

SMALL BUSINESSES ARE CRITICAL TO MINNESOTA'S ECONOMY



IN SUPPORT OF **HF4342**
HEAR OUR STORIES FROM
AROUND MINNESOTA

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Across Minnesota

A Letter From Our Partners

Dear Members of the Minnesota House,

We are writing to share the enclosed stories of small business owners from across Minnesota who are facing serious economic hardship and uncertainty due to circumstances outside their control. These stories reflect the challenges many employers, workers, and families continue to face as businesses struggle to recover, keep their doors open, and hold on to the employees and customers they depend on.

Minnesota's small businesses are the backbone of local communities and a cornerstone of our state's economy. They create jobs, serve neighborhoods, generate tax revenue, and keep Main Streets active in both rural communities and urban corridors. When small businesses are forced to reduce hours, lay off workers, or close altogether, the effects are felt far beyond a single storefront. Entire communities lose jobs, services, and economic activity.

Although the federal government has announced a drawdown of the federal presence in Minnesota, the economic damage remains. Initial estimates from just 14 economic corridors in Minneapolis and St. Paul show \$213 million in lost revenue since the beginning of December. We know these losses are not limited to the metro. Businesses across greater Minnesota are also feeling the strain, but in many areas we still need more data and more firsthand accounts to fully capture the scale of the impact.

Many business owners are reporting 50% to 90% revenue losses, leaving them on the brink of permanent closure. These are not losses caused by bad decisions or weak demand alone. They are the result of extraordinary disruptions that have made it difficult for businesses to operate safely, retain staff, and serve customers consistently. Without timely action, more employers may be forced to shut down, more workers could lose their jobs, and more communities will face a slower and more painful recovery.

That is why Minnesota Community Development Financial Institutions, philanthropic organizations, nonprofits, and local governments are urging lawmakers to pass legislation providing \$100 million in emergency relief grants. This targeted investment would help stabilize small businesses, preserve jobs, and support economic recovery across Minnesota.

We respectfully ask for your support in advancing this bill.

Sincerely,

Our Minnesota Small Business Community Partners

SMALL BUSINESS COMMUNITY PARTNERS



What Minnesotans Shared

WILLMAR, MN

EL TAPATIO RESTAURANT

Hello, my name is Crystofher Gomez. I live in Willmar, MN where my family owns and runs El Tapatio. I am testifying in support of HF 4342.

This past January two tables of ICE agents came into our restaurant without uniforms. Various community members confirmed those were agents as their vehicles sat outside. When the agents were inside our business we felt like we were under surveillance.

I told my dad right away. He responded: "They're off duty. What can we do? - Just serve them." So we did.

I left the restaurant at 3:00 p.m. My parents stayed behind to close the restaurant at 8:30 p.m. That's when the worst happened, as soon as they left, they followed my parents for a block or two. They were detained near a church by a middle school.

My mom was able to call us when it happened and my sister and I showed up. If we had not come, ICE would have left my dad's truck running in the middle of the street. They handed his keys to a woman nearby and they left everything there. Children's car seats were left in the back. My mom's purse was still inside. They just took my parents and left everything behind.

In just a few days my parents were transferred to a detention facility in Texas. Another month later, my dad was released but my mom was deported. One of our cooks who had also been detained was also deported almost immediately.

My siblings and I had to take over the restaurant.

In revenue alone, we lost at least \$3,000 during the days we were closed. During the period of reduced hours — closing at 5 p.m. instead of 9 p.m. — we likely lost half our normal revenue for those days. And beyond that, business has dropped because people were and continue to be afraid to leave their homes.

I cannot begin to comprehend the economic impact of the surge on my community. It's important that we get support to recover from the damage. Please support bill HF4342.

Thank you.

What Minnesotans Shared

WILLMAR, MN

AMIN GROCERY STORE

My name is Abdiweli Yusuf. I live in Willmar, Minnesota and I'm the owner of the Amin Grocery store. I'm testifying today in strong support of bill HF4342 to provide emergency rental assistance for small businesses in Minnesota.

When the ICE surge started in Minneapolis, we didn't know how it would impact us in Greater Minnesota but it has.

As federal agents came to Willmar, business traffic went down overnight. Markets, bakeries, and other businesses closed. None of my East African or Latino friends wanted to go outside any more.

One minute you could be driving your car down the street, notice ICE agents following you, and disappear in an instant.

People are rightfully afraid.

In late January, I noticed federal agents trying to arrest a Somali mother who has legal status. She lived in Willmar for two years. I knew her, and knew she shouldn't be getting arrested. She was terrified and doesn't speak English. I calmly asked the ICE agents if I could help translate and show her papers.

