



NATIONAL
ASSOCIATION FOR
LATINO
COMMUNITY
ASSET
BUILDERS

September 24, 2021

Chair Ben Cardin
U.S. Senate Committee on Small Business & Entrepreneurship
428A Russell Senate Office Building,
Washington, DC 20515

Dear Chair Cardin,

On behalf of NALCAB – The National Association for Latino Community Asset Builders - I write to express support for the small business provisions, put forth by the committee, to be included in the reconciliation package that will uplift and strengthen resources for entrepreneurs and in doing so spur economic growth nationwide. While there is more work to be done, these initiatives are a step in the right direction toward equitable access to the American dream of successful entrepreneurship.

NALCAB is a national non-profit and certified Community Development Financial Institution (CDFI) with a mission to strengthen the economy by advancing economic mobility in Latino communities. We are a hub of a national network of more than 140 mission-driven organizations, in both urban and rural communities, in 40 states and DC that build affordable housing, support small business growth, and provide financial counseling. Our vision is to dramatically scale the flow of public and private sector capital that responsibly meets the asset building needs and opportunities in the communities and families we serve. During the COVID 19 pandemic relief efforts NALCAB was called on to assist with the deployment of the Paycheck Protection Program to help reach Latino and underserved small businesses.

In crafting an economic agenda that supports small business, creates jobs and invests in local communities we applaud the committee's efforts to help strengthen entrepreneurship among Latinos. In particular, we support the creation of a network of small business incubators that will help small businesses start or expand their enterprises and spur economic growth in underrepresented communities. The small business bill will also bolster rural entrepreneurship with the establishment of Rural Small Business Conferences. The Hispanic population in nonmetropolitan areas grew at the fastest rate of any racial or ethnic group during the 1990s and post-2000 time.¹ With population growth and rates of entrepreneurship – these increased tools can help Latinos bring life to many otherwise declining communities. Access to capital is among one the greatest barriers to success for minority entrepreneurs and aspiring small businesses. We strongly support establishing an Office of Emerging Markets to



NATIONAL
ASSOCIATION FOR
LATINO
COMMUNITY
ASSET
BUILDERS

coordinate access to capital initiatives by targeting small businesses in emerging markets and funding the Community Advantage Program – one of SBA’s most successful lending programs in reaching Latino small businesses.

The initiatives included in the small business portion of the reconciliation bill will go a long way toward leveling the playing field and ensuring Latinos can access the tools need to run successful businesses. As you know, minority entrepreneurs and communities of color have been disproportionately impacted by the COVID 19 pandemic and, particularly in the beginning stages of relief efforts, had barriers to accessing government resources. This is not an issue that is unique to the pandemic but one that was exacerbated by it. Latinos are our nation’s innovative leaders, creating jobs and fueling local economies. Prior to the COVID-19 pandemic, the nearly 400,000 employer Latino owned businesses in the US employed 3.4 million workers and generated \$500 billion in annual revenue.ⁱⁱ For our country to truly build back better, our policies must be intentional and explicit in supporting their success. We look forward to continuing to work with the Small Business Committee, Congress, and the Administration to advance the President’s Executive Order on Racial Equity and Support for Underserved Communities. This includes ensuring the Community Advantage Loan Program delivers on its mission of meeting the credit and technical assistance needs of small businesses in underserved areas by including businesses owned by people of color in its target markets. Additionally, that any direct lending program by SBA consider not only the capital needs of underserved areas but also the best conduit for reaching these populations.

Again, we appreciate your work on behalf of this nation’s small business.

Sincerely,

Marla Bilonick

Marla Bilonick
President and CEO

ⁱ [Demographic trends in rural and small town America \(unh.edu\)](https://www.unh.edu)

ⁱⁱ Kramer Mills, Claire, et al. “Latino-owned Businesses: Shining a Light on National Trends,” *Stanford Graduate School of Business Latino Entrepreneurship Initiative*, Nov. 2018, pp. 6., <https://www.newyorkfed.org/medialibrary/media/smallbusiness/2017/Report-on-Latino-Owned-Small-Businesses.pdf>