

date; providing for the termination of this Act; and generally relating to the Minority Business Enterprise Program and equity investment capital.

Preamble

WHEREAS, Our State has clearly demonstrated a will to use its Minority Business Enterprise Program in a constructive manner;

WHEREAS, The most glaring component of disparity between Maryland's minority business enterprises and those in other states is the dearth of equity investment capital that has been infused into Maryland's minority business enterprises;

WHEREAS, Nationally, less than 2% of all available private equity is invested in minority firms in any year, yet minorities represent 30% of the population;

WHEREAS, The federal government clearly recognizes the inability of individuals to compete on a level playing field for business capital as a characteristic of a disadvantaged class, by defining "economically disadvantaged persons" as those persons whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities because of their identity as members of a group without regard to their individual qualities, as compared to others in the same line of business and competitive market area;

WHEREAS, Although Maryland permits nonminority investment into minority business enterprises, other restrictions related to minority business enterprise organization and certification have made the acquisition of investment equity capital by minority business enterprises virtually impossible;

WHEREAS, The mentoring of minority business enterprise founders can be improved by exposure to professional business investors with aligned interests; and

WHEREAS, It is necessary for the minority business enterprise owners to maintain full operational control of the business; now, therefore,

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That:

(a) There is a Task Force on the Minority Business Enterprise Program and Equity Investment Capital.

(b) The Task Force consists of the following members:

(1) two members of the Senate of Maryland, appointed by the President of the Senate;