



Ohio Sunset Review Committee
Agency Questionnaire

Agency Name Minority Development Financing Advisory Board (MDFAB)

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Agency's primary purpose and its various goals and objectives

Created under section 122.72 of the Ohio Revised Code, the Minority Development Financing Advisory Board (MDFAB) assists minority- and women-owned businesses access capital through the Minority Direct Loan, Women's Business Enterprise Loan, and Minority Bonding programs. Per section 122.73 of the ORC:

(A) The minority development financing advisory board and the director of development are invested with the powers and duties provided in sections [122.71](#) to [122.83](#) and [122.87](#) to [122.89](#) of the Revised Code, in order to promote the welfare of the people of the state by encouraging the establishment and expansion of minority business enterprises; to stabilize the economy; to provide employment; to assist in the development within the state of industrial, commercial, distribution, and research activities required for the people of the state, and for their gainful employment; or otherwise to create or preserve jobs and employment opportunities, or improve the economic welfare of the people of the state. It is hereby determined that the accomplishment of those purposes is essential so that the people of the state may maintain their present high standards of living in comparison with the people of other states and so that opportunities for employment and for favorable markets for the products of the state's natural resources, agriculture, and manufacturing shall be improved. It further is determined that it is necessary for the state to establish the programs authorized under sections [122.71](#) to [122.83](#) and [122.87](#) to [122.89](#) of the Revised Code to establish the minority development financing advisory board, and to invest it and the director of development with the powers and duties provided in those sections.

(B) The minority development financing advisory board shall do all of the following:

- (1) Make recommendations to the director as to applications for assistance pursuant to sections [122.71](#) to [122.83](#) and [122.87](#) to [122.89](#) of the Revised Code. The board may revise its recommendations to reflect any changes in the proposed assistance made by the director.
- (2) Advise the director in the administration of sections [122.71](#) to [122.83](#) and [122.87](#) to [122.89](#) of the Revised Code.
- (3) Adopt bylaws to govern the conduct of the business of the board.

Agency's past and anticipated workload, number of staff required to complete workload, and total number of staff

Since January 2022, MDFAB has approved over 50 loan and bonding transactions totaling over \$15 million. A total of 11 employees at the Ohio Department of Development provide administrative support to this process from both the Finance Division and the Minority Business Development Division.

Agency's past and anticipated budgets and its sources of funding

MDFAB provides loans and bonding through three programs: Women's Business Enterprise Loan Program, Minority Business Enterprise Loan Program, and Minority Business Bonding Program. In HB 33, both the Women's Business Enterprise Loan Program and the Minority Business Enterprise Loan Program were each allocated \$5 million in both FY24 and FY 25. HB 33 also appropriated \$100,000 for administrative costs in each fiscal year for the Minority Business Bonding Program. Up to \$10 million may also be pledged from unclaimed funds for the Minority Business Bonding Program.

Number of members of its governing board or other governing entity and their compensation, if any

There are a total of 10 members that serve on MDFAB. Seven members are appointed by the Governor, one is the Director of Development or their designee, one member appointed by the Speaker of the House, and one member appointed by the Senate President. Members are compensated at a rate of \$9.15 in addition to mileage and parking expenses.

Additional notes

Senate Bill 166, sponsored by Sen. Reynolds and Sen. Sykes, would allow a limited amount of Minority Business loans to be used to increase working capital. If enacted, this bill would have an impact on the Minority Business Enterprise Loan Program by increasing the number of loans approved by MDFAB.