



July 24, 2020

The Honorable Nydia Velázquez
Chairwoman
House Committee on Small Business
50 Independence Avenue SW
Washington, D.C. 20515

The Honorable Steve Chabot
Minority Ranking Member
House Committee on Small Business
50 Independence Avenue SW
Washington, D.C. 20515

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Ramiro A. Cavazos
President and CEO

Dear Chairwoman Velázquez and Ranking Member Chabot:

Thank you for the opportunity to address this committee on important policy matters facing Minority-owned businesses. On behalf of the United States Hispanic Chamber of Commerce (USHCC) and our Board of Directors, we would like to thank you for the opportunity to submit written testimony to the U.S. House Committee on Small Business during the scheduled hearing which took place on Wednesday July 15, 2020 "*Long-Lasting Solutions for a Small Business Recovery*".

The USHCC actively promotes the economic growth, development and interests of more than 4.7 million Hispanic-owned businesses that, combined, contribute over \$800 billion to the American economy every year. We also serve as a platform for our nationwide network of over 250 local Hispanic chambers of commerce. With the growing diversity in communities across the nation, the face of business ownership in America is changing, with minority-owned firms driving the growth in new business formation. In fact, Latinos open businesses at three times the rate of the national average and Latinas open businesses at six times the rate.

Minority Business Enterprises (MBEs) have been succeeding despite the many historical barriers minority entrepreneurs face as they work to start and grow a business. MBEs are two to three times more likely to be denied loans, they report annual gross receipts that are only one-third of the annual receipts reported by non-minority owned companies and they are half as likely to have at least one employee on payroll.

When we fail to invest in minority-owned businesses, our economy suffers. In fact, according to the Kauffman Foundation, if minorities were able to start and own businesses at the same rate as non-minorities, there would be 9.5 million more jobs and, according to Stanford University, \$1.3 trillion added to the American economy. Now is the time to invest in America's minority entrepreneurs as they face grave economic challenges due to the overwhelming impact of the COVID-19 pandemic. Collectively, we have actively been advocating for policies that will create systemic change and positive economic outcomes for MBEs as they strive to recover from this unprecedented economic turndown in America.

Attached for the congressional record of this hearing, please find the following letters detailing the recent advocacy conducted by the USHCC over the past four months leading up to this hearing on behalf of minority-owned businesses:

- **April 8, 2020:** United States Hispanic Chamber of Commerce Requests Provisions on Fourth COVID-19 Economic Relief Package to Ensure Diversity, Equity, and Inclusion to Support Hispanic and Minority-Owned Small Businesses in America.



- **April 15, 2020:** Urge for the inclusion of 501(c)(6) organizations among the list of entities that qualify for assistance under the Paycheck Protection Program (PPP).
- **May 8, 2020:** U.S. Hispanic Chamber of Commerce Policy Requests to Ensure Diversity, Equity, and Inclusion of Hispanic and Minority-Owned Small Businesses in Fourth COVID-19 Economic Relief Package.
- **June 22, 2020:** Request that the Federal Reserve utilizes its full powers to support, with a debt and equity facility, a vital sector of the economy that represents \$1.4 trillion in gross receipts and 7.2 million in jobs.
- **July 1, 2020:** Endorsement of the Minority Business Resiliency Act of 2020.
- **July 9, 2020:** Urge Congress to quickly pass this legislation that would forgive PPP loans of less than \$150,000 upon the borrower's completion of a simple, one-page forgiveness document.
- **July 17, 2020:** Advocacy Letter to Congress from National Minority Chambers of Commerce Regarding Funding and Resources for Minority-Owned Businesses.

The USHCC remains committed to advocating for the U.S. Congress to enact legislation that will create positive economic impact for Small Businesses and MBEs across America. We will continue to propose necessary solutions for the equitable inclusion of minorities into future economic stimulus legislation. We ask that our respective constituents be considered when our leaders in Congress seek to build solutions for COVID-19 economic relief, that our advocacy leaders of diverse backgrounds be included at the decision-making table, and that together we pledge forward to aid the prevalent needs of MBEs and their necessary economic recovery during and after the COVID-19 pandemic.

If you have any questions or require additional information, please do not hesitate to contact C. LeRoy Cavazos-Reyna, Vice President of Government and International Affairs via email at LCavazos@ushcc.com. Thank you in advance for your consideration in this matter, we look forward to your positive response and collaboration on these important policy priorities.

Respectfully,

Carmen Castillo
Chairwoman, Board of Directors

Ramiro A. Cavazos
President and CEO

CC: Hon. Nancy Pelosi, Speaker of the House of Representatives
Hon. Kevin McCarthy, Minority Leader of the House of Representatives
Hon. Joaquin Castro, Chairman, Congressional Hispanic Caucus
All Members of the U.S. House Committee on Small Business



April 8, 2020

The Honorable Maxine Waters
Chairwoman
House Committee on Financial Services
2129 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Patrick McHenry
Ranking Member
House Committee on Financial Services
2129 Rayburn House Office Building
Washington, D.C. 20515

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Christine Rice

Alice Rodriguez

Jennifer Rodriguez

Raul Salinas

The Honorable Joyce Beatty
Chairwoman
Subcommittee on Diversity & Inclusion
2129 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Ann Wagner
Ranking Member
Subcommittee on Diversity & Inclusion
2129 Rayburn Office Building
Washington, D.C. 20515

RE: United States Hispanic Chamber of Commerce Requests Provisions on Fourth COVID-19 Economic Relief Package to Ensure Diversity, Equity, and Inclusion to Support Hispanic and Minority-Owned Small Businesses in America

Dear Chairwoman Waters, Chairwoman Beatty, Ranking Member McHenry, and Ranking Member Wagner:

On behalf of the United States Hispanic Chamber of Commerce (USHCC), our Board of Directors, and the Hispanic-owned business community, we are writing to express our recommendations as your committee considers the next phase of stimulus funding to keep the American economy on track during and after the COVID-19 crisis.

The USHCC actively promotes the economic growth, development and interests of more than 4.8 million Hispanic-owned businesses that aggregately contribute over \$800 billion to the American economy every year. We also serve as a platform for our nationwide network of over 250 local Hispanic chambers of commerce. Given the growing diversity in communities across the nation, the face of business ownership in America is changing, with minority-owned firms driving growth in new business formation. In fact, Latinos open businesses at three times the rate of the national average and Latinas open businesses at six times the rate.

