March 19, 2025

The Honorable Arthur J. Corvese, Chair House Committee on Labor

RE: In support of H5683 - An Act Relating to Public Property and Works – Minority Business Enterprise

Dear Chair Corvese,

I write to you today in support of House Bill 5683, which would support minority or women-owned and controlled business enterprises by increasing their participation in public construction projects and state procurements from fifteen percent (15%) to twenty percent (20%) of the project.

The Department of State's Business Services Division maintains Rhode Island's business registry, which records new business formations and the ongoing business registration activity of the more than 105,401 active entities registered in our state. The Division also provides thoughtful guidance and comprehensive services to those looking to start and maintain a business or non-profit in Rhode Island.

According to the U.S. Small Business Administration, in their 2022 Small Business Profile, Rhode Island has 109,983 small businesses owned by 43.2% women, 14.6% Hispanics, 10.2% racial minorities, and 5.1% by veterans. This signifies that more than half of all small businesses in the state are owned by marginalized communities.

Historically, minority-owned businesses or businesses owned by individuals who are socially and economically disadvantaged have a lower rate of sustainability when compared to other business owners. Our State should help strengthen the economic landscape for the minority and women-owned business community by granting more opportunities and decreasing barriers for them to start, sustain, and grow their enterprise.

Therefore, I urge the support of this Committee for House Bill 5683.

Thank you for your consideration. If you have any questions, please feel free to contact Michelle Arias, Director of Intergovernmental Affairs, at <a href="mailto:

Sincerely,

Gregg M. Amore Secretary of State

cc: The Honorable Members of the House Committee on Labor

The Honorable Joshua J. Giraldo

Treg M. Comol

Phone: 401-222-2357 | Fax: 401-222-1356 | secretaryamore@sos.ri.gov | www.sos.ri.gov