THE 2021 BLACKprint

PRINCIPLED POLICIES FOR STRONG BLACK BUSINESSES

@usblackchambers
The U.S. Black Chambers, Inc. (USBC) provides committed, visionary leadership and advocacy in the realization of economic empowerment. Through the creation of resources and initiatives, we support African American Chambers of Commerce and business organizations in their work of developing and growing Black enterprises.
“I’ve long said in order for there to be a strong America, there must be a strong Black America. In order for there to be a strong Black America, we need strong Black businesses. In order to have strong Black businesses, we need strong Black Chambers of Commerce that are committed to growing and supporting Black enterprises.

I encourage every Black American, Black business leader, and advocate across the board to work hand-in-hand with USBC to ensure that policymakers on both sides of the aisle know and understand the principles we’ve outlined. Share the BLACKprint with your Members of Congress and elected officials today.”

Ron Busby - President & CEO, US Black Chambers, Inc.
As the voice of Black business owners, we adamantly urge Congress and corporate decisions makers to prioritize Black-owned businesses as it relates to COVID-19 recovery efforts. Facing more than 40% of pandemic-induced business closures, Black-owned businesses are hit the hardest by the pandemic and deserve a triage approach when it comes to aid relief.

In an effort to provide Congress and corporate decision makers with a blueprint to supporting Black-owned businesses, we’ve published our annual BLACKprint.

Our 2021 BLACKprint is a set of principles that lays out a clear vision for policymakers and decision makers to move the needle on policies that strengthen the Black business community.

It is our belief that in order for there to be a great America, there must be a great Black America; in order for there to be a great Black America, we need great Black businesses; and in order to have great Black businesses, we need great Black Chambers of Commerce and the impactful work the U.S. Black Chambers (USBC) does to support the growth of Black enterprises.

As the current pandemic continues to devastate the health, wealth, and economic well-being of Black Americans, it is imperative that legislation and aid is targeted to addresses the disproportionate impact facing Black business owners. We are hopeful our BLACKprint will inform decision makers and policymakers on both sides of the aisle.

Sincerely,

Ron Busby
President & CEO
US Black Chambers, Inc.
About the 2021 BLACKprint

It’s been three years since we released our inaugural BLACKprint. In our initial publication, the U.S. Black Chambers (USBC) detailed a policy agenda that supports the Black business community. While Black America is currently grappling with an unprecedented economic, health crisis brought on by the most recent public health emergency - the coronavirus pandemic - we remain resilient. As our community continues to grow and recover, more Black Americans seek the opportunity of entrepreneurship. To encourage this activity, we must have strong policies from local leaders, state Governors, congressional leaders in DC and in the White House.

The updated 2021 BLACKprint is a set of principles that guide the U.S. Black Chambers’ policy priorities. The BLACKprint lays out a clear vision for policymakers to move the needle on policies that strengthen the Black business community, and help Black Americans thrive in the decades ahead. Notably, this takes on the complex, but critical, conversation of reparations, among other equitable avenues of investments.

To realize that vision, we must bolster the American economy, allow Black businesses to thrive, create responsible policies, and prepare the next generation of Black entrepreneurs.
STATE OF BLACK BUSINESS

According to the latest U.S. Census data preceding the pandemic, there were 2.6 million Black-owned businesses in the United States, generating more than $150 billion in revenue every year and employing almost one million Americans. However, in the time since this data was published, Black-owned businesses have faced a whirlwind of setbacks, resulting in widespread operation reductions and firm closures. The New York Fed Reserve Bank published a report of the damage in the late summer of last year, noting that Black businesses experienced the most acute decline from the economic downturn. The results of the study illustrated a 41 percent drop in business activity from February to April 2020.

Unfortunately, as the pandemic continues to rage into this new year, the notion of economic uncertainty among Black business owners remains. The U.S. Chambers’ December 2020 survey found that over half of minority-owned business owners are very concerned of the virus’ impact on local economies. Moreover, over two thirds of these firm owners are increasingly concerned about the virus' impact on their small businesses.