Minority Business Enterprises (MBEs) have been succeeding in spite of the many historical barriers minority entrepreneurs face as they work to start and grow a business. MBEs are two to three times more likely to be denied business loans, have one third of the annual gross revenues when compared to non-minority owned companies, and are half as likely to have at least one employee on payroll. When we fail to invest in minority-owned firms, our economy suffers.

In this spirit, the USHCC asks for your consideration of the following proposed legislative recommendations as the U.S. House Committee on Financial Services and its Subcommittee on Diversity and Inclusion consider the next stimulus package. Our advocacy is focused on three overarching principles: 1) providing immediate liquidity for Hispanic small and medium-sized businesses, 2) ensuring that Hispanic and minority-owned small businesses are included in procurement opportunities with the federal government and in the economic stimulus funding, and 3) the commitment to continue to work as a resource with Congress in helping write future legislation and shape policy that aims to rescue the American economy.



The following legislative priorities have the ability to positively impact the economic trajectory of Hispanic and minority-owned small businesses in our country:

Federal Government Legislative Impact

Establish a Minority Equity Fund of \$50 billion to have the ability to fund Minority Business Enterprises (MBEs): Refer to the [Economic Stabilization Act of 2008](#) for language regarding MBE inclusion, specifically Section 107 contracting procedures to include the following legislative determinations: (a) STREAMLINED PROCESS.—For purposes of this Act, the Secretary may waive specific provisions of the Federal Acquisition Regulation upon a determination that urgent and compelling circumstances make compliance with such provisions contrary to the public interest. Any such determination, and the justification for such determination, shall be submitted to the Committees on Oversight and Government Reform and Financial Services of the House of Representatives and the Committees on Homeland Security and Governmental Affairs and Banking, Housing, and Urban Affairs of the Senate within seven days. Additional contracting requirements should include, any solicitation or contracts where the Secretary has, pursuant to subsections for minorities, deadline, or waiver authority. Waive any provision of the Federal Acquisition Regulation pertaining to minority contracting, the Secretary shall develop and implement standards and procedures to ensure, to the maximum extent practicable, the inclusion and utilization of minorities (as such term is defined in section 1204(c) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1811 note)) minority and women-owned businesses (as such terms are defined in section 21A(r)(4) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(r)(4)), in that solicitation or contract, including contracts to asset managers, servicers, property managers, and other service providers or expert consultants. Add the eligibility of FDIC insured financial institutions notwithstanding subsections (a) and (b), the Corporation, (1) shall be eligible for, and shall be considered in, the selection of asset managers for residential mortgage loans and residential mortgage-backed securities; and (2) shall be reimbursed by the Secretary for any services provided.

Resources for the Minority Business Development Agency (MBDA): Pass as part of this package the Minority Business Development Act of 2020, which would establish the Minority Business Development Agency (MBDA) in statute. Add an additional \$25 million of stimulus money to this agency so that necessary training, resources, and technical assistance can be deployed to businesses across our country through grants for entities who provide these services. MBDA is the only agency of its kind that promotes and administers programs in the public and private sectors to assist the development of MBEs.

Resource Partner Grants: Set forth an appropriation to expand Section 1103 (c) of the existing CARES Act to fund grant programs for resource and technical assistance support in the areas of business revitalization, new business technologies, expanded customer service, supplier diversity trainings, supplier diversity matchmaking, and financial services and lending to national organizations with business memberships. These organizations should include minority chambers of commerce, minority depository institutions (MDIs), community development financial institutions (CDFIs), and not exclude other nonprofit groups that have the ability to provide technical assistance to distressed businesses during and after COVID-19.



Resources and Services in Languages other than English: Expand Section 1111 of the existing CARES Acts to provide minority communities with the necessary resources in their individual native languages. This section should not discriminate against communities of diverse racial ethnicities and should be inclusive of all minority groups in America. All resources should be adequately translated and distributed in all available channels to include the world wide web, printed materials, and in-person translation for any presentations conducted by a governmental entity when providing business assistance to affected businesses. This measure should also include services for the legally blind, visually impaired, and deaf communities.

Capital Financing for Hispanic-Serving Institution (HSIs): Expand Section 3512 of the existing CARES Act to include capital financing for Hispanic-Serving Institutions (HSIs). These educational centers create the pipeline of future business owners, entrepreneurs, and executives that will have the ability to actively contribute to the rebuilding and new evolving vitality of the American economy post COVID-19. HSIs should be considered for grant funding in Low-Minority Income Communities (LMIs) to provide necessary technical assistance through existing entrepreneurship, leadership, and business educational centers.

Corporate America Legislative Impact

Minority Business Enterprises as part of the U.S. Supply Chain: Require the U.S. Supply Chain, its suppliers, and contractors to include Minority Business Enterprises in the production, operation, and distribution of goods needed to combat disasters and future pandemics. Require the federal government to unbundle contracts from purchasing consortiums for goods and services and identify MBEs who currently manufacture or distribute these goods, to become an integrated part of Fortune 500 supply chains who maintain or seek federal contracts.

Non-Profit Legislative Impact

Stimulus Funding for 501(c)(6) organizations for non-profit economic relief: Propose an amendment to the CARES Act or consider the language under Section 1102 (a) definitions, the term ‘nonprofit organization’ means an organization that is described in section 501(c)(3) or 501(c)6 of the Internal Revenue Code of 1986. These organizations should be included with parameters around their activity, mission, or number of employees in the entity.

Lending for minority and community banks: Addressing the capital needs and lending abilities of MDIs ([minority depository institutions](#)), Small Business Investment Companies (SBICs), community banks, smaller regional banks, and Community Development Financial Institutions (CDFIs). These banks primarily operate and serve low and minority income communities who have some of the most vulnerable businesses or most established minority business. Legislative action is needed so that these financial institutions can serve their customers, including businesses who may not have existing relationships with traditional financial institutions or lenders, in order to get them the necessary operating capital.

Small Business Legislative Impact

2019 Payroll Taxes: Forgive all 2019 Payroll Taxes for America’s 30 million small businesses, allow the Internal Revenue Service (IRS) to waive these taxes to keep more Americans employed by infusing more capital into the economy and creating a substantial



operational impact for small businesses. This designation should be allowed for small businesses, per the established guidelines of the Small Business Administration (SBA).

Legislative Impact for Individuals

Independent Contractors and 1099 Employees: Ensure that 1099 employees can access funding to continue working, allowing their clients to maintain them on payroll, and ease the restrictions of the Paycheck Protection Program (PPP) so that employers can use 1099 employees as part of their payroll to access the PPP. Extend the PPP with more stimulus funding to allow for more businesses to apply and expand the number financial institutions who hold the PPP's lending power. Enact legislation that requires specific disaster business loans and other relief funds for the self-employed and independent contractors. Furthermore, this segment could be immediately boosted if the IRS waves the income taxes for the first \$10,000 of self-employed or contracted dollars these Americans gain.

