



March 19, 2025

The Honorable Arthur J. Corvese, Chair

House Labor Committee

Rhode Island Statehouse

Providence, 02903

**RE: Testimony in Support of House Bill No. 5683 – An Act Relating to Public Property and Works
– Minority Business Enterprise**

On behalf of United Way of Rhode Island, we are writing to express our support for House Bill No. 5683, recognizing the essential role of equitable contracting and procurement practices in supporting economic opportunity and closing racial and gender wealth gaps. Through our Invest United initiative, we are committed to ensuring the sustainability, growth, and impact of Rhode Island's small businesses and nonprofit partners—especially those led by and serving communities of color and women.

House Bill 5683 would raise the minimum procurement award for minority business enterprises (MBEs) from 15% to 20%, ensuring that at least 10% goes directly to minority-owned businesses and another 10% to women-owned businesses. This legislation represents a meaningful step forward in dismantling the barriers that historically marginalized entrepreneurs face in accessing state contracts. According to a 2023 McKinsey & Company report, businesses owned by women and people of color receive significantly fewer public and private contracting dollars, despite demonstrating high growth potential and creating jobs in underserved communities (*McKinsey & Company, "Closing the racial wealth gap: The role of entrepreneurship," 2023*).

At United Way, we see firsthand the positive economic ripple effect that investing in diverse small businesses has across Rhode Island. Through our 211 helpline and Alliance for Nonprofit Impact, we support thousands of residents who rely on local, trusted, and culturally competent service providers—many of which are small minority- and women-owned businesses. Promoting inclusive economic growth ensures that those closest to the challenges are also closest to the solutions.

A thriving, inclusive small business ecosystem is essential to a flourishing Rhode Island. House Bill No. 5683 strengthens our state's commitment to equity by ensuring that minority and women-owned

[Uniting our community and resources to build racial equity and opportunities for all Rhode Islanders.](#)

businesses have a fair shot at public contracting opportunities. We urge your support for this bill as a bold and necessary step to empower diverse entrepreneurs, build local wealth, and ensure a more just and equitable Rhode Island for all.

Sincerely,

Ellijah McLean

Manager, Government Relations & Policy

United Way Rhode Island