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U.S. Sen. Baldwin: Works to make Minority Business Development Agency permanent

Posted on Tuesday, Nov 30, 2021

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Newly signed infrastructure law makes MBDA permanent and authorizes $550 million over five years to support minority business community

Washington, D.C. – The bipartisan infrastructure legislation signed into law by President Joe Biden will make the U.S. Department of Commerce Minority Business Development Agency (MBDA) permanent after Senator Tammy Baldwin worked to include the provision in the legislation. The newly signed infrastructure law also authorizes $550 million over five years, or $110 million in annual funding through Fiscal Year 2025 – more than double the agency's 2021 appropriation of $48 million.

The infrastructure legislation will expand the Minority Business Development Agency capacity to promote and administer programs to assist the development and resiliency of minority business enterprises (MBEs), allowing the agency to increase their programs and outreach to the Nation's more than 9 million minority-owned businesses.

"The Minority Business Development Agency is a strong resource for minority businesses and minority entrepreneurs and the bipartisan infrastructure legislation signed by President Biden will strengthen the support the MBDA provides to help our minority business community build back better," **said Senator Baldwin.** "Working together with state and local economic development efforts, we now have a permanent federal partner promoting growth of minority-owned

businesses. This action will help reduce racial economic disparities and build stronger growth for our economy."

In August, Senator Baldwin worked to include the bipartisan *Minority Business Development Act of 2021* as an amendment to the infrastructure legislation and Wisconsin leaders have praised Baldwin's work to expand and elevate the support that the Minority Business Development Agency provides.

"The African American Chamber of Commerce of Wisconsin proudly supports the Minority Business Development Act of 2021 and recognizes Senator Baldwin's leadership on this issue," **said Ossie C. Kendrix Jr., President and CEO of the African American Chamber of Commerce of Wisconsin. "**This legislation would make permanent the Minority Business Development Agency at the Department of Commerce, ensuring intentional support for the sole-agency tasked with assisting in the development of minority-owned enterprises. As Black Business owners begin to build back our economy in the post-pandemic world, we will need deliberate legislative actions that will assist in the creation and growth of economic opportunities in our community."

"We thank Senator Baldwin and her colleagues for leading efforts to provide critical investment to underserved communities for years to come," **said Nelson Soler, President and CEO of the Latino Chamber of Commerce of Southeast Wisconsin.** "The Latino Chamber of Commerce of Southeast Wisconsin believes the efforts to codify and modernize the MBDA will ensure minority business owners have the support they need to grow their business and impact within their local communities."

"The Wisconsin Indian Business Alliance and the Wisconsin Native Loan Fund applaud Senator Baldwin for championing the Minority Business Development Act of 2021," **said Fern Orie, of the Wisconsin Native Loan Fund and the Wisconsin Indian Business Alliance**. "Minority owned businesses are often the most overlooked, but this legislation will give our businesses the support they need through the Department of Commerce's Minority Business Development Agency. By providing our minority owned businesses with avenues to capital, technical assistance support, and to expand through, this legislation will help our economy

continue to recover in the wake of the COVID-19 pandemic."

Specifically, the infrastructure law will:

- Expand the geographic reach of the MBDA by authorizing the creation of regional MBDA offices, rural business centers, and increasing the number and scope of existing programs.
- Increase the MBDA's grant-making capacity to partner with community and national nonprofits engaged in private and public sector development as well as research.
- Award assistance of at least $250,000 through the agency's *"MBDA Business Center Program"* to eligible entities to operate centers that support minority businesses in accessing capital, contracts, and grants and creating jobs. The agency could also establish MBDA Rural Business Centers.
- Create the Parren J. Mitchel Entrepreneurship Education Grants Program to cultivate the next generation of minority entrepreneurs at historically Black colleges and universities (HBCUs) and minority serving institutions (MSIs);
- Provide grants to community and national nonprofits that have annual budgets less than $1 million and support MBEs.
- Create a presidentially appointed and Senate-confirmed Under Secretary of Commerce for Minority Business Development to lead the agency; creates a council to advise the Under Secretary on supporting MBEs; and authorizes the Under Secretary to coordinate federal MBE programs.