Undocumented Business Owners and Workers: Set forth provisions to allow undocumented business owners and undocumented workers who can actively prove that they have paid the Internal Revenue Service (IRS) taxes in 2018 to take advantage of the existing CARES Act. These entrepreneurs and employees thereof, are active contributors to the American economy and should have the same access to rebuild their businesses and families to continue those economic contributions. Furthermore, Deferred Action for Childhood Arrivals (DACA) recipients who are in this country by no fault of their own should also be guaranteed access to these provisions regardless of the immigration status of others on their tax return or household.

If you have any questions or require additional information, please do not hesitate to contact C. LeRoy Cavazos-Reyna, Vice President of Government and International Affairs, LCavazos@ushcc.com or via phone at 956-844-9628. Thank you in advance for your consideration in this matter, we look forward to your positive response and collaboration on these important policy priorities.

Respectfully,

Carmen Castillo
Chairwoman, Board of Directors
United States Hispanic Chamber of
Commerce

Ramiro A. Cavazos
President & CEO
United States Hispanic Chamber of
Commerce

CC: Hon. Nancy Pelosi, Speaker of the House of Representatives
Hon. Kevin McCarthy, Minority Leader of the House of Representatives
Hon. Nydia M. Velázquez, Chairwoman, House Committee on Small Business
Hon. Steve Chabot, Ranking Member, House Committee on Small Business
Hon. Joaquin Castro, Chairman, Congressional Hispanic Caucus
Hon. Gregory W. Meeks, Chairman, House Financial Services Subcommittee on
Consumer Protection and Financial Institutions
Hon. Anthony Gonzalez, Vice Ranking Member, House Financial Services
Subcommittee on Diversity & Inclusion

April 15, 2020

The Honorable Nancy Pelosi
The Speaker of the House
United States Capitol
Washington, D.C. 20515

The Honorable Mitch McConnell
Majority Leader
United States Senate
Washington, DC 20510

The Honorable Nydia Velázquez
Chair
House Committee on Small Business
2361 Rayburn House Office Building
Washington, DC 20515

The Honorable Marco Rubio
Chair
Senate Small Business and Entrepreneurship
284 Russell Senate Office Building
Washington, DC 20510

Speaker Pelosi, Majority Leader McConnell, Chair Velazquez and Chair Rubio:

First, we write to thank you for the historic passage of the Coronavirus, Aid, Relief and Economic Security Act. The undersigned organizations represent a broad coalition of industry trade associations that are working diligently with individuals desperately in need of the aid offered by the stimulus program. We write to you to urge that you include 501-C-6 organizations among the list of entities that qualify for assistance under the Paycheck Protection Program.

As the country gears up for what is bound to be one of the most difficult years in U.S. history, small businesses, independent contractors and the self-employed are seeking out help more than ever. Under unprecedented circumstances, these individuals are heavily leaning on trade associations to find training, guidance and peer-to-peer support as they navigate closed businesses, shelter-in-place restrictions, changing work parameters, and difficult budgetary decisions.

During the 2008 Great Recession, trade associations were instrumental in helping struggling businesses reinvent themselves to thrive despite changing economic landscapes and to help them rebound. Today, trade associations are playing that same role.

It is important to underscore that trade associations, like many struggling businesses, are employers. These nonprofit member-based organizations are facing similar difficult budgetary decisions, including possible layoffs. At a time when small businesses are relying more and more on these organizations, many small trade associations are in need of the same support small businesses are receiving to keep people on payroll and to keep overhead costs current.

The Paycheck Protection Program extended loans and loan forgiveness programs to businesses that employ fewer than 500 employees. The program also extended aid to 501c(3) non-profits because they too were facing difficult reduction of income streams while offering much needed public service during these difficult times. However, trade associations categorized as 501c(6)s were not included in the Paycheck Protection Program.

The undersigned organizations urge Congress to include 501c(6) organizations in the next Coronavirus legislation in order to access relief through the Payroll Protection Program.

Thank you for your consideration of this very important matter.

Sincerely,

American Land Title Association

Asian Real Estate Association of America

Latino Hotel Association

National Association for Equal Opportunity In Higher Education

National Association of Black Hotel Owners & Operators and Developers

National Association of Hispanic Real Estate Professionals

National Association of Local Housing Finance Agencies

National Association of Minority Automobile Dealers

National Association of Minority Bankers of America

National Association of Real Estate Brokers

National Association of Realtors

National Association of Women in Real Estate Business

National Business League, Inc.

National Housing Conference

National Leased Housing Association

United States Hispanic Chamber of Commerce



May 8, 2020

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
Washington, D.C. 20510

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Victor Arias

The Honorable Charles Schumer
Minority Leader
U.S. Senate
Washington, D.C. 20510

The Honorable Kevin McCarthy
Minority Leader
U.S. House of Representatives
Washington, D.C. 20515

Carmen Castillo

Ramiro A. Cavazos

Re: U.S. Hispanic Chamber of Commerce Policy Requests to Ensure Diversity, Equity, and Inclusion of Hispanic and Minority-Owned Small Businesses in Fourth COVID-19 Economic Relief Package

Ernie C' De Baca

Dear Speaker Pelosi, Majority Leader McConnell, Leader Schumer, and Leader McCarthy,

Yuri Cunza

On behalf of the United States Hispanic Chamber of Commerce (USHCC), our Board of Directors, and the Hispanic-owned business community, we are writing to express our policy requests as you consider the next phase of stimulus funding to keep the American economy on track during and after the COVID-19 economic crisis.

Reuben Franco

Regina Heyward

The USHCC actively promotes the economic growth, development and interests of more than 4.7 million Hispanic-owned businesses that aggregately contribute over \$800 billion to the American economy every year. We also serve as a platform for our nationwide network of over 250 local Hispanic chambers of commerce.

Juan Carlos Liscano

Betty Manetta

Monika Mantilla

Prior to the COVID-19 economic crisis, Minority Business Enterprises (MBEs) have been succeeding in spite of the many historical barriers minority entrepreneurs face as they work to start and grow a business. MBEs are two to three times more likely to be denied business loans, have one third of the annual gross revenues when compared to non-minority owned companies, and are half as likely to have at least one employee on payroll. When we fail to invest in minority-owned firms, our economy suffers.