Additionally, USBC partnered with the U.S. Hispanic Chambers of Commerce and the National Asian/Pacific Islander American Chamber of Commerce on a survey about business owners of color in the same month. Findings from our survey found that 10% of small business respondents expect to close permanently in next the 6 months. 44% of employer businesses that responded have already shed jobs and 45% expect more job losses to come. Given other preliminary impact reports, Black business owners are slated to reap the disproportionate impact, thus underscoring our concern and uncertainty for economic success in the year ahead.

STATE OF BLACK BUSINESS

Save the pandemic and its economic shock-waves, Black business owners have thrived in recent years. In fact, the American Express 2019 State of Women-Owned Businesses Report shows that Black women are the majority owners in over 2.6 million businesses with more than $42 billion in sales. That same report cited Black women as the fastest growing group of entrepreneurs, leading the way in number and revenue growth.

The economic impact of Black entrepreneurs cannot be understated, especially as the Black business community recovers and continues to grow. The latest data available from 2007 to 2012 shows a 34% increase in the number of Black-owned firms, translating to one business for every 11 Black Americans. We want to see the growth of Black entrepreneurs continue to soar, and our overarching goal is to increase Black entrepreneurship and thus Black wealth as a solution to income inequality. As announced in last year’s BLACKprint, we are a part of a Black Wealth consortium in collaboration with Black-owned banks, Black business leaders, Black Pastors, and many other influential leaders focused on 3 priorities to increase Black Wealth:

1. Increase deposits and loans with Black-owned banks.
2. Increase Black home ownership to over 50% nationwide.
3. Grow the number of Black-owned businesses from 2.6 million to 4 million and total gross receipts from an average of $72,500.00 to $150,000.00.

2021 Policy Priorities

As the country struggles to come to terms with a trifecta of crises regarding health, economic turmoil, racially systemic disparities and injustices, the U.S. Black Chambers, Inc. remains at the epicenter of dialogue and solutions at the national level. This pursuit of the American Dream through entrepreneurship requires support from lawmakers at all levels around the country and in Washington, D.C. Drawing on our principles established in the BLACKprint, USBC has authored 2021 policy priorities to create a path forward for our business community.

Federal Contracting/ Procurement Opportunities:
USBC strives to ensure government contracting is a fair marketplace, we call on a transparent and immediate release of data on contracts going to Black-owned firms, among others. As a result of these actions, we aim to expand and modernize the Small Business Administration's 8(a) business development program, including expanding Alaska Native Corporation provisions to include Black-owned businesses.

Access to Capital:
USBC is leading the way in pushing the federal government to establish a Small Business Investment Company (SBIC) with a central focus on ensuring equitable opportunities and resources for historically socially disadvantaged demographics.

Trade:
USBC will advocate for the Black business community to lead global trading initiatives throughout Africa to avoid the riddled failures and uncertainty of past decades. Additionally, we are urging the Administration to push the Export-Import Bank of the United States, the nation’s official export credit agency, to provide targeted and prioritized capital to Black business owners in the coming years.

COVID-19 Response:
USBC is committed to working with Congress and the Biden-Harris administration in the next year to provide resolve and action, in turn stabilizing and growing our business community. While the second round of PPP loans is making its way to Main Street, we are moving ahead to provide more support to the Black business community.

Infrastructure:
USBC will work to seek that any infrastructure reform initiative that makes its way to President Biden’s desk have equitable opportunities for Black businesses, workers, and families, including requiring the use of black-owned firms and minimum number of projects in black-majority communities.
Federal Contracting & Procurement Opportunities

When sufficiently capitalized, Black businesses can compete in every market, bringing innovative goods and services to customers across the country. The government is often the largest spender in many communities, and to ensure that Black Americans are not left out of federal contracting opportunities, the government must:

- Improve its working relationship with Black-owned businesses
- Decrease barriers to entry for Black-owned businesses
- Work more closely with Black chambers of commerce

The 8(a) program at the Small Business Administration (SBA) is an excellent example of how government and businesses can partner to provide exceptional service to government agencies. The program’s integrity must be protected to ensure that it continues to benefit disadvantaged businesses. To ensure that this happens, USBC will push for the Biden-Harris administration to release demographic data by working with Congress to produce federal legislation that provides an inquiry on data and reporting collection on the program.

