



June 10, 2021

Senator Richard Roth, Chair
State Capitol Room, 2053
Sacramento, CA 95814

AB 915 – Economic Equity in State Contracting and Procurement

Dear Chair Roth:

As a representative of the 4.1 million small businesses in California, Small Business Majority writes today in support of AB 915, which would ensure that a fair share of procurement spending is directed and dedicated to small and minority-owned small businesses.

Small Business Majority is a national small business organization that empowers America's diverse entrepreneurs to build a thriving and equitable economy. We engage our network of more than 80,000 small businesses and 1,000 business and community organizations to advocate for public policy solutions and deliver resources to entrepreneurs that promote equitable small business growth. A key component of our work involves outreach to small business owners on a range of small business issues, including access to capital, workforce issues, healthcare and more.

AB 915 establishes economic equity in state contracting by doing three primary things:

- Codifying the goal of 25% of state procurement to be directed toward small businesses.
- Adopting the federal recognition of “Disadvantaged Business Enterprise” (DBE) when it comes to policy language and procurement consideration.
- Establishing accountability within the Administration and throughout the bureaucracy to enforce the intent of meeting that goal, while directing all state agencies to develop and enact an education and outreach plan that will inform their communication strategy to minority and hard-to-reach businesses.

Much has been said this past year about the importance of equity when it comes to small and minority-owned businesses. More than one third of California's employer firms are owned by people of color, yet they are largely under-resourced and under-funded. Making government contracts more accessible to small businesses owned by people of color would begin to level the play field. Considering the vast purchasing power and influence of the state of California, enacting AB 915 will be a critical next step to raising the tide for all small businesses in the state.

We stand with Members Chiu and Holden, as well as the CalAsian, California Hispanic, and California African American Chambers of Commerce in urging your support of AB 915 to ensure California's small business owners have an equitable chance of being considered for state contracts.

Sincerely,

Bianca Blomquist

Senior Manager, Policy & Engagement, California
Small Business Majority