Joe Mella

Mayra Pineda

Jacquelyn Puente

Nelson Reyneri

In this spirit, the USHCC asks for your consideration of the following proposed policy requests as Congress considers the next stimulus package. Our advocacy is focused on three overarching principles: (1) providing immediate liquidity for Hispanic, small, and medium-sized businesses, (2) ensuring that Hispanic and minority-owned small businesses are included in procurement opportunities with the federal government and in the economic stimulus funding, and (3) our commitment to continue to work as a resource with Congress in helping write future legislation and shape policy that aims to rescue the American economy.

Christine Rice

Alice Rodriguez

Jennifer Rodriguez

Raul Salinas

The following legislative priorities have the ability to positively impact the economic trajectory of Hispanic and minority-owned small businesses in our country:

Ensure Stimulus Funding and Economic Relief for 501(c)(6) Chambers of Commerce and nonprofit organizations: Amend the CARES Act under Section 1102 (a) definitions, to clarify that the term 'nonprofit organization' means an organization that is described in section 501(c)(3) or 501(c)(6) of the Internal Revenue Code. These organizations should be included with parameters around their activity, mission, or number of employees in the entity, and be amended to specifically allow Chambers of Commerce to access these funds.



Expand lending for minority and community banks, debt, and equity capital for minority asset managers: Address the capital needs and lending abilities of Minority Depository Institutions (MDIs), Small Business Investment Companies (SBICs), community banks, smaller regional banks, minority asset managers and Community Development Financial Institutions (CDFIs) that serve minority and low-income communities who represent some of the most vulnerable businesses as it pertains to cash flow and liquidity. According to the U.S. Small Business Administration, the \$30 billion that were earmarked for lenders that hold less than \$1 billion in assets and “non-banks” which include CDFI funds and other microlenders have nearly been exhausted within five days of the funds becoming available. Legislative action is needed to expand the \$30 billion of funding that were allocated so that these financial institutions can continue to serve their customers, including businesses who may not have existing relationships with traditional financial institutions or lenders, in order to get them the necessary operating capital.

Integrate Minority Business Enterprises as Strategic Vendors of the U.S. Supply Chain: Require the U.S. Supply Chain as it relates to federal government contracting to include Minority Business Enterprises in the production, operation, and distribution of goods and services needed for relief efforts, to combat disasters and future pandemics. A critical measure is to unbundle contracts from purchasing consortiums for goods and services and identify MBEs who currently manufacture or distribute these goods and services, to become an integrated part of public sector supply chains as they seek to maintain or obtain contracts. We encourage our leaders in Congress to leverage the U.S. Small Business Administration Small Business Development Centers, U.S. Minority Business Development Agency Minority Business Development Centers, and national business diversity organizations such as the U.S. Hispanic Chamber of Commerce to accomplish this goal.

More transparent reporting on SBA’s PPP and disaster relief programs: Require lenders of all types to ask the ethnicity of loan applicants to the SBA to enable reporting with more demographics that includes the total number and dollar amounts of loans or grants approved and disbursed through the PPP, Emergency EIDL Grants Program, and the EIDL Program as well as the amount of remaining funding in each program. Weekly reporting should include a breakdown by industry, ethnicity, and loan/grant size. Furthermore, the SBA should require the top 15 Financial Institutions who are managing the lending for these loans to provide a good faith effort and set aspirational goals for a certain percentage for Hispanic and Minority-owned small businesses and report these results.

Resource Partner Grants: Set forth an appropriation to expand Section 1103 (c) of the existing CARES Act to fund grant programs for resource and technical assistance support in the areas of business revitalization, new business technologies, expanded customer service, supplier diversity trainings, supplier diversity matchmaking, financial services, and lending to national organizations with business memberships. These organizations should include minority chambers of commerce, Minority Depository Institutions (MDIs), Community Development Financial Institutions (CDFIs), and not exclude other nonprofit groups that have the ability to provide technical assistance to distressed businesses during and after COVID-19.

2019 Payroll Taxes: Forgive all 2019 Payroll Taxes for America’s 30 million small businesses, allow the Internal Revenue Service (IRS) to waive these taxes to keep more Americans employed by infusing more capital into the economy and creating a substantial operational impact for small businesses. This designation should be allowed for small businesses, per the established guidelines of the Small Business Administration (SBA).

Capital Financing for Hispanic-Serving Institution (HSIs): Expand Section 3512 of the existing CARES Act to include capital financing for Hispanic-Serving Institutions (HSIs). These educational centers create the pipeline of future business owners, entrepreneurs, and executives that will have the ability to actively contribute to the rebuilding and new evolving vitality of the American economy post COVID-19. HSIs should be considered for grant funding in Low-



Establish a Minority Equity Fund of \$65 billion to have the ability to fund Minority Business Enterprises (MBEs), and minority managers to participate in any Economic Relief Programs as implemented by Treasury, SBA or other agencies: Refer to the [Economic Stabilization Act of 2008](#) for language regarding MBE inclusion, specifically Section 107 contracting procedures to include the following legislative determinations: (a) STREAMLINED PROCESS.—For purposes of this Act, the Secretary may waive specific provisions of the Federal Acquisition Regulation upon a determination that urgent and compelling circumstances make compliance with such provisions contrary to the public interest. Any such determination, and the justification for such determination, shall be submitted to the Committees on Oversight and Government Reform and Financial Services of the House of Representatives and the Committees on Homeland Security and Governmental Affairs and Banking, Housing, and Urban Affairs of the Senate within seven days. Additional contracting requirements should include, any solicitation or contracts where the Secretary has, pursuant to subsections for minorities, deadline, or waiver authority. Waive any provision of the Federal Acquisition Regulation pertaining to minority contracting, the Secretary shall develop and implement standards and procedures to ensure, to the maximum extent practicable, the inclusion and utilization of minorities (as such term is defined in section 1204(c) of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (12 U.S.C. 1811 note)) minority and women-owned businesses (as such terms are defined in section 21A(r)(4) of the Federal Home Loan Bank Act (12 U.S.C. 1441a(r)(4)), in that solicitation or contract, including contracts to asset managers, servicers, property managers, and other service providers or expert consultants. Add the eligibility of FDIC insured financial institutions notwithstanding subsections (a) and (b), the Corporation, (1) shall be eligible for, and shall be considered in, the selection of asset managers for residential mortgage loans and residential mortgage-backed securities; and (2) shall be reimbursed by the Secretary for any services provided.