Additionally, we are committing to ensuring that the Administration reinstates the QuickPay initiative launched in 2011 to ensure that federal agencies expedite payments to small business contractors with the goal of paying within 15 days. Ensuring that small contractors who work with the federal government to receive prompt payment will allow for continued investment in new opportunities, new equipment and providing new jobs ensuring prompt payment must be reapplied to all federal agencies.

Access to Capital

The initial results of the federal government’s actions to safeguard the small business ecosystem through the Paycheck Protection Program (PPP), highlights the dismal reality of how Black business owners remain overlooked and undeserved by traditional financial institutions and capital markets. As a consequence, our business owners face increased barriers when it comes to financing their ventures, which prevents investment in Black communities at the local level. Solutions are needed to ensure all Black businesses have access to capital and technical assistance through a range of lenders and markets, such as:
• Additional access to Minority-specific SBA loans, Community Development Financial Institutions and Community lender banks and Black financial institutions, and the like

• Training and education programs to assist Black entrepreneurs in pitching and growing their businesses

• Tax incentives for investing in Black-owned startups

In addition to these goals, USBC will lead the way in pushing the federal government to establish a Small Business Investment Company (SBIC) with a central focus on ensuring equitable opportunities and resources for historically socially disadvantaged demographics. Accordingly, this institution aims to increase venture capital dollars to Black-owned firms in the years ahead. The equity-based SBIC initiative will also push to require that all certified SBICs have one Black general partner as a part of their apparatus.

**Trade**

As globalization continues to dominate trade, international, economic and financial exchanges, we believe that it is critically important to ensure all current and forthcoming trade agreements include equitable pathways for the Black business community. This includes successfully participating in the global market, especially places throughout Africa, where USBC believes that the Biden-Harris administration should re-imagine the country’s commerce engagement. As this resource-enriched continent continues to grab the attention of other world-powers, we must be strategic and vigorous in our pursuit to provide economic opportunities throughout its 54 sovereign countries. To this end, we will advocate for the Black business community to lead these efforts within the Department of Commerce, among other agencies, to avoid the riddled failures and uncertainty of past decades. Likewise, USBC urges the Administration to push the Export-Import Bank of the United States, the nation’s official export credit agency, to provide targeted and prioritized capital to Black business owners in the coming years.

**COVID-19 Response**

As a consequence of non-working relationships with traditional banks and lack of technical support and assistance, Black business owners were not adequately supported during the initial months of the federal pandemic relief programs, including the CARES Act’s signature PPP loans. Despite CDFIs and community lenders, remaining the leading supporters of our businesses, these institutions struggled to access the program. These dismal public policy failures collided with the reality of the absence of wealth and resources in our community during moments of crisis.
Amid normal times, research shows that Black businesses historically have less operating liquidity and revenue than almost any other small business demographic. In combination with the economic shock-waves of the most recent summer, these circumstances became the ingredients that contributed to disproportionate firm closures. USBC is committed to working with Congress and the Biden-Harris administration in the next year to provide resolve and action, in turn stabilizing and growing our business community. Specifically, we are advocating for solutions that will support local and state initiatives and provide direct business grants; forgive PPP loans of less than $150,000 and expanding the program; and increase capital for CDFIs and other community lenders, all to ensure that Black businesses have access to crucial lifelines to support their ventures and enterprises.

