

TESTIMONY IN FAVOR OF SENATE BILL 977

Before the Senate Finance Committee

By Rev. Kobi Little, NAACP Maryland State Conference

March 4, 2020

Madam Chair and members of the Committee, thank you for the opportunity to testify in favor of SB 977 which would build on the Small Business Health Options Program created by the Affordable Care Act. Though the Affordable Care Act has reduced disparities in access to health coverage for African Americans in Maryland, disparities in coverage rates persist. Providing better opportunities for small businesses to provide health coverage could help close this gap. Small businesses are more likely than large businesses to be owned by minorities, and Maryland has the highest rate per-capita of minority owned businesses in the nation, with top communities including Capitol Heights, Beltsville, Brentwood, Gambrills, and Bowie.¹ Unfortunately, minority-owned businesses receive smaller loan amounts, higher interest rates, and shorter pay-back durations.² Due to increased financing challenges, additional assistance for offering health coverage could be particularly beneficial for businesses owned by African Americans. In addition, small business owners need to be able to learn about the opportunities to offer health coverage to their employees, and increased funding for outreach would be helpful. Please give a favorable report to Senate Bill 977.

¹ Mirabella, L. The Baltimore Sun. "Maryland ranks No. 1 in U.S. for Minority and women businesses ownership, study finds." April 18, 2018. <https://www.baltimoresun.com/business/bs-bz-minority-owned-business-maryland-20180418-story.html>

² Benetrends Financial. "American Minority Business Ownership: A Look at the Stats." March 18, 2019. <https://content.benetrends.com/blog/american-minority-business-ownership-a-look-at-the-stats>