



**The Honorable Aaron Michlewitz  
Rodrigues**

**House Committee on Ways & Means**

**State House, Room 243**

**Boston, MA 02133**

**The Honorable Senator Michael J.**

**Senate Committee on Ways & Means**

**State House, Room 212**

**Boston, MA 02133**

**Re: American Rescue Plan Act (ARPA) Funding for Small Businesses 2.0**

Dear Chairman Michlewitz, Chairman Rodrigues, and Honorable Members of the Ways and Means Committee,

The Coalition for Equitable Economy deeply appreciates your support of our previous efforts to secure emergency relief funding for small businesses. The recent \$75 million ARPA spending allocation – on top of the \$700 million in funding provided last year – will be a powerful tool to help stabilize ailing small businesses. We were delighted to see the program launched by Governor Baker last week in Brockton and our members are already working closely with small businesses to help them apply.

While we are deeply grateful for the first round of ARPA funding, it is important to underscore the ongoing financial challenges that small businesses continue to face. With Covid-19 variants such as Delta and Omicron, we have witnessed unprecedented instability which is driving many small businesses to the brink of permanent closure. This economic crisis is particularly debilitating to small businesses in the BIPOC community and those owned by low- and moderate-income people, many of whom have risked depleting their own resources and savings to continue to serve their customers. Without additional financial support, the small business sector is facing an economic crisis from which it will not be able to easily recover.

At the same time, small business owners have fought heroically to operate their businesses under the most challenging circumstances imaginable. Business owners have adapted and pivoted countless times and while we have seen thousands of businesses close, we have seen many others find a way to survive. So, while the crisis in our small business community continues, so does the opportunity for transformative investments that close disparities and expand opportunity.

As a result, the Coalition for Equitable Economy is urging our legislators to invest *\$300 million* of ARPA funding in the Small Business Relief and Recovery Fund to be administered by the Massachusetts Growth Capital Corporation (MGCC). The Fund will be empowered to make investments in:

- Grants and technical assistance to under-resourced small businesses to support stabilization, recovery, and growth.
- Investments in non-profit financing institutions such as Community Development Financial Institutions, so they can provide affordable capital that would otherwise be unavailable to many small businesses.

We further propose that:

- A majority of the funds will be used for immediate grants to small businesses, with the balance being used to support longer-term investments in small business support programs.
- Up to 10% of the funds be allowed for administrative costs, training, and capacity building.
- The Small Business Relief and Recovery Fund would be administered by MGCC, which has successfully administered over \$700 million in relief funding during the crisis and has deep connections with over 60 non-profit community organizations and community lenders that focus on helping under-resourced entrepreneurs.
- MGCC would be required to publish an annual report to highlight their investments and the outcomes achieved.

Our request aims to disrupt further economic devastation and implement significant investments to build sustainable small businesses. As always, The Coalition for an Equitable Economy stands ready to collaborate on program design and implementation that leverages our collective expertise and community stewardship. Toward that goal, we respectfully request the opportunity for a small delegation of Coalition leaders to meet with you and your staff to discuss this recommendation.

Thank you for your consideration of this request.

Respectfully,

Academy9

African Community Economic Development of New England(ACEDONE)

Amplify Latinx

Ascendus, Inc.

Asian American Civic Association, Inc.

Black Economic Council of MA

Blackstone Valley Chamber of Commerce  
Cambridge-Somerville Black Business Network  
CISA (Community Involved in Sustaining Agriculture)  
Codman Square Neighborhood Development Corporation  
Common Capital, Inc.  
CommonWealth Kitchen  
Community Development Corporation of South Berkshire  
Community Development Partnership  
Constant Growth Marketing and Consulting  
Cooperative Development Institute (CDI)  
Cooperative Fund of the Northeast  
Denovo Credit Corporation  
Dorchester Bay Economic Development Corporation  
Downtown Taunton Foundation  
East Somerville Main Streets  
EforAll/EparaTodos Holyoke  
EmVision Productions  
Entrepreneurship Center@CTI  
Frank Carvalho Small Business Consultant  
Franklin County CDC  
Future Chefs  
GK Fund  
Greater New England Minority Supplier Development Council  
Groundwork Lawrence  
Hilltown CDC  
Hispanic American Institute  
Insight2Impact  
IXL Center, Inc.  
JPNDC  
Latin American Business Organization  
Lawyers for Civil Rights  
Local Enterprise Assistance Fund  
Martin Luther King Jr. Family Services  
Mass Association of Community Development Corporations (MACDC)

Massachusetts LGBT Chamber of Commerce  
Mill Cities Communities Investments/Foundation for Business Equity  
New Entry Sustainable Farming Project  
NewVue Communities  
North Shore CDC  
Old Colony Planning Council  
OnyxGroup Development  
OnyxGroup Realty,LLC  
Quaboag Valley Community Development Corporation  
Salem Main Streets  
South Eastern Economic Development Corp  
Springfield Neighborhood Housing Services, Inc  
Stop and Compare Supermarkets  
Sustainable Business Network of MA  
The Center for Women and Enterprise  
The Lazu Group  
TLE Center for Urban Entrepreneurship  
U.S. Haitian Chamber of Commerce, Inc. / Haitian American Business Expo, Inc.  
Valley Community Development Corporation  
Women of Color Entrepreneurs (WOCE)