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## SB 779 Commission on Minority– and Women–Owned Small Business Participation in State Procurement

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### **Support**

Good afternoon Mr. Chair and Honorable Members of Education, Health, and Environmental Affairs Committee. For the record, I am Aisha Braveboy, State's Attorney for Prince George's County. I am testifying in support of SB779 Commission on Minority- and Women-Owned Small Business Participation in This bill establishes the Commission on Minority- and State Procurement. Women-Owned Small Business Participation in State Procurement. The commission must: (1) study current State practices concerning small, minority, and women business participation in State procurement; (2) review State practices that have helped improve outcomes for minority- and women-owned small businesses; (3) determine whether any statutory or regulatory provisions or State practices prevent minority- and women-owned small businesses from effectively competing for State contracts; (4) review the best practices of the federal government and other states to improve outcomes for minority- and women-owned small businesses; and (5) make recommendations regarding best practices for engaging and improving outcomes for minority- and women-owned businesses.

Studies have shown the number of U.S. women-owned businesses (WOB) is increasing dramatically, however, WOB are having difficulty competing for corporate and government contracts and earning less than 1% of the money spent by the organizations, according to Elizabeth Vazquez, CEO and co-founder of <u>WEConnect International</u>, who helped create the corporate-led global nonprofit to educate and connect WOB with qualified buyers dedicated to diversifying their supply chains.

Companies are realizing that adding more WOB suppliers is not just a feel-good program. Increasing their diversity efforts makes business sense. When businesses mirror a company's customer base, it helps anticipate market needs and innovations for a competitive advantage.

Increasing diversity can be good for business financially. Jenny Grieser *Senior Director, Women's Economic Empowerment at Walmart,* said she tracked performance indicators for WOB compared to the rest of business, and found that WOB were more productive. "The bottom line is that it was good for business," she said. WOB helped lift productivity in departments overall.

Costs can also be lowered for products and services. "Experience has shown that when bidding is opened up to viable diverse suppliers, costs are often reduced," said Vazquez.

But while women's achievements in small business are worth cheering for, there's still progress to be made. Woman-owned businesses received just <u>five percent of federal contracts</u> in 2018, and it took 22 years to reach that modest goal. That is why this Commission is extremely vital and I urge your favorable report on SB779 Commission on Minority— and Women—Owned Small Business Participation in State Procurement.