

April 29, 2019

The Honorable Marco Rubio
Chairman
U.S. Senate Committee on Small Business
& Entrepreneurship
Washington, D.C. 20510

The Honorable Benjamin L. Cardin
Ranking Member
U.S. Senate Committee on Small Business
& Entrepreneurship
Washington, D.C. 20510

Dear Chairman Rubio and Ranking Member Cardin:

On behalf of Defy Ventures, I am writing to express our support for the *NEW START Act of 2019* (S. 1077), introduced by Ranking Member Cardin, which creates a reentry program within the U.S. Small Business Administration (SBA) to award grants to organizations, or partnerships between organizations, to provide business counseling and entrepreneurial development training to returning citizens.

Every year, more than 600,000 people are released from prisons and studies by the Department of Justice have found high rates of recidivism among released prisoners. One of the primary drivers of high recidivism rates is the inability for returning citizens to find a job – up to 60 percent of people with criminal histories remain unemployed one year after their release. Entrepreneurial development programs for formerly incarcerated individuals report dramatically lower rates of recidivism, and self-employment can provide economic stability for those who are otherwise locked out of the labor market.

This legislation is a critical next step after the bipartisan passage of the *FIRST STEP Act* last year, and builds upon the successes of programs across the country that have deployed entrepreneurial development to reduce recidivism by helping returning citizens secure employment and start businesses.

As a leader within the reentry space focusing on providing pathways to economic stability for returning citizens, it is with great enthusiasm that Defy Ventures supports the *NEW START Act of 2019*. Defy Ventures is a 501(c)3 nonprofit organization that provides an entrepreneurship, employment readiness, and personal development training program to men, women, and youth across the United States. Defy recognizes that many formerly incarcerated people can achieve positive well-being, become gainfully employed, and launch successful, legal, entrepreneurial endeavors. This legislation would not only support Defy's mission but also create new opportunities for individuals who have not always had a legitimate first chance towards a successful, legal future.

Latysha, one of Defy's recent participants, enrolled as an "EIT" ("Entrepreneur in Training") in Defy's CEO of Your New Life program at York Correctional Institution in Niantic, CT. While she released before completing the full program, she maintained contact with Defy for support and services during her transition. Defy staff provided mentorship, coaching, and encouragement

while Latysha struggled to find employment—receiving three job offers that were then rescinded after background checks were conducted. With ongoing support from Defy, Latysha was ultimately offered a position at aerospace manufacturer Pratt & Whitney, where she is enjoying her role within the company. Latysha has also been building her 3-D greeting card business, called Conscious Sentiments, that she developed to serve people in prison and their families. Latysha’s business is now registered in Connecticut and Defy is helping to spread the word and assist her in generating a customer base.

Timothy J., an EIT living in San Diego, is the founder and CEO of Quality Touch Cleaning Systems, which he launched after he won a total of \$7,600 from Defy’s business competition and incubator program. Timothy now has four business facility contracts in the San Diego area. He likely would not have achieved this had funding been contingent upon him not having a criminal history.

Anecdotes such as these are common for Defy participants. Many struggle to find gainful employment upon release but are passionate about starting up their own enterprise. It often takes a loan of less than \$20,000 to get a small business up and running, but access to this capital is a tremendous struggle for someone with a criminal history. With guidance, support, and resources, formerly incarcerated individuals can create new businesses that give back to the community and ultimately provide opportunities for others who have gone through similar circumstances. Support from legislation such as S. 1077 will create more avenues for entrepreneurial success, which ultimately strengthens public safety.

When returning citizens come home after paying their debt to society, it is our job to equip them with the tools they need to rebuild their lives. Defy Ventures calls on Congress to pass the *NEW START Act*, which will give returning citizens another tool in their reentry toolkit and reduce recidivism.

Sincerely,

Andrew Glazier
CEO & President