I was pepper sprayed in the face in front of my kids.

The woman was detained and released after four days, but not after being completely traumatized.

Thank you.

What Minnesotans Shared

WILLMAR, MN

OCUPATIONAL THERAPIST

My name is John Salgado and I live in Willmar. I'm originally from Chile, and I've been in Minnesota since 2017. I'm an occupational therapist. I'm testifying in support of bill HF4342 because the fear I saw in my community while federal agents invaded our small town was and continues to be real, and so are the economic losses that many small businesses are facing.

People are still afraid to leave their homes, go to work, or participate in the community. Even for someone like me, who is here legally, that fear is real. And when fear takes hold, everything stops.

Willmar is small, rural, and diverse. Many small businesses are owned by Latino and Somali families. When federal agents arrived, businesses closed or reduced hours, and customers stopped coming. There was a real pause in commerce that is still going on. Small businesses can't survive this. Missing even a few days can put them behind for the entire month.

I also saw the effects on the community. Neighbors showed up for each other, trying to protect one another. That strength is real.

But in those moments, when neighbors showed up for each other and needed support the most from our leaders, many neighbors felt like they were on their own. There was a real distance from support garnered from elected leaders, especially here in rural communities.

I was born during a dictatorship. I have seen what happens when fear divides a community and people stop trusting each other. This is my biggest fear for Willmar come true.

Today, we are trying to rebuild. But we need your support.

Small businesses and community organizations need financial relief to recover and begin the journey to stand back up. Rural communities like ours need real access to civic participation, so people feel safe being part of their community again.

We are doing our part. Now we need you to meet us there.

Thank you.

What Minnesotans Shared

EDEN PRAIRIE, MN

MALTS AND BURGERS SHOP

Hello, my name is Israel Moreno. I own Malts and Burgers at Eden Prairie Center. The business has been around for seven years, and I took it over last July. I'm testifying in support of bill HF4342.

As a business owner, these past months have been chaos. We were hit from two sides at the same time. Economic and social.

On the economic side, our costs kept going up. Food, supplies, everything. Vendors kept raising prices, but our sales dropped. For us, it was about a 40 to 60 percent decrease.

We talked to other businesses in the mall and it was the same for everyone. This wasn't the weather. It was fear. It was fear keeping people from leaving their homes. When federal agents were in the area, they sat outside stores like Target and nearby restaurants. Even if they weren't inside the mall, people knew they were there.

Customers would come in, see what was happening, panic, and leave.

Some of our workers were too afraid to come to work. There were days we had to run the business alone. Sometimes we had to close. The same officers affecting our community would come into the mall to eat. And I'll be honest, it was uncomfortable. I didn't know how to feel, but I kept treating them with respect.

On the community side, our customers stopped coming. Latino families, people of color, disappeared from the mall. People were afraid. At the same time, I saw community members out early in the morning, standing on corners, watching out for others. That was one of the most patriotic things I've ever witnessed.

This affected all of us. Small businesses, workers, customers, families. I'm asking for your support. Businesses and families like mine were impacted and need help.

We don't want this to happen again.

Thank you.

What Minnesotans Shared

NORTH MANKATO, MN **GROCERY STORE OWNER**

My name is Crystal Torres Scheurer. I'm a lifelong Minnesota resident from North Mankato, and a small business owner. I am asking for your support to pass bill HF4342.

My family and I began preparing to open our grocery store nearly a year ago. We started paying rent and utilities last March, invested in inventory in the fall, and planned to open in January. But when immigration enforcement increased in our area, everything changed.

Vendors stopped delivering, and we couldn't afford to buy fresh food that might go to waste if people were too afraid to shop. Because we serve a Latino community, we couldn't risk opening. So we delayed opening for months.

During that time, we were still paying rent, utilities, and loan interest with no income, using our personal savings just to stay afloat. Even now, after opening just two weeks ago, the fear hasn't gone away. People are still asking if it's safe to come in. We canceled our grand opening and have had to keep a low profile to avoid becoming a target.

This didn't just impact my family. Our grocery store serves the whole community. In our area, there are very few places to buy everyday essentials, and people have told us how much they need our store and were counting on us to provide them with essentials.

So I'm asking: What are you going to do to make sure every person feels safe enough to live their daily lives and support local businesses? And what support will be available for small businesses like mine that were set back before we even had a chance to open?

We are doing everything we can to serve our community. We're asking for the ability to do that safely, and with your support to recover economically from what we've lost.

Thank you.