

Offered by Councilor Ricardo Arroyo, Bok, Baker, Breadon, Coletta, Louijeune, Fernandes Anderson, Flaherty, Lara, Murphy, Worrell and Flynn



CITY OF BOSTON IN CITY COUNCIL

ORDER FOR A HEARING TO DISCUSS CHALLENGES LATINO OWNED BUSINESSES AND ENTREPRENEURS FACE WHEN ACCESSING GOVERNMENT AND CORPORATE CONTRACTS

WHEREAS, In 2022, the Stanford Business School Latino Entrepreneurship Initiative released “2022 State of Latino Entrepreneurship” a study documenting the disparities that exist between white and Latino-owned businesses when it comes to securing corporate and government contracts despite the rate in which these businesses are growing; *and*

WHEREAS, The 2022 State of Latino Entrepreneurship study surveyed 10,000 companies with at least one employee on the payroll and found that it took more than a year for 37% of those businesses surveyed to secure a contract compared to 27% of white-owned businesses; *and*

WHEREAS, The same study found that the average federal and state contract won by Latino-owned businesses nationwide are valued at half a million dollars compared to \$14.8 million and \$20.5 million from federal and state contracts awarded to white-owned businesses; *and*

WHEREAS, In 2022, the Commonwealth of Massachusetts Supplier Diversity Office released a report that found that Black and Latino-owned businesses receive a tiny fraction of the state’s contracting dollars compared to white-owned companies to the tune of \$49 million in 2021 and \$20 million in 2021 out of \$5.7 billion awarded; *and*

WHEREAS, In 2020 the “Disparity Study” commissioned by the City of Boston found that out of the \$2.1 billion contracts awarded between 2014 - 2019 only \$18.2 million or 0.8 percent were awarded to Latino-owned businesses; *and*

WHEREAS, From 2017 to 2019, Latino-owned businesses are growing faster with annual payrolls rising at twice the rate of white-owned businesses, which remained true during the COVID-19 pandemic but minority entrepreneurs keep facing systemic disparities that impact their growth particularly access to government and corporate contracts; **NOW THEREFORE BE IT**

ORDERED: That the appropriate committee of the Boston City Council hold a hearing to discuss the challenges that Latino entrepreneurs face when trying to access government and corporate contracts and what actions the City of Boston can take to ensure these minority-owned companies have greater access to these contracts.

Filed in Boston City Council on: March 1, 2023