

**HOUSE . . . . . No. 315**

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**The Commonwealth of Massachusetts**

PRESENTED BY:

***Bud L. Williams***

*To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:*

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act empowering disadvantaged state contractors” provides up-front down payments and bridge loans to socially or economically disadvantaged microbusinesses and small businesses that secure state contracts through CDFIs and non-traditional lenders.

PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
<i>Bud L. Williams</i>	<i>11th Hampden</i>	<i>1/16/2025</i>

**HOUSE . . . . . No. 315**

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By Representative Williams of Springfield, a petition (accompanied by bill, House, No. 315) of Bud L. Williams relative to low interest loans and procurement downpayment for certain micro- and small businesses. Community Development and Small Businesses.

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**The Commonwealth of Massachusetts**

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**In the One Hundred and Ninety-Fourth General Court  
(2025-2026)**  
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An Act empowering disadvantaged state contractors” provides up-front down payments and bridge loans to socially or economically disadvantaged microbusinesses and small businesses that secure state contracts through CDFIs and non-traditional lenders.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1           SECTION 1. Section 46 of Chapter 23G of the General Laws, is hereby amended by  
2 adding the following section:-

3           (n) The agency may use up to 15 percent of the fund to guarantee or make low interest  
4 bridge loans to socially or economically disadvantaged businesses, which may include, but shall  
5 not be limited to, minority-owned, women-owned, veteran-owned, worker-owned, or immigrant-  
6 owned microbusinesses and small businesses that secure state contracts, with priority given to  
7 enterprises located in or serving a gateway municipality, through community development  
8 financial institutions certified by the United States Treasury, community development  
9 corporations certified under chapter 40H of the General Laws, or other nontraditional nonprofit  
10 lenders. With respect to any interest acquired by the fund, the agency shall pledge any portion of  
11 the anticipated gross revenue resulting from the loans from the fund, in excess of the costs

12 needed to administer the loans, to finance additional bridge loans for socially or economically  
13 disadvantaged small businesses.

14 SECTION 2. Section 22O of Chapter 7 of the General Laws, is hereby amended by  
15 inserting the following subsection:-

16 (b) Procurement Downpayment for Disadvantaged Microbusinesses and Small  
17 Businesses. Any procurement contract for commodities or services entered into by the  
18 Commonwealth with a socially or economically disadvantaged businesses, which may include,  
19 but shall not be limited to, minority-owned, women-owned, veteran-owned, worker-owned, or  
20 immigrant-owned microbusinesses and small businesses shall include an initial upfront  
21 downpayment of no less than 30 percent of the total contract value.

22 (i) The agency, department, or office procuring such goods or services shall disburse the  
23 required downpayment within 15 business days of executing the contract, subject to verification  
24 of eligibility under this section.

25 (ii) The Executive Office for Administration and Finance shall promulgate regulations to  
26 implement this section, including provisions for verifying eligibility, disbursing payments, and  
27 ensuring compliance with applicable procurement laws.

28 SECTION 3. The Executive Office for Administration and Finance shall issue  
29 regulations, guidance, or model contract provisions within 90 days of the effective date of this  
30 act to ensure uniformity and compliance with the provisions of this act.

31 SECTION 4. This act shall take effect 90 days after its passage.