



April 21, 2022

The Honorable Tim Kaine
United States Senate
SR-231, Russell Senate Office Building
Washington, DC 20510

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Ramiro A. Cavazos
President & CEO

Dear Sen. Kaine,

On behalf of the United States Hispanic Chamber of Commerce (USHCC) and our Board of Directors, we write to express our strong support for legislation that seeks to bring transparency, equity, and accountability to the capital deployment processes around the country.

The USHCC actively promotes the economic growth, development, and interests of more than five million Hispanic-owned businesses that, combined, contribute over \$800 billion to the American economy every year. We also serve as a platform for our nationwide network of over 260 local Hispanic chambers of commerce.

Accessing capital is one of the greatest challenges faced by business owners of small and medium sized businesses. This challenge is significantly larger for minority business owners. According to a study conducted by the U.S. Federal Reserve Bank in 2020, Latino- and Black-owned businesses were less than half as likely as white-owned firms to be fully approved for loan applications.

Furthermore, in 2020, Latino- and Black-owned businesses with low credit risk were approved for loans at roughly the same rate as white-owned businesses with medium and high credit risk. The COVID-19 global pandemic not only affected minority-owned businesses at a disproportionate rate, but it also exacerbated their challenges to access the capital needed to sustain their businesses.

In our [2022 USHCC Policy Platform](#), we encourage all capital providers to boldly support the growth of Hispanic businesses that are part of the supply chains, communities, and business networks. The USHCC stands ready to work with all institutions to ensure that capital is flowing to Hispanic business owners and Hispanic Capital Providers (HCPs). In our quest to become architects of our own solutions, we ask that our capital providers are given meaningful opportunities to compete and address the financial needs of our community.

The USHCC is committed to holding all financial institutions accountable to invest fairly and without prejudice to support all minority communities. It is imperative that every capital provider commits to equitable debt and equity investments for all businesses and entrepreneurs, regardless of race, gender, sexual orientation, or disability. We consider your recent legislative efforts to increase transparency to the capital distribution process to be vital. We simply cannot seek any type of equity accountability if we do not have the necessary data to act effectively.



Thank you for your service and partnership in supporting America's Hispanic and minority owned businesses as well as the more than 63.5 million Latinos/as living in America. If you have any questions, please do not hesitate to reach out to C. LeRoy Cavazos-Reyna, Vice President of Government and International Affairs via phone at 956-844-9628 or email at LCavazos@ushcc.com. We commend you for your leadership in the United States Congress and look forward to a positive outcome on this important legislative matter.

Respectfully,

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

CC: The Congressional Hispanic Caucus (CHC)