Undocumented Business Owners and Workers: Set forth provisions to allow undocumented business owners and undocumented workers who can actively prove that they have paid the Internal Revenue Service (IRS) taxes in 2018 to take advantage of the existing CARES Act. These entrepreneurs and employees thereof, are active contributors to the American economy and should have the same access to rebuild their businesses and families to continue those economic contributions. Furthermore, Deferred Action for Childhood Arrivals (DACA) recipients who are in this country by no fault of their own should also be guaranteed access to these provisions regardless of the immigration status of others on their tax return or household.

If you have any questions or require additional information, please do not hesitate to contact C. LeRoy Cavazos-Reyna, Vice President of Government and International Affairs, at L.Cavazos@ushcc.com or via phone at 956-844-9628. Thank you in advance for your consideration in this matter, we look forward to your positive response and collaboration on these important policy priorities.

Respectfully,

Carmen Castillo
Chairwoman, Board of Directors

Ramiro A. Cavazos
President & CEO

CC: Hon. Marco Rubio, Chair, Senate Committee on Small Business & Entrepreneurship
Hon. Ben Cardin, Ranking Member, Senate Committee on Small Business & Entrepreneurship
Hon. Nydia M. Velázquez, Chairwoman, House Committee on Small Business
Hon. Maxine Waters, Chairwoman, House Committee on Financial Services
Hon. Joyce Beatty, Chairwoman, House Sub Committee on Diversity and Inclusion
Hon. Joaquin Castro, Chairman, Congressional Hispanic Caucus

Monday, June 22, 2020

**The Honorable Jerome Powell
Chairman**

Board of Governors of the Federal Reserve System
20th Street and Constitution Ave., NW
Washington, DC 20551

**The Honorable Steven Mnuchin
Secretary**

U.S. Department of the Treasury
1500 Pennsylvania Avenue NW
Washington, DC 20220

Re: Request that the Federal Reserve utilizes its full powers to support, with a debt and equity facility, a vital sector of the economy that represents \$1.4 trillion in gross receipts and 7.2 million in jobs.

Dear Chairman Powell and Secretary Mnuchin:

All the organizations that sign this letter lead the Industry Associations and Investment Management Associations that unite Minority business owners across the country. According to the Minority Business Development Agency ([MBDA](#)), minority businesses generate \$1.4 trillion in aggregate gross receipts and create 7.2 million jobs. During this economic crisis we must make every effort to preserve their productivity and job creation.

We request the opportunity to meet alongside our investment management experts so we can provide our perspective and proposed solutions. **We request that you provide serious consideration to the facilities and Main Street Lending program modifications we propose below, and that you provide through your toolset at least \$10 billion for the funding our businesses require so that our pre-COVID profitable businesses can fight the COVID war, and thrive, protecting millions of jobs. This will largely benefit our communities and provide much hope and resources during very difficult economic and social times.**

Unemployment is massive and rapidly crippling our communities. We work every day with these business owners; therefore, we can share first-hand the deeply troubling situation that many of our profitable and thriving pre-COVID 19 companies are now facing, resulting in productivity loss and massive job losses. Robert W. Fairlie, PhD in economics, in his recently published paper by NBER, *“The Impact of COVID-19 on Small Business Owners: Evidence of early-stage losses from the April 2020 current population survey”* provides the first analysis of impacts of the pandemic on the number of active small businesses in the United States using nationally representative data from the April 2020 CPS (current population survey) – the first month fully capturing early effects from the pandemic. According to the author: *This paper is the first to use CPS data covering the early effects of COVID-19 mandates and demand shifts on small businesses, and the first to explore differential effects for female, minority and immigrant business owners, which is potentially important for targeting government aid to preserve small businesses and the jobs they create.”*

Further, the paper also provides disturbing statistics: *“the number of African-American business owners plummeted from 1.1 million in February 2020 to 640,000 in April. The loss of 440,000 black business owners representing 41 percent of the previous level is disconcerting. Latinx business owners also suffered major*

losses. The number of Latinx business owners dropped from 2.1 million to 1.4 million (32 percent) from February to March...The Stanford Latino Entrepreneurship Initiative (2020) surveyed 224 high-revenue Latinx-owned businesses and found that 86% of respondents reported immediate negative effects such as delayed projects and closure from the pandemic.”

We request that you provide an opportunity for skilled and minority managers to add value and help salvage productivity and job creation. The capital crisis our businesses are experiencing has been largely compounded by the fact **that many of our business owners are not closely working with a bank**, reason why PPP had significant challenges and low minority participation rates. If the Main Street Lending program is distributed only through banks, this will continue to largely occur. The program excludes other valuable financial entities, such as debt and equity asset managers, especially those that are diverse owned and have experience and knowledge in our market and managing recession programs.

The need for equity is dire. We also believe it is imperative that the program, or a parallel facility, includes equity, a capital type that was included under the PPIP program during the last recession. In our estimation salvaging productive businesses and job creators is of imperative importance for our country and our economy.

Going back to full employment requires capital for productivity. We were pleased to hear on your Thursday June 11, 2020 press remarks about the commitment of the Federal Reserve to utilize its full toolset to allow for economic recovery. However, we want to express our deep concern because we know that job creation doesn't happen alone, and that **for our communities to be put back to work, our businesses must be supported with the right capital and technical assistance instruments.** Beyond PPP, EIDL, and now the Main Street Lending program, it is imperative that we stand up facilities of at least \$10 billion to utilize our skilled diverse asset management firms, who have the expertise to provide flexible **debt and equity**, short, medium and long term **value added** capital solutions. This can happen in close collaboration with chambers and industry associations who can provide **vital support, alongside capital**, to our business owners. Ultimately, this will largely maintain and improve productivity and job preservation, and will become a vital lifeline for these businesses to survive COVID-19 disaster and thrive beyond, continuing to provide all sorts of products and services to the economy including many essential goods and services. Many of these business owners have provided essential goods and services, are **innovators and inventors, are productive actors of our economy, and merit every reason to be supported financially** during this crisis.

Quantifying needs and what our skilled asset managers can achieve. As highlighted recently by Monika Mantilla, who leads an SBIC impact fund and asset management firm that specializes in this segment and provided asset management services including public private programs during the last recession, at the recent New York Fed Reserve “To Important to Fail” Event, **the estimated needs for minority businesses stand at \$700 bill.** Asset management firms can and should operate as the next tier of capital solutions for a universe of approx. 8,000 diverse enterprises that sell north of \$5 mill in revenue and generate a large percentage of the 7.2 mill jobs that minority businesses create.

