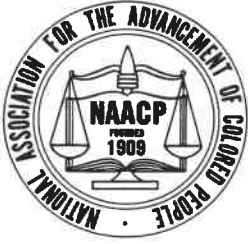


**NATIONAL ASSOCIATION FOR THE ADVANCEMENT OF COLORED PEOPLE
MONTGOMERY COUNTY, MARYLAND BRANCH**



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March 30, 2023

Mr. Andrew Friedson, President
Montgomery County Council
100 Maryland Avenue, 6th floor
Rockville, Maryland 20850

On Behalf of the Montgomery County Branch of the NAACP, we submit this testimony to register our concern about the Special Appropriation to the Fiscal Year 2024 Operating Budget, Montgomery County Government, Department of Finance, Economic Development Fund, New JOBS (Jobs, Opportunities & Business Support) Initiative, \$20,000,000 (Source of Funds: General Fund Undesignated Reserve).

This special appropriation will establish three initiatives: a \$10 million Job Creation Fund, a \$7 million Innovation Fund, and a \$3 million Equity Fund.

As you may know, the Montgomery County Branch of the NAACP has worked with the Council on economic development initiatives that promote the establishment and sustainability of small, minority and women-owned businesses. We have done so because of our commitment to promoting an inclusive economy that provides true opportunity for every resident of this county.

According to the Montgomery County Economic Development Corporation, Montgomery County is one of the economically strongest counties in the country with many attributes to attract business growth. Montgomery County is the largest contributor to Maryland's economy and has the highest per capita income in the State of Maryland, putting the County in the top 1% for income and net worth in the country. Montgomery County's economic power, as measured by GDP, is larger than that of 12 States. (See: **MOVING FORWARD TOGETHER Strategic Priorities for a Unified Approach to Economic Development in Montgomery County, MD Montgomery County Economic Development Strategic Plan 2021–2025**).

Despite this enviable position, we know that many residents of the county continue to struggle to meet basic needs. We know that many businesses are often artificially stifled because of a lack of access to capital.

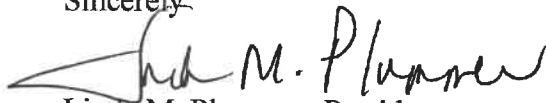
So, while we applaud the effort to provide economic development assistance that will enable some businesses in the county to provide financially lucrative jobs, we remain concerned that the approach outlined in this special appropriation takes a "top-down" approach that will not provide the kind of assistance to businesses that most often are denied access to capital and would benefit greatly from a government program that provides direct financial benefit.

As noted in the letter accompanying the appropriation request, the focus of the funding will be the economic sectors outlined in the MCEDC strategic plan. Those sectors include hospitality, quantum computing, and life sciences. While these sectors may provide a great opportunity for growth, we believe that this governmental funding should be directed in a way that promotes an inclusive economy and does not exacerbate existing inequities.

Therefore, we strongly urge the Council to re-adjust the funding levels by decreasing the funding in the Job Creation Fund and substantially increasing the amount of funding in the Equity Fund. Additionally, we request that the amount of funding available to a business in the Equity Fund be increased to an amount equivalent to the amount available to businesses that participate in the other components of the program. Finally, to assure that this measure does not exacerbate existing inequities, we ask you to obtain a Racial Justice and Social Equity Impact Review of this special appropriation.

Thank you for considering our concerns. We stand ready to work with you.

Sincerely,

A handwritten signature in black ink, appearing to read "Linda M. Plummer". The signature is fluid and cursive, with a large initial "L" and "P".

Linda M. Plummer, President
MC/NAACP

Cc: Executive Committee