

BUSINESS AND ECONOMIC DEVELOPMENT

Resolution BED-17-12

A RESOLUTION ENCOURAGING ECONOMIC FAIRNESS AND ACCESS FOR SMALL BUSINESSES

WHEREAS, the Small Business Administration has reported that there are 28.2 Million small businesses operating in the U.S., approximately 99.7 percent of all U.S. businesses;

WHEREAS, minorities own 15.1 percent of all U.S. businesses and more than 1/3 of the minority owned small businesses in America are owned by members of the Hispanic community and African-American ownership makes up only 28.1 percent of minority small businesses in the U.S.;

WHEREAS, U.S. Census Bureau studies, as recently as 2012, have shown that African-American small business ownership at 2.6 million firms and has risen as much as 35 percent from similar studies in 2007;

WHEREAS, small business owners have significant burdens to start, manage, and grow their businesses including administrative burdens around managing employees and regulations and access to capital;

WHEREAS, the Small Business Administration has invested in partnerships and programs to provide resources to all communities, like Startup-in-a-Day and the Small Business Technology coalition;

WHEREAS, technology platforms are making it easier to provide benefits, access health insurance, advertise, and track customer engagements;

WHEREAS, access to capital investment is seen as a significant roadblock to new African-American entrepreneurs creating small businesses and that less than 50 percent of requested funding dollars are provided to any small business regardless of color;

WHEREAS, according to recent studies by the Corporation for Enterprise Development and the Institute for Policy Studies it will take 228 years for African-Americans to accumulate the same wealth as White Americans have now if current policies stay in place;

WHEREAS, studies found that over the past 30 years, the average wealth of white families has grown by 84 percent; three times the growth rate for African-Americans and 1.2 times the growth rate for Hispanics;

WHEREAS, contracts through local and state governments comprise a significant opportunity for capital

BUSINESS AND ECONOMIC DEVELOPMENT

Resolution BED-17-12

investment through guaranteed contracts and in most cases, have small carve outs for local or minority owned businesses;

WHEREAS, the National Black Caucus of State Legislators (NBCSL) seeks to increase the number of African-American small businesses and bridge the wealth divide through common sense policies at the local, state, and federal level;

WHEREAS, NBCSL seeks to provide entrepreneurs with the local, state, and federal resources and toolkits needed to be successful;

WHEREAS, NBCSL seeks to support policies that will create new capital investment opportunities to small businesses in the minority community as well as identifying increased public contract carve outs for local and minority businesses.

THEREFORE BE IT RESOLVED, that the National Black Caucus of State Legislators (NBCSL) support local, state, and federal programs that make the process of opening and managing a small business easier such as Start Up in a Day programs, mentoring programs, and local Small Business Development Centers;

BE IT FURTHER RESOLVED, that NBCSL members seek funding for and encourage programs that foster relationships with government led toolkits such as the Small Business Technology Coalition;

BE IT FURTHER RESOLVED, that NBCSL members encourage partnerships with free technology solutions dedicated to making entrepreneurship easier;

BE IT FURTHER RESOLVED, that NBCSL members call on the next administration to continue programs like the SBA's Small Business Technology Coalition and invest in programs that will make African-American small businesses more competitive;

BE IT FURTHER RESOLVED that NBCSL members should call on the White House and members of Congress to identify policies that perpetuate a wealth divide through a government-wide audit of policies and procedures and to resolve tax policies to help families of color build wealth;

BE IT FURTHER RESOLVED, that NBCSL members call on Congress and the Administration to develop more competitive and available investment models that will provide universal access to capital and work with state and local governments to increase procurement opportunities to Minority and Women owned businesses; and

BUSINESS AND ECONOMIC DEVELOPMENT

Resolution BED-17-12

BE IT FINALLY RESOLVED, that a copy of this resolution be transmitted to the President of the United States, the Vice President of the United States, members of the United States House of Representatives and the United State Senate, and other federal, state and local government officials as appropriate.

SPONSOR: Representative Karla May (MO)

Committee of Jurisdiction: Business and Economic Development Policy Committee

Certified by Committee Chair: Senator Jeffery Hayden (MN)

Ratified in Plenary Session: Ratification Date is December 3, 2016

Ratification is certified by: Senator Catherine Pugh (MD), President