

BILL: House Bill 0567

SPONSOR: Delegate Darryl Barnes

HEARING DATE: February 22, 2022

The Prince George's County Economic Development Corporation (EDC) sees **House Bill 0567**, legislation that calls for an appropriation of \$420,000 to the Department of Commerce to be used to provide an operating grant to the Prince George's Financial Services Corporation (FSC First), as addressing a critical need in the small and minority business community.

EDC works closely with FSC First to support small and minority businesses in Prince George's County. While this County's small and minority business community is one of the strongest in the Washington Metropolitan Region, it still faces significant challenges in the marketplace. Access to capital continues to be a factor in the long-term survival of minority and women owned businesses, especially start-ups, as they face historic business loan denial rates much greater than non-minority owned firms.

A challenge shared by FSC First and many other economic development organizations in the State is need for additional marketing dollars to both communicate the existing resources that are available for small and minority businesses, and to provide enhanced programming and services to allow those businesses to grow and prosper. The Covid-Recession caused terrible damage to the economy of the nation, State, and all Counties in Maryland. In Prince George's County, we saw this firsthand, and EDC partnered with FSC First to administer a number of Covid business support grant programs that we know saved many small and minority businesses from bankruptcy and permanent closure. However, many such businesses did not survive the Recession, and we see today than many are currently on the verge of closure as Covid business funding has expired.

HB 567 would provide FSC First with critically needed resources to continue its efforts to support this vital business community. FSC First's integrated marketing strategy would accompany the implementation of its programming to increase access to information by leveraging media-based promotions, outreach events, technical assistance services, and similar business services.

For the reasons stated above, the Prince George's County Economic Development Corporation believes that **House Bill 0567** addresses an important need.

Sincerely,



President/CEO
Prince George's County Economic Development Corporation