



Coalition of Asian American Leaders

May 2, 2025

Dear Chair Stephenson, Chair Torkelson, and Members of the Committee,

On behalf of our network of 5,800 Asian Minnesotan leaders across the state, we are writing to share our concern about the House Omnibus Labor, Workforce, and Economic Development budget (HF2440) and the lack of investments in economic growth and opportunity. While we appreciate the incredible challenges of this legislative session and budget constraints, we know that strategic investments in economic growth are critical to help families get out of poverty, build generational wealth, and stimulate local economies.

We are deeply concerned that cutting investments in Minnesota's economic development will limit growth and small business development, at a time when entrepreneurs and local economies are facing deep uncertainty.

Community-based organizations like CAAL are essential for helping Asian Minnesotan small business owners navigate language barriers, financial institutions, state and local regulations, and develop their enterprise. We are uniquely positioned with infrastructure and expertise in re-granting funds to effectively meet community needs. Support is more urgent than ever as Asian Minnesotan small businesses grapple with uncertainty and the impact of tariffs on inventory from Mexico, China, and other Asian countries.

As the budget process continues, we hope to continue working with you toward strategic investments in Minnesota's economy, families, and workforce. We also encourage that state lawmakers take a balanced approach to competitive grants and direct appropriations, understanding that many small but impactful organizations are not able to secure grants through a competitive process, and many existing competitive grants do not meet the community needs that organizations are striving to fill.

Our state and our economy is the strongest when we leverage the full impact of our public sector, nonprofits, workforce, and small businesses.

Thank you for considering our concerns. Please let us know if you have any questions.

Sincerely,

ThaoMee Xiong, Executive & Network Director
Coalition of Asian American Leaders