

## TESTIMONY OF HYACINTH TUCKER

FOUNDER & CEO, THE LAUNDRY BASKET LLC

### **Promoting Opportunity: The Need for Targeted Federal Business Programs to Address Ongoing Racial Discrimination**

**May 6, 2024**

Dear Chair Shaheen, Ranking Member Ernst, and members of the Senate Committee on Small Business and Entrepreneurship, thank you for providing the opportunity to submit a written statement for the record regarding the discrimination faced by minority contractors. As the founder of The Laundry Basket LLC, I've experienced firsthand the challenges and barriers that minority-owned businesses encounter in the entrepreneurial landscape.

One notable incident of systemic discrimination occurred when seeking financing to expand my business operations. Despite having a solid business plan and a track record of success, I faced significant hurdles in securing loans from traditional financial institutions. After extensive research on typical lending practices and speaking with other small business owners in my network, I learned I was being subjected to higher interest rates and stricter lending criteria compared to my non-minority counterparts. Not only did lenders express skepticism about the viability of my business model, despite providing ample evidence of its potential success, but I also found the loan application process itself seemed more rigorous and burdensome compared to what my non-minority counterparts reported. This unequal treatment not only hindered my ability to grow my business but also highlights the economic disparities within the community.

Another example of bias occurred during the bidding process for a lucrative contract with a major corporate client. Despite submitting a competitive proposal that met all the requirements, I was ultimately passed over in favor of a larger, non-minority-owned firm. The questions I was asked when interviewed by a panel of decision makers implied a lack of confidence in my ability to deliver on the contract despite there being clear evidence I could. Throughout the evaluation process, I was subject to remarks and microaggressions from the client that led me to believe the decision was influenced by implicit biases and preconceived notions about the capabilities of minority-owned businesses. This experience highlighted the systemic barriers faced by minority contractors and shows the need for greater diversity and inclusivity in procurement practices.

The recent attacks against equity-based programs in both the public and private sectors only serve to make these challenges worse. Programs such as the 8(a) Program and the Minority Business Development Agency play a crucial role in leveling the playing field and providing opportunities for minority entrepreneurs to thrive. Any attempts to shut down or undermine these programs not only threaten the progress made towards equity and inclusion, but also hinder the economic growth and prosperity of our communities.

It is important policymakers and stakeholders recognize the importance of addressing discrimination and promoting diversity and inclusion in the business ecosystem. By encouraging an environment that supports and uplifts minority-owned businesses, we can encourage untapped potential, drive innovation and create a more equitable economy for all.

I hope my testimony can shed light on the experiences of minority contractors and serve as a catalyst for meaningful change. I am committed to working alongside policymakers, advocacy organizations and my fellow entrepreneurs to advance policies and initiatives that promote equity and opportunity for all.

Thank you once again for the opportunity to contribute to this important conversation. Please do not hesitate to reach out if you require any further information or assistance.

Sincerely,

Hyacinth Tucker  
Founder & CEO  
The Laundry Basket LLC