Our needs. The large majority of our businesses are small, and need Community Development Financial Institutions, CDFIs, to support them with capital, with size of checks up to \$500,0000. **But beyond those needs there is a next tier of solid businesses, across many industries, that need larger size of checks, both debt and equity, provided by value-add capital providers, many of which are minority owned. They need to be visible and valuable to the Federal Reserve and Treasury, and added as fiduciaries, service providers and advisors, in existing or future facilities and in the next legislative relief package. During the last recession the law included the following language:**

"Requires the Secretary, in any solicitation or contract containing such a waiver, to develop and implement standards and procedures to ensure the inclusion and utilization of minorities and women, and minority- and women-owned businesses, in that solicitation or contract, including contracts to asset managers, servicers, property managers, and other service providers or expert consultants.

<https://www.congress.gov/bill/110th-congress/house-bill/1424>

Becoming architects of our own solutions. We also would like to stress the importance of strengthening Minority Depository Institutions and minority owned CDFIs, so that our communities can continue to be architects of their own solutions. And we need an opportunity for our own asset managers to be fully utilized for the benefit of our economy and our country.

There are viable solutions and facilities adjustments as outlined in this letter that we must together contemplate and ask that you promptly implement for the benefit of our country and the strength of our economy.

We appreciate your consideration to our proposals to ensure our country minimizes the damage the pandemic has caused, and the current social unrest has uncovered. We trust the Federal Reserve and the US Treasury will see our segment of the economy and the importance it merits for the present and the future of our Nation.

Sincerely,



Ramiro A. Cavazos
President and CEO
United States Hispanic Chamber of Commerce
(USHCC)



Mark Madrid
CEO
Latino Business Action Network (LBAN), Stanford
Latino Entrepreneurship Initiative



Solange Brooks
CEO
New America Alliance (NAA)



Robert Greene
CEO
National Association of Investment Companies
(NAIC)

CC: The Honorable Mitch McConnell, Majority Leader, U.S. Senate
The Honorable Nancy Pelosi, Speaker, U.S. House of Representatives
The Honorable Charles Schumer, Minority Leader, U.S. Senate
The Honorable Kevin McCarthy, Minority Leader, U.S. House of Representatives
The Honorable Marco Rubio, Chair, U.S. Senate Committee on Small Business and Entrepreneurship
The Honorable Ben Cardin, Ranking Member, U.S. Senate Committee on Small Business and Entrepreneurship
The Honorable Tim Scott, Member, U.S. Senate Committee and Small Business and Entrepreneurship

The Honorable Cory Brooker, Member, U.S. Senate Committee on Small Business and Entrepreneurship

The Honorable Maxine Waters, Chairwoman, U.S. House Committee on Financial Services

The Honorable Joyce Beatty, Chairwoman, U.S. House Subcommittee on Diversity and Inclusion

The Honorable Nydia M. Velázquez, Chairwoman, U.S. House Committee on Small Business

The Honorable Joaquin Castro, Chairman, Congressional Hispanic Caucus



July 1, 2020

The Honorable Nancy Pelosi
Speaker of the House of Representatives
U.S. House of Representatives
United States Capitol
Washington, DC 20515

The Honorable Mitch McConnell
Majority Leader
U.S. Senate
United States Capitol
Washington, DC 20515

Dear Madam Speaker and Majority Leader McConnell:

On behalf of the dozens of national, state and local organizations that have united to advocate for underserved and rural communities, the Page 30 Coalition writes you today in support of the *Recharge and Empower Local Innovation and Entrepreneurs Fund (RELIEF) for Main Street Act of 2020*.¹ We believe that the inclusion of this bipartisan proposal into the forthcoming Congressional relief package will promote economic opportunity and fiscal resiliency within communities that have been disproportionately affected by the COVID-19 pandemic.

First and foremost, we applaud lawmakers' efforts to combat this crisis with the passage of the *Coronavirus Aid, Relief, and Economic Security (CARES) Act* and subsequent relief legislation. Your actions have safeguarded the nation's small business ecosystem from further devastation. We write concerning the traditionally overlooked and marginalized groups that have experienced disparate effects.

The economic downturn caused by COVID-19 has highlighted the disproportionate burdens that still persist within the country's most underserved demographics, such as minority, women, tribal and veteran groups and other traditionally underserved entrepreneurs.² Early-stage data demonstrates that firms owned by People of Color were amongst the hardest hit businesses in the initial months of the pandemic. While Main Street America has lost a collective 3.3 million businesses between March and April 2020, American Black-owned businesses have declined by 41 percent, Latinx-owned firms have dropped by 32 percent, Asian-owned businesses have reduced by 26 percent, and women-owned businesses have declined by 25 percent.³

We agree with Department of Treasury Secretary Steve Mnuchin's sentiment that the federal government needs a far more targeted approach in deploying future small business relief.⁴ Like

¹ [Senator Corey Booker \(D-NJ\), "Recharge and Empower Local Innovation and Entrepreneurs Fund \(RELIEF\) for Main Street Act," \(Senator Corey Booker, May 14, 2020\)](#)

² [Page 30 Coalition, "Letter to Lawmakers," \(Page 30 Coalition, May 15, 2020\)](#)

³ [Robert Fairlie, "The Impact of Covid-19 on Small Business Owners: Evidence of Early-Stage Losses from the April 2020 Current Population Survey," University of California, Santa Cruz - Department of Economics \(University of California, Santa Cruz, June 9, 2020\)](#)

⁴ [Niv Elis, "Mnuchin Indicates Openness to More PPP Loans in next COVID-19 Relief Bill," TheHill \(The Hill, June 10, 2020\)](#)

Secretary Mnuchin, the Page 30 Coalition believes that future Congressional relief packages must comprise equitable and targeted policies that will address the unmitigated economic damages of COVID-19 for marginalized small businesses.

To that end, we urge lawmakers to consider the *RELIEF for Mainstreet* proposal, introduced by Senator Corey Booker (D-NJ), Senator Steve Daines (R-MT), and Senator Patty Murray (D-WA). This bill would help bridge the resource-gap by deploying \$50 billion to state and local small business relief funds and offering financing products, grants and zero-interest loans to small businesses in need. The inclusion of this proposal in the upcoming package would allow local communities to support microbusinesses, increase technical assistance services and combat additional enterprise-loss within minority markets.

Thank you for your consideration of this request. We commend your work on ensuring that all small businesses receive the resources necessary to withstand the current economic downturn. We urge you to reach out directly to Jamon Phenix, at jamon@page30coalition.org, with any questions, given the timely nature of these policies.

