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## U.S. BLACK CHAMBERS, INC.

*The National Voice of Black Business*

*\*Not affiliated with the National Black Chamber of Commerce*

March 24, 2023

The Honorable Patty Murray  
Chairwoman  
Senate Committee on  
Appropriations  
Washington, DC 20510

The Honorable Susan Collins  
Ranking Member  
Senate Committee on  
Appropriations  
Washington, DC 20510

The Honorable Kay Granger  
Chairwoman  
House Committee on  
Appropriations  
Washington, DC 20515

The Honorable Rosa DeLauro  
Ranking Member  
House Committee on  
Appropriations  
Washington, DC 20515

Dear, Chairwoman Murray, Ranking Member Collins, Chairwoman Granger, and Ranking Member DeLauro:

I am writing on behalf of the U.S. Black Chambers, Inc. ([USBC](#)), the national voice for Black businesses. USBC is comprised of 145 member Chambers of Commerce and affiliated Business Associations in 43 states, representing 380,000 businesses nationwide. On behalf of the USBC, I have outlined our FY24 appropriations priorities for the Subcommittee on Financial Services and General Government, and the Subcommittee on Commerce, Science Justice, and Related Agencies. Our FY24 requests support programs that work to elevate the status of Black business owners across the United States, especially small Black businesses. As Black businesses across America continue to rebuild their wealth, cultivate financial heft, and regain momentum from the devastating impacts of the COVID-19 pandemic, we urge your support as we work to strengthen the Black economy, and as a result, the entire American economy.

***Subcommittee on Financial Services and General Governments Program Accounts***

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## *Requests*

### **\$334 Million for Entrepreneurial Development programs at the Small Business**

**Administration:** We applaud the record increase in the Entrepreneurial Development programs at the SBA in FY23 and we urge lawmakers to take this a step further by increasing funding across entrepreneurial development programs in FY24 to support the record small business growth over the last two years to \$334 million. The programs in the SBA Office of Entrepreneurial Development provide support to current and would-be Black entrepreneurs by connecting them to sources of capital, providing technical assistance, and working with entrepreneurs one-on-one to develop their businesses.

- Of the funding for Entrepreneurial Development programs, we ask that **\$10 million be allocated to the SBA 7(J) program**, which provides quality assistance and counseling to eligible Black businesses interested in contracting with the Federal Government. At the Black Chambers, connecting Black firms to contracting opportunities is a top priority; the United States is the largest purchaser of goods and services in the world, creating immense economic opportunity for businesses across the country. However, Black firms are often left out of this opportunity. The SBA recently released data showing that in FY20, only 1.67% of all small businesses that received contracts with the federal government were Black-owned businesses. This number concerns our community, which oftentimes cannot compete with larger, white-owned firms in federal contracting. The 7(J) program at the SBA needs more funding to reach more Black firms and increase the percentage of Black firms who gain access to these opportunities in FY24.
- Of the funding for Entrepreneurial Development programs, **we request that \$30 million be made available for the Women’s Business Center program**. As the proud supporter and sponsor of the Women’s Business Center in Tulsa, Oklahoma, we understand firsthand the economic need faced by Black women business owners, especially in communities like Tulsa with a history of racism and exclusion for our community. The Women’s Business Center program is proven to connect Black women business owners to capital, business development counseling and technical assistance needed to start and grow their business in their communities.

**\$30 Million for the Community Navigator Pilot Program (CNPP).** As a Tier One hub for Community Navigator Pilot Program, USBC urges Congress to continue supporting the program by allowing hubs to continue serving entrepreneurs in their areas. Through our work in CNPP we have been able to reach entrepreneurs and provide services at record rates. Our Spokes provided over \$600,000 in grant/loan applications with \$276,000 awarded in grants. Our Hub provided over \$500,000 in grant awards to 20 businesses (\$25,000 each) as part of our collaboration in the Coalition to Back Black Businesses. Through the trainings and counseling, business demographics revealed that 4,891 firms were trained since the start of the program, exceeding our program goal of 2,000 in year one. These metrics represent a drop

in the bucket when examining the range of possibilities for CNPP in serving entrepreneurs in the years ahead. We ask that Congress work with SBA to ensure the program can continue to reach underserved entrepreneurs through its network of partners.

**\$341 Million for the Community Development Financial Institution (CDFI) Fund at the Department of Treasury:** The US Black Chambers urges appropriators to increase funding for CDFIs across the country by allowing the Fund to operate on a total of \$341 million (including \$10 million in subsidies for the bond guarantee program). Last year's increase for the CDFI fund will allow CDFIs in Black communities to reach more entrepreneurs and individuals seeking capital to build generational wealth and gain financial stability. CDFIs play a critical role in the revitalization of our communities, ensuring that Black business owners can access capital when they are unable to access it from traditional banks due to a lack of relationships or outright racial biases. We are joining a chorus of influential stakeholders in this space and urge you to fund the CDFI Fund at levels higher than that of FY23 to ensure the program is scalable and continues to serve businesses in overlooked communities.

As part of this endeavor, we urge lawmakers to ensure that CDFIs that are owned and controlled by Black communities are properly resourced when compared to their white counterparts. Unfortunately, CDFIs in Black communities are far less likely to access increased capital from the Fund when compared to larger, white-led centers. To ensure that Black communities and entrepreneurs can access capital, Black-led CDFIs must be at economic parity with all other CDFIs, regardless of race or size. To that end, we encourage increased reporting mechanisms for FY24 in the Fund to bring transparency to the disparity between CDFIs in Black and white communities.

### ***Subcommittee on Commerce, Science, Justice, and Related Agencies Program Accounts Requests***

**\$110 million for the Minority Business Development Agency at the Department of Commerce:** The MBDA at the Department of Commerce has provided Black businesses owners of all sizes with critical supports such as providing access to capital, access to contract opportunities, access to trade and access to local markets for over fifty years. Despite the MBDA's progress and impact in the Black community, the MBDA has faced decades of disinvestment over the years due to its impermanent status in the law. However, as recently codified by the *Infrastructure Investment and Jobs Act (IIJA)* the MBDA is now a permanent agency underscoring a bipartisan historical commitment (founded by President Richard Nixon in 1969) towards uplifting Black businesses. The agency has promoted the growth of Black businesses through the mobilization and advancement of public and private sector programs, policy, and research since its founding. To grow, scale, and continue to meet the needs of the current demands from the Black business ecosystem, the MBDA was authorized to receive \$110 million in annual funding through the IIJA last year. While FY23 appropriations provided a historic increase in its funding to \$70 million, we urge lawmakers

to uphold their commitment to the agency and fund it at \$110 million, as intended in the IJA for FY24 and beyond.

Thank you for your consideration of our requests for FY24 funding outlined above. USBC recognizes that America's Black-owned businesses play a vital role in the economy and support more than 3.5 million U.S. jobs. To promote the forward movement and growth of business creation, entrepreneurship, and recovery in the Black community, we must ensure that federal resources are multiplied in the months and years ahead. We look forward to working alongside Congress to ensure this prioritization.

In the spirit of success,



Ron Busby  
President & CEO  
U.S. Black Chambers, Inc.

**Cc: Senate Committee on Appropriations  
House Committee on Appropriations**