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Senate Jobs and Economic Growth Finance and Policy Committee

Statement of Richard Gordon

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Minneapolis, MN

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Thank you Chair Pratt and members of the committee for the invitation to share my story today. I own L.U.V. Microgreens in Minneapolis and I am a member of Main Street Alliance. While I appreciate the ongoing discussions to address the Unemployment Insurance (UI) trust fund debt and support businesses, I am concerned that simply refilling the trust fund will not go a long way in supporting the smallest of businesses.

I started my business as a response to the pandemic to achieve some stability of my own and as a response to the needs of the community. I grow microgreens to provide nutritious food to my community and support them but I have had an extremely difficult time trying to find support for myself as a small business owner.

Right now, I need about \$50,000 to grow my business. I have mostly only applied for business credit so far as I have been denied for personal loans countless times. I have felt discouraged from applying for more loans because I feel like it reflects negatively on me when I get denied repeatedly. I remember starting the application process for a loan and hearing about the high amount of collateral I would need - something I do not have. L.U.V. Microgreens is a means for me to generate wealth for myself, my family, and my community. I know that my experience is not unique. Nearly half of all small business owners have experienced challenges accessing credit, and this disparity is further exacerbated for women and BIPOC entrepreneurs like me.

For far too long, the rules set for our economy have favored large corporations at the expense of small businesses. However, small businesses are the backbone of our local economy and communities. We understand what our community needs and share our



skills, art, and craft, as solutions to those needs. We invest in our communities and it is time to invest in small businesses.

Providing small businesses with a tax relief from replenishing the trust fund should not be construed as a major small business victory. Since the relief is untargeted, a large portion of the relief will go towards large corporations, many of whom profited during the pandemic. For entrepreneurs like me who have been systematically excluded from traditional access to capital and other forms of small business relief as a new business, we have larger priorities than the UI and need real investments for small businesses.

Minnesota has a historical opportunity to address disparities that small business owners like me go through and provide real small business support. The success of my business will mean the success of my community. I urge members of the committee to ensure that small business support goes beyond the Unemployment Insurance tax relief and to seek creative solutions on supporting entrepreneurs and small businesses during the pandemic.