



# **Statement from OBO Director Cylenthia Hoyrd on Houston’s Continued Commitment to Small Business Equity**

**For Immediate Release: October 31, 2025**

HOUSTON – The Office of Business Opportunity (OBO) is aware of the recent developments affecting small business programs at both the federal and state levels. The purpose of this statement is to update our stakeholders on how these changes affect the City of Houston's initiatives and to reaffirm our unwavering commitment to supporting all Houston small business owners.

## **UPDATE ON MWSBE CERTIFICATION PAUSE**

As announced on September 26, 2025, the City of Houston temporarily paused the acceptance of new applications for our Minority Business Enterprise (MBE), Women Business Enterprise (WBE), and Small Business Enterprise (SBE) certifications. This pause is in effect until December 1, 2025, and does not affect existing certifications. We undertook this action to perform important system upgrades that will enhance efficiency, improve accountability, and streamline turnaround times for our local certification processes. The improvements will allow us to better serve the small business community in the future.

## **RESPONSE TO THE USDOT IFR**

On October 3, 2025, the U.S. Department of Transportation (USDOT) published an Interim Final Rule (IFR) that immediately changed the federal Disadvantaged Business Enterprise (DBE) and Airport Concession Disadvantaged Business Enterprise (ACDBE) programs. This IFR removes the race- and sex-based presumptions of disadvantage and requires all firms to demonstrate individualized social and economic disadvantage.

The City of Houston is fully reviewing this new rule and its impact on our federal contracting efforts. We have paused the acceptance of new DBE/ACDBE applications and recertifications to ensure we are in compliance. We are committed to working closely with our federal partners to navigate these changes and will provide timely updates to our certified firms regarding the new reevaluation and certification process.



## **CLARIFICATION ON THE TEXAS HUB PROGRAM**

On October 28, 2025, the Texas Comptroller of Public Accounts announced the suspension of new and renewed Historically Underutilized Business (HUB) certifications for state procurement. The Comptroller's office has cited the need to ensure compliance with recent legal and executive order directives regarding race- and sex-based preferences.

It is important to emphasize that this state-level change does not directly impact the City of Houston's local MWSBE program for municipal contracting. While the HUB pause affects businesses seeking state contracts, the City's local certification program, and related municipal procurement opportunities, are separate. However, we are proactively assessing the statewide landscape and the potential long-term effects of these decisions.

## **COMMITMENT TO ACCESS AND INCLUSION**

The OBO is aware that these programmatic changes and legal challenges at the state and federal levels can cause uncertainty. We want to be clear: the City of Houston remains steadfast in its commitment to fostering an inclusive and equitable business environment.

- We believe in opportunities for all. The City will continue to champion access and inclusion for all small business owners, ensuring every firm has a fair shot at competing for municipal contracts.
- We will provide support and resources. We are expanding our efforts to assist all small businesses, regardless of certification status, through capacity-building, education, and mentorship.
- We will stay connected. OBO will host a series of workshops and listening sessions to keep our business community informed of the evolving legal landscape and our path forward.

I encourage all our stakeholders to remain engaged and visit the OBO website for the latest updates. The Office of Business Opportunity is here to serve you, and we will continue our vital work of strengthening Houston's small business ecosystem for the benefit of all.

**Contact: Brandon Jones, [Brandon.Jones2@houstontx.gov](mailto:Brandon.Jones2@houstontx.gov) or 832-627-3875**