Sincerely,

Page 30 Coalition

July 9, 2020

The Honorable Marco Rubio
Chairman
Committee on Small Business &
Entrepreneurship
U.S. Senate
428A Russell Senate Office Building
Washington, D.C. 20510

The Honorable Nydia M. Velázquez
Chairwoman
Committee on Small Business
U.S. House of Representatives
2302 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Ben Cardin
Ranking Member
Committee on Small Business &
Entrepreneurship
U.S. Senate
428A Russell Senate Office Building
Washington, D.C. 20510

The Honorable Steve Chabot
Ranking Member
Committee on Small Business
U.S. House of Representatives
2371 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Rubio, Chairwoman Velázquez, and Ranking Members Cardin and Chabot:

The undersigned trade associations representing thousands of small businesses, banks, credit unions, financial institutions, and employees strongly support S. 4117, “The Paycheck Protection Program Small Business Forgiveness Act”, sponsored by Senators Kevin Cramer, Bob Menendez, Thom Tillis and Kyrsten Sinema. The Paycheck Protection Program (PPP), established by Congress in the Coronavirus Aid, Relief, and Economic Security (CARES) Act, has provided millions of small businesses the economic relief they need to meet the challenges posed by the COVID-19 crisis. This bipartisan legislation would ensure our nation’s small business owners can focus their time, energy, and resources back into their business and communities instead of allocating significant time and resources into completing complex forgiveness forms.

In order to help our nation’s smallest businesses, we urge Congress to quickly pass this legislation that would forgive PPP loans of less than \$150,000 upon the borrower’s completion of a simple, one-page forgiveness document. PPP loans of \$150,000 and under account for 86 percent of total PPP recipients, but less than 27 percent of PPP loan dollars. Expediting the loan forgiveness process for many of these hard-hit businesses will save more than \$7 billion dollars and hours of paperwork.

Data provided in an independent analysis by AQN Strategies (AQN) has shown an estimated benefit of issuing auto-forgiveness for various loan size thresholds.¹ AQN anticipates the

¹Ben Sabloff, Jason Ford, Gaby Garcia, “Is It Easier to Ask for Forgiveness Than Permission? Not for PPP Loans Under \$150K” *AQN Strategies*, June 1, 2020, <https://www.aqnstrategies.com/aqncentral/forgive-small-ppp>

combined resource requirements of operators' time and/or third-party expenses to represent an effective cost of \$2,000-\$4,000 for each business that applies for forgiveness, requiring 20-100 hours of focused time from key leaders of these businesses. With an average loan size of less than \$19,000 for the smallest 60 percent of loans, this estimate would represent 10-20 percent of the loan amount itself, which is otherwise intended to support payroll, rent, and other obligations necessary to keep businesses alive and ready to restart. In addition, AQN's analysis suggests that the cost to businesses and lenders would be lower than the cost for the government to auto-forgive loans.

Small businesses and their employees are the backbone of our nation's economy and communities. Their time and resources would be better focused on getting the economy safely back up and running, not processing burdensome paperwork. We strongly support S. 4117 and look forward to working with you, the Committee, and the 116th Congress to pass this bill and have it signed into law. Thank you for your strong, common sense leadership on such a critical issue.

Sincerely,

Aeronautical Repair Station Association
Agricultural Retailers Association
AICC, The Independent Packaging Association
Air Conditioning Contractors of America
American Bankers Association
American Dental Association
American Farm Bureau Federation
American Financial Services Association
American Foundry Society
American Land Title Association
American Road & Transportation Builders Association
American Society of Media Photographers
American Staffing Association
Asian American Hotel Owners Association
Associated Equipment Distributors
Associated General Contractors of America
Associated Industries of Massachusetts
Associated Wire Rope Fabricators
Association of Kentucky Fried Chicken Franchisees
Association of Small Business Development Centers
Association for Enterprise Opportunity
Auto Care Association
Bank Policy Institute
Brick Industry Association
Building Owners and Managers Association (BOMA)

California Association of Breakfast & Boutique Inns
California Association for Micro Enterprise Opportunity
California Hotel & Lodging Association
CAMEO
Commercial Food Equipment Service Association Inc (CFESA)
Community Development Bankers Association
Consumer Bankers Association
Credit Union National Association
Decorative Hardwoods Association
Electronics Representatives Association
Electronic Transactions Association
Financial Services Forum
Foodservice Equipment Distributors Association (FEDA)
Global Cold Chain Alliance
GovEvolve
Golf Course Superintendents Association of America
Hispanic Metropolitan Chamber
Hotel Association of Los Angeles
HUBZone Contractors National Council
Impact Hub Houston
Inclusiv
Independent Community Bankers of America
Independent Cosmetic Manufacturers and Distributors (ICMAD)
Independent Electrical Contractors
Independent Insurance Agents & Brokers of America
Independent Lubricant Manufacturers Association
Independent Office Products & Furniture Dealers Alliance
Innovate Coalition
Innovative Lending Platform Association
International Franchise Association
International Sign Association
Leading Builders of America
Kansas Global Trade Services, Inc.
Long Beach Hospitality Alliance
MarketPlace Lending Association
Mid-Size Bank Coalition of America
Manufacturer & Business Association
Manufactured Housing Institute
Modular Building Institute
Motor & Equipment Manufacturers Association (MEMA)
North American Association of Food Equipment Manufacturers (NAFEM)
National ACE
National Association of Chemical Distributors

National Association of Home Builders
National Association of REALTORS®
National Association of Federally-Insured Credit Unions
National Association of Professional Employer Organizations
National Association of Professional Insurance Agents
National Association of the Remodeling Industry
National Association for the Self-Employed
National Association of Surety Bond Producers
National Association for Surface Finishing
National Association of Trailer Manufacturers
National Automatic Merchandising Association (NAMA)
National Bankers Association
National Beer Wholesalers Association
National Center for American Indian Enterprise Development
National Community Pharmacists Association
National Cotton Council
National Electrical Contractors Association
National Electrical Manufacturers Representatives Association (NEMRA)
National Independent Automobile Dealers Association
National Limousine Association
National Marine Distributors Association
National Mining Association
National Office Products Alliance
National Restaurant Association
National Retail Federation
National RV Dealers Assn (RVDA)
National Wooden Pallet and Container Association
North American Association of Food Equipment Manufacturers
North Carolina Bankers Association
Office Furniture Dealers Alliance
Opportunity Finance Network
Outdoor Power Equipment and Engine Service Association
Page 30 Coalition
Painting Contractors Association
Partners for Rural Transformation
Pet Industry Distributors Association
Petroleum Marketers Association of America (PMAA)
Professional Beauty Association (PBA)
Promotional Products Association International (PPAI)
Prosperity Now
Secondary Materials and Recycled Textiles Assoc. (SMART)
Security Industry Association
Service Station Dealers of America and Allied Trades (SSDA-AT)

