



May 1, 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 Mission: Launch, I am writing to express our support for the NEW START Act of 2019 (S. 1077), introduced by Ranking Member Cardin, which creates a 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 people returning home from incarceration.

The State of Maryland has been a leader in passing policies to reduce incarceration and we are proud that Senator Cardin is continuing in this tradition. The average person serving time in prison or jail has at least one opportunity while incarcerated to see how their personal choices may have led them to be removed from their families and communities. This moment of reflection is often the gateway to imagine a new life, one filled with the possibility of renewal and, in some cases, even a plan to become a more productive citizen. The visions of a better life once released can become blurry however when the overwhelming barriers faced become commonplace.

Having a criminal record puts a person at risk of experiencing over 50,000 indirect punishments, known as collateral consequences. These collateral consequences impact nearly every economic mobility building block. As a result, more than 60% of all formerly incarcerated people remain unemployed one year after release and those who are employed receive 40% less in wages. The result of needing to work hard to reintegrate can often lead to significant motivation and inspiration but desire alone is not enough.

- Nationwide 80 million, or 1-in-3, Americans have an arrest and/or conviction record, and this is expected to grow to 100 million by 2030
- Today there are 8 million more people in poverty due to mass incarceration
- By having a criminal record, an individual experiences reduced earning for the rest of their life, and this leads to a 64% decrease in a family's assets
- Nationally, more than 2.7 million children currently have an incarcerated parent though 10 million children have experienced parental incarceration in their lifetime (0 - 17 years)



- The realities of mass incarceration and workforce discrimination, especially for African-American families, perpetuate poverty loops making entrepreneurship a necessity

The U.S. Department of Health and Human Services' Office of Minority Health reports 62% of individuals re-entering from prison have legal/financial debt related to the criminal justice system and this leads to challenges establishing credit, opening bank accounts and saving money. Therefore it stands to reason that, when engaging with mainstream banking institutions, the interplay of justice related barriers and financial know-how must be acknowledged. Indeed, knowing how to engage with critical stakeholders in reentry is fundamental to any economic mobility planning. And yet, even with a desire to become economically stable, formerly incarcerated individuals face unique barriers in building their financial, social and human capital.

It is for this reason that Mission: Launch has been dedicated to inclusive entrepreneurship for this community since 2015 when we began working with the Small Business Administration's Growth Accelerator program. Since that time we discovered that there is immense talent within the community, yet the pathway to opportunity is not clear for entrepreneurs living with an arrest and/or conviction record. To help the entrepreneurs that we serve we began with lenders to support them in becoming more aware of the startup and growth capital needed and how their lending portfolio would be strengthened by banking on this community.

The NEW START Act is a wonderful opportunity for the US Senate Committee on Small Business and Entrepreneurship to advance the national dialogue of criminal justice reform in a meaningful way. Mission: Launch supports this Act because we know that without the know-how, networks, and capital the spirit of American entrepreneurship cannot fully thrive. We also know that when one-third of our country is facing barriers to self-sufficiency and economic stability they cannot contribute to their families or communities positively. Supporting entrepreneurs, especially those turning to small business as a means to move beyond their criminal record and become productive citizens, is a win-win. Our country benefits when small businesses grow and give back and the NEW START Act is a unique opportunity to equip returning citizens to become self-sufficient, restore public trust and give an extra boost to America's economy.

Sincerely,

Laurin Leonard
Executive Director
Mission: Launch, Inc.