Infrastructure

Our nation’s infrastructure requires re-building. This is even more so true in communities of color than anywhere in the country. As the new Administration and the 117th Congress endeavors on passing critical infrastructure legislation this year, USBC contends on advocating for three specific priorities to bolster Black businesses and support local communities. These equitable action items push government stakeholders to ensure:

- **Communities of color receive needed attention and funding for shovel-ready projects**
- **Investments in low-and-moderate income communities to prepare for next-generation technologies**
- **Black-owned companies have the opportunity to compete and deliver on infrastructure and procurement contracts— as outlined in other top USBC priorities.**

Among other areas, infrastructure reform deserves merit in pandemic-response legislation. Accordingly, a new relief package can stay utility shutoffs, safeguard affordable public transportation in cities with large Black and minority populations and implement broadband in rural, urban areas where students and workers are forced to comply with local and state lock-down orders. USBC will work to seek that any infrastructure reform initiative that makes its way to President Biden’s desk have equitable opportunities for Black businesses, workers, and families, including requiring the use of black-owned firms and minimum number of projects in black-majority communities.
2021 BLACKprint PRINCIPLES

Our Principles: In our view, policymakers wishing to advance the black business community should embrace the policies aligned with these principles. We need policies that:

1. Bolster the American Economy
2. Allow Black Businesses to Thrive
3. Responsibly Support a Vibrant Workforce
4. Prepare for the Next Generation of Black Entrepreneurs
Black entrepreneurship works

Black-owned businesses continue to start and grow benefiting their communities and the country in myriad ways. From a dollars-and-cents perspective, this community generates more than $150 billion in revenue, amplifying the tax base as owners—as well as for the one million Americans employed.

Black-owned business are one of the fastest growing sectors in the economy. As the explosive growth continues, the contributions of black entrepreneurs to local, state, and federal governments will increase.

Reparations are a debt to be repaid through opportunity and entrepreneurship

As seen last summer, the growing discussion about reparations signals America’s commitment to enter a new chapter in race relations. It comes, however, at a time where rhetoric and action threaten to deepen division. We believe “reparations” are more than a monetary payment, but instead a dedication to equality and implementation of the priorities of this document. We believe that a commitment to Black business owners to allow free and fair competition – and elimination of the “good old’ boy” network, can be the cornerstone of such a plan.

Business owners need economic and policy certainty

Entrepreneurs are inherent risk takers, often leaving the corporate or public sectors to bring a new idea, invention, or innovation to life. They should not, however, face risks from their government. Washington should provide certainty to business owners. This includes responsible spending policy that limits our national debt, avoiding at all costs any government shutdowns, and minimizing policy fluctuations that business owners plan around.

Policymakers must return to productive dialogues

In recent years, the vitriol in politics has become a barrier to good policy. While there are divisions in how the government addresses society’s challenges, policymakers must return to working together, in a bipartisan manner, for the common good. Business owners that drive the economy forward and create jobs deserve a functioning Capitol.
Allow Black Businesses to Thrive

Access to Capital

Businesses need capital to grow. Unfortunately, too many pathways for Black businesses to access that capital have barriers preventing much needed investment in our community. This issue continues to remain a top priority, though new solutions are needed to ensure all Black businesses have access to capital through a range of lenders.

Contracting & Certification

When sufficiently capitalized, Black businesses can compete in every market, bringing innovative goods and services to customers across the country. Governments, often the largest spender in many communities, must improve in working with Black-owned businesses. Decreasing barriers to entry and working with Black chambers of commerce are prime opportunities to bring more competition to the market. The 8(a) program at the Small Business Administration is an excellent example of how government and businesses can partner to provide exceptional service to government agencies. The program’s integrity must be protected to ensure that it continues to benefit disadvantaged businesses. USBC proposes that changes should be made to the current 8(a) programmatic structure to re-emphasize the prioritization of minority-owned firms, especially Black firms. Moreover, recent efforts to ensure prompt payment to contractors – by the government and by major corporations – should continue unabated. Finally, it is critical that the Black-owned business community develop effective certification protocols to better measure contracting spend.

