

PROTECTION & EQUITY IN ACCESS TO INNOVATION CAPITAL

Over **99.5% of businesses** in Massachusetts (MA) are small enterprises reliant on innovation capital to thrive. These bills aim to halt the escalating abuse, stalled economic development, and widening inequality in the innovation economy by closing critical gaps in funding and workplace protection laws. Women and minorities form over 50% of new businesses but only receive 0.6% of venture capital funding in MA. By ensuring fair access to funding for all businesses, we could **double the MA economy**.

Sponsors



Sen Friedman



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IN MASSACHUSETTS IN 2024

\$16B

Venture capital
invested in startups

0.6%

Of the \$16B invested
in women founders

#38

State ranking for
investment in women

14%

Deal size compared to
investments in men

Private investors, including venture capitalists, are **not held to any legal standards** as compared to employers, debt holders, or banks regarding harassment and discrimination. While workplace laws protect employees and Fair Lending Law seekers of debt or bank capital, these safeguards do not extend to venture capital. This leaves the majority, especially women and minorities, exposed to rampant exploitation, bias, and harassment during critical fundraising pursuits.

ACT RELATIVE TO FAIR INVESTMENT

S1119/H1922

- Increase access to capital for all entrepreneurs to drive innovation and state economic growth.
- Limit regulation to a fair, government compliance-based approach to discrimination regulation, similar to Federal Fair Lending Laws, addressing any right-to-action concerns from industry and VC groups.

ACT RELATIVE TO SEXUAL HARASSMENT

S1118/H1921

- Ensure clear support and recourse for victims of sexual harassment.
- Extend workplace protections to include venture capital and investment relationships.
- Make it unlawful for anyone in the business of granting funds or investing to abuse power through sexual harassment.

California has already passed similar laws. Massachusetts will continue to be outpaced in the innovation economy without immediate action.

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