



NEW YORK STATE SENATOR

James Sanders Jr.

Sanders Scores Wins for MWBEs with Hochul Signature

OLALEKAN OMODUNBI December 18, 2023

| ISSUE: **MWBE (DIVISION OF MINORITY AND WOMEN BUSINESS DEVELOPMENT)**

Senator James Sanders

Governor Kathy Hochul Signs Two Minority- and Women-Owned Business Enterprise (MWBE) Bills Introduced by Senator James Sanders Jr. into Law

New York, NY – December 18, 2023 - New York Governor Kathy Hochul signed two minority- and women-owned business enterprises (MWBE) bills into law that were introduced by New York State Senator James Sanders Jr.

The first bill (S.7563/SANDERS Same as A.7334/ Bichotte Hermelyn) increases New York City's discretionary spending threshold from \$1 million to \$1.5 million for non-competitive contracts and includes construction. Additionally, the bill increases the State threshold from \$500,000 to \$750,000. By increasing the discretionary spending threshold for the City and the State, this bill allows minority and women-owned businesses (MWBEs) the opportunity to bid on contracts without the financial and laborious burdens that come with following a formal bidding process.

The second bill relating to the Capital Access Program (S.1690-A/SANDERS Same as A.6716-A/Hunter) expands the capacity of Pursuit, a lending corporation, so minority- and women-owned business enterprises (MWBEs) have access to more capital. The COVID-19 Pandemic

caused many small New York businesses, especially MWBEs), to struggle. The New York Business Development Corporation and affiliates the 504 Company and Excelsior Growth Fund rebranded as Pursuit, a business loan lending company. The mission of Pursuit is to provide businesses with affordable small business loans and resources so that they can reach higher, transform, and grow. Pursuit is a community-focused small business lender. This legislation would help MWBEs get easier access to capital to help strengthen their businesses.

Senator James Sanders Jr. said, "This is a step in the right direction for MWBE access to capital. While I am cautiously optimistic, the real test will be in Pursuit's execution and ensuring it truly reaches those who need it most. We need to address systemic barriers and inequities in the financial system to ensure these businesses can thrive. While I am proud of these bills, one law will not erase decades of systemic disadvantage. We must continue fighting for policies that level the playing field and empower MWBE growth. Having seen firsthand the struggles of MWBEs during the pandemic, I am hopeful this legislation will be a lifeline. But let's be clear, this is just the beginning of our work towards true economic justice."

"We had a record-shattering year for NYC M/WBEs, with over \$6 billion being awarded in FY 23, and I am proud to build on that monumental success with Senator James Sanders, Jr. through the passage of our sponsored bill increasing New York City's discretionary spending threshold from \$1 million to \$1.5 million for non-competitive contracts.

MWBEs still face an uphill battle and unique challenges, and we are breaking down barriers to ensure equality by allowing them more opportunity to bid on contracts without the burdens of a formal bidding process. I thank Governor Kathy Hochul for passing this vital bill, and all our colleagues in the legislature for their support," says Assemblymember Rodneyse Bichotte Hermelyn, chair, Assembly Subcommittee on Oversight of MWBEs.

"I also applaud the passage of the bill to expand capital access to MWBEs; who still face disproportionate barriers to funding their business, especially after the pandemic. Allowing easier access to funding will immeasurably benefit minority and women-owned businesses - and our entire community - by spurring the State's continued economic recovery for all."

Assemblymember Pamela Hunter said, "One of my leading priorities as Chair of the Assembly Banks Committee is to see new opportunities in underserved communities. The recently enacted legislation I sponsored with Senator Sanders will increase lending to MWBEs and create new investments in underserved areas. These loans will be community focused and help small businesses. I look forward to seeing these loans in action and will continue to work on similar legislation with Senator Sanders for New York's underserved communities."