



LIBERIAN BUSINESS ASSOCIATION IN THE DIASPORA. APPROPRIATION.

\$1,500,000 in fiscal year 2024 is appropriated from the general fund to the commissioner of employment and economic development for a grant to the Liberian Business Association in the Diaspora to provide Technical Assistance to small and micro businesses in the areas of financial literacy, tax preparation, building wealth, business certification, access to capital cash flow, time management, marketing, investing, fraud prevention, and succession planning in the Twins Cities. This is a one-time appropriation and is available until June 30, 2025.

The mission of LIBA-Diaspora is to support, advise, and safeguard the interests of small and micro-enterprises while upholding the principles of free and fair competition. The organization aims to advance entrepreneurship, enhance the capabilities of minority-owned businesses, and facilitate constructive discussions on private sector challenges and economic development. To achieve these objectives, LIBA-Diaspora advocates for partnerships and initiatives that foster sustainable economic growth and empower the private sector. Additionally, the organization offers technical assistance to minority-owned businesses, training on business development, and mentorship opportunities.

Since 2016, LIBA has been an integral part of small business development in the state. Over the past 7 years, our organization and its member businesses have made significant economic contributions within the state. With a diverse group of businesses that includes over 60% minority-owned enterprises, LIBA has played a key role in fostering an ethical business environment, sharing best practices, and promoting business development. As a result, our efforts have helped create a welcoming and culturally diverse range of products and services that benefit small and micro businesses.

With funding from the city of Brooklyn Park, and Brooklyn Center, LIBA conducted QuickBooks and financial literacy training for 120 small and micro businesses. Even after the funded program, LIBA has continued to provide ongoing technical assistance to these businesses. As part of the grant program, each participating business received a laptop computer, Microsoft 365 Home Office, and a one-year subscription to QuickBooks software.

In addition to the grant program, LIBA has secured contracts with Hennepin County for two initiatives. The first is to gather and distribute informational materials and provide technical assistance to businesses along the Blue Line corridor as part of the BLRT project. The second is a contract with the Hennepin County Elevate Business program, run by the Housing and Redevelopment Authority, to provide technical assistance to small and micro businesses.

LIBA Programs:

- LIBA QuickBooks Training for 80 small and micro businesses in Brooklyn Park.



- LIBA QuickBooks Training for 30 small and micro businesses in Brooklyn Center.
- Provide financial education to small and micro businesses in the areas of financial literacy, tax preparation, building wealth, business certification, access to capital cash flow, time management, marketing, investing, fraud prevention, and succession planning.
- LIBA/City of Brooklyn Center Micro Loan program: Provided up to \$90,000 at \$5,000 to twenty small and micro businesses.
- Hennepin County BLRT Community Outreach program.

The COVID-19 pandemic has had a detrimental impact on minority-owned businesses. Unfortunately, many of these businesses have had to close their doors, while those that have remained open are struggling to survive. This struggle is caused by various factors, including reduced credit scores, unpaid recurring expenses (such as rent, utilities, and salaries), unpaid bank loans and debts to suppliers, and dwindling inventory. As a result, these businesses generate less revenue, negatively impacting the disposable income of the marginalized families who own them.

The COVID-19 pandemic has negatively impacted minority-owned businesses, with many closing their doors and others struggling to survive. Factors contributing to these challenges include reduced credit scores, recurring expenses, unpaid bank loans and debts to suppliers, and dwindling inventory. As a result, these businesses generate less revenue, negatively impacting the disposable income of the marginalized families who own them.

Training is necessary to help these businesses navigate these challenges and succeed. This is beneficial not only to the businesses themselves but also to the state, as successful businesses contribute to the local economy through taxes and by providing diverse products and services to residents.

If this Bill is past and LIBA is granted these funds, small and micro businesses will receive the requisite training they need to become successful in the state. LIBA will increase the number of businesses that will be trained to 500, provide two years of continuous technical assistance and ensure that these businesses are bank ready.