Texas Lottery Commission Press Release - January 25, 2002

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Texas Lottery Commission Increases Minority Business Spending By \$6 Million

(Austin, January 25) - - The Texas Lottery Commission paid more than \$16.5 million in contracts and subcontracts to minority-owned businesses in Fiscal Year 2001, according to the agency's annual *Minority Business Participation Report* released today. The Commission increased its direct spending to minority-owned businesses from \$3,644,008 in FY 2000 to \$8,450,945 in FY 2001, and its subcontracting activity from \$6,887,894 to \$8,069,852 for the same period. The total expenditures represent a \$6 million increase.

Texas Lottery Commission Chairman C. Tom Clowe, Jr., said the increase reflects the results of a concerted effort to include more minority-owned businesses in lottery and charitable bingo purchases.

"This agency is committed to the inclusion of minority-owned businesses, including HUBs, in all its transactions," said Clowe. "Our Minority Development Services Division made an aggressive effort that brought minority-owned businesses to the table, and let our primary vendors know that we are counting on their good faith efforts to involve minority-owned businesses in their subcontracts."

Clowe also noted that the agency's efforts resulted in an increase in the number of minority-owned businesses that sell lottery products.

"We now have 5,330 minority-owned businesses licensed as lottery retailers, more than ever before," said Clowe. "Minority-owned retailer locations represent 31.79 percent of the Commission's total retailer base, far exceeding our statutory goal of 20 percent." Texas Lottery Commission Minority Development Services Director Robert Hall said he's pleased with what's been accomplished in his first full year with the agency. He attributes the Commission's accomplishments to a number of innovative initiatives, such as inviting minority-owned businesses to forums for all procurements over \$100,000, and implementing a "New Primary Vendor Orientation Program" that provides information on current HUB and minority participation legislation, policies and procedures, reporting requirements and contractual obligations.

"We're proud of what we've done, but we intend to build on this effort and continue to increase our overall utilization of minority-owned businesses and HUBs in the years ahead," said Clowe. "It's important that the economic development opportunities provided by the Lottery extend to minority-owned businesses and their communities."

The <u>2001 Minority Business Participation Report</u> is available in its entirety on the Texas Lottery Commission website at <u>www.txlottery.org.</u>

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The Texas Lottery, the 4th largest selling lottery in North America, is "Focusing on the Future of Education, One Ticket At A Time." By providing the 'Games of Texas' for more than 10 years, the Texas Lottery Commission (TLC) has generated more than \$10 billion for the state and paid nearly \$17 billion to players in prizes. For more information about the TLC, please visit the official website at http://www.txlottery.org