



June 28, 2022

The Honorable Rosa DeLauro
Chairwoman
Committee on Appropriations
U.S. House of Representatives
Washington, DC. 20515

The Honorable Kay Granger
Ranking Member
Committee on Appropriations
U.S. House of Representatives
Washington, DC 20515

Dear Chairwoman DeLauro and Ranking Member Granger,

The National Asian/Pacific Islander American Chamber of Commerce and Entrepreneurship (National ACE), together with the United States Hispanic Chamber of Commerce and the U.S. Black Chambers, Inc., collectively represent small, minority businesses across the United States and are the leading organizations advocating for America's diverse entrepreneurs and workforce.

We write today to express our concern regarding the Minority Business Development Agency's (MBDA) funding in the FY2023 Commerce, Justice, Science, & Related Agencies (CJS) Appropriations Bill.

The MBDA, which was made permanent last year through the passage of the Infrastructure Investment and Jobs Act, is the only federal agency dedicated to the growth and competitiveness of minority-owned businesses in underserved communities—**and it is facing a serious funding cut.** The CJS Appropriations Bill has undercut funding for the MBDA by \$40 million—allocating only \$70 million of the President's base authorization of \$110 million. Such a cut will severely obstruct the MBDA's success, reach, and mandate to ensure disadvantaged businesses are not excluded from economic growth and prosperity.

Under the Subcommittee's proposed appropriation bill, the Department of Commerce and each one of its agencies will receive more funding than was requested in the President's budget – **all except for the Agency that concentrates solely on building up our nation's most vulnerable and underserved businesses – the MBDA.**

At a time when minority businesses continue to struggle as we emerge from this global pandemic through a troubling economy with high inflation, the minority business community is deeply concerned about the MBDA not receiving the requested appropriation of \$110 million. MBDA played a pivotal role in assisting struggling small businesses weather the pandemic. Through the MBDA's funding, programs, and research, U.S. minority business enterprises have had greater access to capital, contracts, and markets—access that regularly made the difference between disadvantaged businesses surviving or shutting down during difficult times.

MBDA has historically been underfunded and understaffed. Without the full \$110 million, MBDA risks the future of vital programs, such as the Rural Business Center Program, Family Incarcerated Entrepreneurship Program, and will not be able to expand its regional offices, which are vital in making the government more accessible to marginalized communities.

Without an appropriate budget, the MBDA's incoming Undersecretary will not be able to expand programs, onboard essential staff, or provide life-saving services to disadvantaged entrepreneurs. The Undersecretary will not be able to guarantee the services that the MBDA was designed and mandated to provide, which will reflect poorly on Congress's commitment to minority business owners and communities.

This budget comes at a critical moment for minority businesses, who are just beginning to get back on their feet after the pandemic, while still facing significant economic, political, and social pressures. If Congress is truly committed to minority businesses and equity, MBDA should be funded at the level requested or more.

We respectfully request that the Committee take the appropriate and immediate steps to restore the full funding for MBDA at \$110 million for FY2023. Our minority businesses around the country need your support.

Sincerely,



Chiling Tong
President and CEO
National ACE



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



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

cc: Members of the House Appropriations Committee