



March 5, 2020

The Honorable Roger Wicker
Chairman
U.S. Senate Committee on Commerce,
Science, & Transportation
Washington, D.C. 20510

The Honorable Maria Cantwell
Ranking Member
U.S. Senate Committee on Commerce,
Science & Transportation
Washington, D.C. 20510

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Dear Chairman Wicker and Ranking Member Cantwell:

On behalf of the United States Hispanic Chamber of Commerce (USHCC), we are writing to express our support for the Minority Business Development Act of 2020, which would establish the Minority Business Development Agency (MBDA) in statute. MBDA is the only agency of its kind that promotes and administers programs in the public and private sectors to assist the development of minority business enterprises (MBE).

The USHCC actively promotes the economic growth, development and interests of more than 4.37 million Hispanic-owned businesses that, combined, contribute over \$700 billion to the American economy every year. We also serve as a platform for our nation-wide 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.

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 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 firms, 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 in America established and fueling the American economy.

Now is the time to invest in America's minority entrepreneurs by making MBDA a stronger agency. In addition to placing MBDA in statute, the Minority Business Development Act would authorize the creation of new regional offices and formation of new partnerships with historically black colleges and universities and minority serving institutions to help the agency reach more minority entrepreneurs in even more communities.

The USHCC believes that the Minority Business Development Act would help many minority entrepreneurs realize their dreams of business ownership. The USHCC, our members and respective constituents strongly urge you to pass this bill which allows for the growth of the minority business community which ensure America's economic vitality.

Respectfully,

Ramiro Cavazos
President & CEO