that the state agency does not have the power to change the programs requirements and that any changes can only be made through the Texas Legislature as these requirements are in statute and would require legislative action, not executive action to remove.

The General Question:
Does the state agency have the power to change qualifications for the program or does that power remain with the legislature?

Takeaway:
This is case that could potentially impact thousands of women and minority-owned business from qualifying for a program that levels the playing field for state contracts. There are certainly things to consider. Are we in the same climate in 2026 that we were in 1999 when the program was created? I could see an argument either way. What makes women and minority owned business different than disabled veterans who are primarily men? Does the Supreme Court case have bearing on business related programs designed to help minority and women business orders? I will definitely be back to give an update on what the Court says on this issue after the November trial.

This document is not intended to, and should not be understood to, provide legal advice.