



April 20, 2022

United States Senate
50 Constitution Ave NE, Washington, DC 20510

Dear Policymaker,

BOARD OF DIRECTORS

Victor Arias

Carlos A. Becerra

Carmen Castillo

Jessica Cavazos

Ernie C'De Baca

Yuri Cunza

Reuben Franco

Regina Heyward

Juan Carlos Liscano

Rachel Kutz

Betty Manetta

Monika Mantilla

Mayra Pineda

Jacquelyn Puente

Nelson Reyneri

Christine Rice

Alice Rodriguez

Jennifer Rodriguez

Raul Salinas

Yammel Sánchez-Ocaña

Rosa Santana

Ramiro A. Cavazos
President & CEO

On behalf of the business organizations signed on below, we write to urge you to restore funding for the State Small Business Credit Initiative (SSBCI) that was cut as part of the Bipartisan COVID Supplemental Appropriations Act.

We appreciate the importance of appropriations for COVID vaccines, therapeutics, and testing and we understand the need to offset costs. Yet the proposed \$2.1 billion cut to the SSBCI will have unintended negative consequences on America's small businesses in every state. These cuts will almost certainly preclude \$20 billion in private capital from reaching small businesses across the United States.

Moreover, in spite of the intent to protect funding for socially and economically disadvantaged (SEDI) businesses, most states expect they will not be able to meet the required 10:1 leverage ratio in the programs designed to reach these businesses without the counterbalance of more flexible funding through the full main capital allocation. This will limit the program's reach into hard-to-serve communities and constrain opportunities for innovation that the U.S. Department of the Treasury has encouraged.

American Main Streets, more than 9.3 million Minority Business Enterprises (MBEs), and aspiring entrepreneurs are waiting, and their individual economic success depends on access to capital.

During the COVID-19 pandemic, the small business ecosystem was forced to completely restructure and reimagine its sustainability. The SSBCI program can provide new innovative ways to lend money through diverse entities, funding streams, and even private equity. It is important that this program's funding be left intact so that state governments can evolve access to capital mechanisms in their communities, with an emphasis on minority, economically disadvantaged areas, and rural America.

Thank you for your service and partnership in supporting America's minority-owned small businesses. We look forward to your response and collaboration on this request to ensure that small businesses across the country are able to access the capital they need to start, sustain, rebuild, and grow their enterprises.

Thank you for your service and partnership in supporting America's Hispanic and minority owned businesses as well as the more than 63.5 million Latinos/as living in America. If you have any questions, please do not hesitate to reach out to C. LeRoy Cavazos-Reyna, Vice President of Government and International Affairs via phone at 956-844-9628 or email at LCavazos@ushcc.com.



We commend you for your leadership in the United States Congress and look forward to a positive outcome on this important matter.

Respectfully,

Access to Capital for Entrepreneurs
Accion Opportunity Fund
African American Alliance of CDFIs CEOs
Aspen Institute Latinos and Society Program
California Association for Micro Enterprise Opportunity (CAMEO)
Disability:IN
Hispanic Chamber Cincinnati USA
Initiative for a Competitive Inner City
National Asian/Pacific Islander American Chamber of Commerce and Entrepreneurship (National ACE)
National Association for the Self-Employed
National Association of Women Business Owners (NAWBO)
National LGBT Chamber of Commerce
National Minority Supplier Development Council (NMSDC)
National Small Business Association
Reimagine Main Street
United States Hispanic Chamber of Commerce (USHCC)
Veteran Women's Enterprise Center
The Women Entrepreneur Leadership Lab (The WELL)
Women Impacting Public Policy (WIPP)

CC: Janis Bowdler, Counselor to the Secretary for Racial Equity, US
Department of Treasury
Jeff Stout, Director, Office of Federal Program Finance, US Department
of Treasury White House
The Honorable Raul Ruiz, Chairman, Congressional Hispanic Caucus