## Please place your organization's letterhead Sample support letter – Assemblymember Autumn Burke DUE:

Send Email to: Eric Castillo eric.castillo@asm.ca.gov Send Copy to Anthony Galace anthonyg@greenlining.org

(DATE)

Assemblymember Autumn Burke State Capitol, Room 5150 PO Box 942849 Sacramento, CA 95814

RE: SUPPORT: AB 962 (Burke), As Introduced

Dear Assemblymember Burke:

(Name of organization) supports AB 962 (Burke), which encourages competitive business opportunities for all people by requiring hospitals across the state to report their supplier diversity and explain their supplier diversity statement and goals regarding certified minority, LGBT, women, and veteran-owned business enterprises.

According to the American Hospital Association, hospitals in California contributed over \$230 billion to the total state economy in 2016.¹ However, the lack of reporting among California's hospitals regarding their supplier diversity puts the state at a disadvantage because it cannot leverage the rapid growth of the health sector to promote economic opportunity for all Californians. Requiring hospitals to submit a public report to the Office of Statewide Health Planning and Development explaining the hospitals' supplier diversity statement and goals regarding certified minority, LGBT, women, and veteran-owned business enterprises will help facilitate relationships and greater economic opportunity for hospitals and diverse businesses across California.

Minority owned businesses represent 42 percent of all firms in California, with women, LGBT, and disabled veteran-owned businesses comprising 32 percent, 1.7 percent, and 2 percent, respectively.<sup>2</sup> These businesses are more likely to operate as small businesses and hire people from diverse backgrounds, providing people from marginalized communities with a pathway to financial security and upward mobility.<sup>3</sup> These enterprises are especially critical in times of economic downturn and increasing income inequality. Similar requirements in other sectors have resulted in greater economic opportunities for diverse small businesses. After the California Department of Insurance began surveying the supplier diversity of the state's insurance providers in 2012, investments and partnerships with diverse small businesses increased by 93 percent over a five-year reporting period, from \$930 million in 2012 to \$1.8 billion in 2017.<sup>4</sup>

<sup>1</sup> 

https://www.aha.org/infographics/2018-06-05-effect-hospitals-total-expenditures-total-output-state-economy-interactive

<sup>&</sup>lt;sup>2</sup> https://www.sba.gov/sites/default/files/advocacy/2018-Small-Business-Profiles-CA.pdf

<sup>&</sup>lt;sup>3</sup> http://greenlining.org/issues/2017/supplier-diversity-report-californias-insurance/

http://www.insurance.ca.gov/diversity/12-mids/upload/FINAL-CDI-Insurance-Diversity-Initiative-2018-MI DS.pdf

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For these reasons, (Name of Organization) supports AB 962 (Burke) and respectfully requests your "Aye" vote. Thank you for your time and consideration.

Sincerely,

Name and Title