Small Business Majority
Small Business Council of America (SBCA)
Small Business Legislative Council (SBLC)
Small Business Investor Alliance
Small Business Majority
Small Business Roundtable
Society of Collision Repair Specialists (SCRS)
Southwest Cable Communications Association
Specialty Equipment Market Association
Specialty Tools & Fasteners Distributors Association (STAFDA)
Texas Bankers Association
The Latino Coalition (TLC)
The Society of American Florists
The Transportation Alliance
The Water Quality Association
Tire Industry Association
United Veterinary Services Association (UVSA)
U.S. Asian Pacific American Chamber of Commerce and Entrepreneurship
U.S. Black Chambers
U.S. Chamber of Commerce
U.S. Hispanic Chamber of Commerce
Virginia Asian Chamber of Commerce
Virginia Small Business Partnership
Washington Retail Association
Wine & Spirits Wholesalers Association
Women Impacting Public Policy (WIPP)
World Floor Covering Association
Young Audiences Arts for Learning



July 17, 2020

The Honorable Marco Rubio
Chairman
Committee on Small Business &
Entrepreneurship
U.S. Senate
428A Russell Senate Office Building
Washington, D.C. 20510

The Honorable Nydia M. Velázquez
Chairwoman
Committee on Small Business
U.S. House of Representatives
2302 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Ben Cardin
Ranking Member
Committee on Small Business &
Entrepreneurship
U.S. Senate
428A Russell Senate Office Building
Washington, D.C. 20510

The Honorable Steve Chabot
Ranking Member
Committee on Small Business
U.S. House of Representatives
2371 Rayburn House Office Building
Washington, D.C. 20515

Dear Chairman Rubio, Chairwoman Velázquez, and Ranking Members Cardin and Chabot:

On behalf of the minority business community in the United States, we are thankful for all of the leadership and work each of you have demonstrated in helping to advocate for small businesses during our current economic crisis. We are writing to express our policy requests as you consider the next phase of stimulus funding to keep the American economy on track during and after the COVID-19 economic crisis. Collectively, the undersigned organizations represent the interests of more than 9.3 million minority-owned business enterprises (MBEs) and a network of more than 450 minority focused nonprofit organizations across the United States.

As the leading national voices for minority businesses in the United States, we want to ensure each of your committees are aware of the incredible risk these businesses are facing in light of COVID-19. We stand at an economic precipice in American history to help businesses recover as we continue to fight this unprecedented pandemic.

Even before COVID-19, minority-owned businesses have all faced challenges that underscore their economic fragility. A recent assessment by the Federal Reserve Bank found that minority owned businesses were more likely to show signs of limited financial health – indicated by factors such as profitability, credit scores, and a propensity to use earnings as a funding source for their

business. In a recent analysis of data provided by the Minority Business Development Agency (MBDA), 11% of minority-owned small businesses had employees compared with 22% of non-minority-owned businesses.

During this COVID-19 crisis, we have discovered a large concentration of minority-owned businesses that are susceptible to disruption and vulnerable to the impact of the pandemic in our country. Minority entrepreneurs are the largest owners of businesses in service industries – including restaurants, laundry services, salons, and retail. A recent study by McKinsey, shows that 51% of small business jobs performed by minorities could be vulnerable in the near term, compared to 47% of non-minorities. Their recent Business Pulse Survey also shows that 58% of these minority businesses are extremely concerned about the financial viability of their respective enterprise.

Prior to the COVID-19 economic crisis, MBEs have been succeeding in spite of the many historical barriers minority entrepreneurs face as they work to start and grow a business. MBEs are two to three times more likely to be denied business loans, have one third of the annual gross revenues when compared to non-minority owned companies, and are half as likely to have at least one employee on payroll. When we fail to invest in minority-owned firms, our economy suffers.

As organizations committed to help our community during these unprecedented times, we are asking our leaders in Congress to promptly develop legislation to help minority-owned businesses navigate and recover this crisis. On behalf of our members, we urge you to consider the following three policy priorities as we seek to provide aid to the communities, we represent in this recovery process:

- **Establish a Minority Equity Fund of \$10 billion to have the ability to fund Minority Business Enterprises (MBEs):** Congress needs to provide immediate grants to minority businesses to assist them with short-term and long-term liquidity. We are asking for an appropriation of \$10 billion to be allocated in the form of grants to help small minority businesses and nonprofit organizations who serve this demographic to allow them to provide necessary liquidity.
- **Funding for technical assistance and business resiliency through the Minority Business Development Agency (MBDA):** In order for minority-owned businesses to adapt their current models and operations in this new age of doing business, technical assistance, organizational resiliency training, and access to technology will be vital to the long-term success of minority-owned businesses. This includes the ability to understand how to rapidly adjust to a new reality caused by the COVID-19 pandemic. We believe any future relief funding for the businesses of our country must include financial assistance that will develop resilience programs for our businesses. Specifically, \$500 million should be appropriated to the MBDA so that it may provide financial assistance in the form of grants to minority business development centers and minority chambers of commerce to provide education, training, and technical assistance to all MBEs who are in critical need of this recovery guidance.

- **Resource Partner Grants:** Set forth an appropriation to expand Section 1103 (c) of the existing CARES Act to fund grant programs for resource and technical assistance support in the areas of business revitalization, new business technologies, expanded customer service, supplier diversity trainings, supplier diversity matchmaking, financial services, and lending to national organizations with business memberships. These organizations should include minority chambers of commerce, Minority Depository Institutions (MDIs), Community Development Financial Institutions (CDFIs), minority asset managers, and not exclude other nonprofit groups that have the ability to provide technical assistance to distressed businesses during and after COVID-19.

If you have any questions or require additional information, please do not hesitate to contact us at any time. Thank you in advance for your consideration in this matter, we look forward to your positive response and collaboration on these important policy priorities as you continue to design the economic future of our country through strategic bipartisan legislative action.

Respectfully,



Chiling Tong
President and CEO
National ACE



Ron Busby Sr.
President and CEO
U.S. Black Chambers, Inc.



Ramiro A. Cavazos
President & CEO
U.S. Hispanic Chamber of Commerce

CC: The Honorable Mitch McConnell, United States Senate Majority Leader
The Honorable Nancy Pelosi, Speaker of the United States House of Representatives
Members of the Congressional Hispanic Caucus
Members of the Congressional Black Caucus
Member of the Congressional Asian Pacific American Caucus