Exporting

Similar to accessing government markets, Black businesses must engage international markets. Two-thirds of the world’s purchasing power and 95% of consumers live beyond our borders. Black businesses should have the resources and knowledge to sell their goods and services around the globe. The U.S. government should develop sustainable trade policies that ensure Black-owned companies have fair opportunities abroad and that their Intellectual Property is protected in foreign markets. Moreover, resource partners of the U.S. Government that provide entrepreneurial training should include training on foreign markets and exporting. In Africa in particular, the opportunity for strong transnational commerce is compelling. The Department of Commerce notes that the U.S. estimates the total value of opportunities in the energy sector in FY 2020/21 is $125 billion, followed by $60 billion in infrastructure, $42 billion in healthcare (pre-COVID projections), and $15 billion in Information and Communications Technology (ICT). The USBC supports efforts to deepen ties between African countries and Black-owned companies in the United States. In an effort to provide Black entrepreneurs with access to the global marketplace, USBC has a working relationship with business leaders in Ghana and has signed MOUs with business leaders in Durban, Morocco, and China with the goal of connecting Black business owners with global business opportunities.
Entrepreneurial Resources and Training

Accessing the procurement and export markets – along with developing business ideas and building networks – requires counsel often unavailable to Black-owned firms. For this reason, continued investment in entrepreneurial development resources and training is paramount. The Minority Business Development Agency (MBDA) at the Department of Commerce remains the only government program dedicated to serving minority business owners of all sizes. MBDA and other government resource programs should work closely with USBC and Black chambers of commerce to ensure that available resources are properly advertised in the community. USBC will continue to leverage its significant print, on-line, radio, and television platforms to encourage engagement with Black business owners. Similarly, more investment in Historically Black Colleges and Universities (HBCUs) and community colleges at the federal level is needed to ensure every educational organization can offer Black entrepreneurial training. In addition, Black chambers of commerce should be made eligible to provide such training and receive federal grants.

Tax

When Black businesses have access to capital, markets, and counsel, they thrive. Returns on the entrepreneurial risk should be commensurate with the effort to be successful. This includes a tax system that is fair to Black-owned businesses. In any tax legislation, USBC insists on policies that increase fairness, simplicity, and certainty for business owners. More research is needed to understand whether Black owned businesses face unfair disparities in effective tax rates. USBC will be working with our partners to build data on if Black businesses pay more than other firms in federal, state, and local taxes.

Infrastructure

Bipartisan support for major infrastructure investment is a positive sign that there will be a federal commitment to upgrading American roads, schools, and digital infrastructure. Such investment, however, will be a failure in the Black community if it does not ensure two key actions: first, that investment happens in our communities, which are disproportionately affected by deteriorating infrastructure, and second, that Black-owned businesses play a proportionate role in executing that investment.

Technology

The advent of the Internet and the continued digitization of commerce continues to represent both a challenge and opportunity for Black America. While more of our community than ever has the opportunity to start their own business with the benefits of technology, many opportunities for innovation go undeveloped. More must be done to ensure technology remains safe and open for all Americans and that the Black business community has the access and ability to leverage new technologies for their companies.

Media

In a 24-hour connected world, the role of media in business cannot be understated. As Black-owned media enterprises have slowly made gains in this critical industry, there must be sensible protections from the consolidation of media entities and the possibility that small Black-owned media is shut out from the broader market.
Responsibly Support a Vibrant Workforce

Healthcare

A healthy workforce creates a healthy economy. The Black community has faced decades of unjust disparity in the quality of healthcare compared with the rest of the U.S. population, resulting in the loss of 83,000 Black lives annually. This number has since increased since the advent of the corona-virus pandemic. Improving access to healthcare does not only benefit the Black community, but it also boosts employment rates within the country’s economy; creating greater opportunities for all Americans.

Black Americans experience up to 40% poorer health outcomes than white Americans. This disparity leads not only to shortened lives and increased illness, but also costs the nation more than $60 billion in lost productivity each year. Strengthening the health care provided to Black Americans will increase the efficiency of the American economy for years to come. As government and private stakeholders work to deploy coronavirus vaccines, it is crucial that such efforts encompass an equity-based lens. This will ensure that the most vulnerable communities are adequately vaccinated, thus decreasing further mortal devastation experienced in the past year.

Diversity & Inclusion

There are currently only four Black CEOs in the Fortune 500 companies. This number is set to drop to just three next year. The lack of diversity within million-dollar corporations is undeniable, and the Black Community would like to bring attention to it. Young Black Americans deserve to see Black mentors and role models leading huge companies, so they can be encouraged to pursue higher education and envision themselves as CEOs one day too. However, the need for inclusion of Black leadership is not only limited to CEO positions. We need to promote diverse leadership in fields of science, technology, art, and business to provide the impetus needed for young Black Americans to succeed in their careers. Diversity and inclusion, however, do not just matter at the top of organizations. Businesses must offer environments that are receptive to Black employees and schools must be receptive to Black students.

Skills Training & Workforce

Employability skills are crucial to retain and succeed in one’s job. Unfortunately, the U.S. Bureau of Labor Statistics reported that Black labor force participation rates have been declining since their peak in 2000. This is why the Black community regards skills training as a priority to transition unemployed Blacks into the American labor force and ensure a range of sustainable job opportunities for Blacks entering the workforce. Further, we believe that the skills taught should align with the needs of the 21st century economy and workforce. State proposals to redefine traditional definitions of workers and contractors must be reviewed with the utmost caution. Unanticipated consequences of overhauls can undo critical Black industries that developed around these definitions. For example, the Black journalist community relies on a network of contractors that if classified as employees would completely undermine the ability for a strong Black free press.
Prepare for the Next Generation of Black Entrepreneurs

Education

The responsibility to lead our nation lies on the shoulders of the next generation. This is why, it is both important and crucial to pay more attention to the education of young members within the Black community. Today, only 57% of Black high schoolers have access to advanced courses, compared to 81% of Asian-American students and 71% of White students. We must provide a better route to college for future Black business owners and CEOs to not only compete but also succeed within the corporate world.

Housing

Housing inequality continues to be the root cause of segregation, social disparity, and lack of education amongst members of the Black community. Reports show that Black households have only 10 cents in wealth for every dollar held by white households. Between 2007 and 2013, the net wealth of median black households fell from 10% to 8% of median white household wealth. Evidently, the housing gap has increased. It is time policymakers from both sides of the aisle adopt a united front in order to protect the rights of minorities within this country.

Criminal Justice Reform

For years, Washington has struggled to find common ground on the criminal justice reform issue. Policymakers must engage in constructive debate in order to understand and improve the criminal justice system’s treatment of Black Americans. The negative impact of a criminal record is twice as large for Black applicants as it is for other races. The government should play a positive role in integrating these applicants within the job market to improve their livelihood and boost employment rates. One prime opportunity at the nexus of criminal justice reform and entrepreneurship is to ensure Black business participation in the growing cannabis industry, as well as use proceeds from that industry to offset the damage marijuana-related incarceration has inflicted on Black non-violent offenders. Finally, the engagement of non-violent marijuana-related crimes is critical to allowing this significant prison population a chance to succeed post-incarceration—and a basic principle of fairness demand this action.

Energy & Climate

The Black community strongly believes in environmental sustainability. While the renewable energy industry employs thousands of Americans each year, the Black community does not play a large enough role within it. For example, only 8% of employees within the U.S. wind industry are Black. This number is below the national workforce averages. The HBCU and broader educational community should be examined to ensure that support for energy-related opportunities exists fairly for Black students. Beyond the aforementioned importance of diversity and inclusion, environmental sustainability represents an enormous opportunity for Black entrepreneurs. We must continue to advance both the moral and business imperatives in order to create a just economy for all.
The National Voice of Black Businesses!