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United States Senate

COMMITTEE ON COMMERCE, SCIENCE,
AND TRANSPORTATION

WASHINGTON, DC 20510-6125

WEBSITE: <https://commerce.senate.gov>

April 17, 2025

The Honorable Howard Lutnick
Secretary
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, DC 20230

Secretary Lutnick:

In a letter sent on March 25, 2025, you were urged to honor your testimony before the Senate Committee on Commerce, Science, and Transportation affirming you do not support efforts to dismantle the Minority Business Development Agency (MBDA).¹ Since sending that letter, our offices have received information indicating the Trump Administration sent reduction-in-force (RIF) notices to *every* MBDA employee—effectively shuttering an agency that Congress has authorized. If true, this action would not only prevent MBDA from successfully carrying out its congressionally mandated programs and duties; it would appear to contradict the testimony you provided during your confirmation hearing. Accordingly, we demand a clear and complete explanation of your Department’s actions regarding the MBDA.

As explained in the March 25, 2025, letter, the MBDA is a vital driver of economic growth for America’s minority-owned businesses.² Congress statutorily authorized the agency in a bipartisan manner in 2021 to ensure American entrepreneurs facing historical barriers to business ownership had access to key tools and resources to spur innovation, open new businesses, and create good-paying jobs. In Fiscal Year 2024 alone, the MBDA helped the country’s more than 12 million minority businesses access over \$1.5 billion in capital and create or retain approximately 23,000 jobs.³ Mindful of the MBDA’s record of success and congressional mandate, we urged you not to move forward with a RIF that would reduce MBDA’s personnel to as few as 3 full-time equivalent (FTE) employees.

¹ Hearing, “Nomination Hearing – U.S. Secretary of Commerce”, *U.S. Senate Committee on Commerce, Science, and Transportation*, (Jan. 29, 2025); https://www.commerce.senate.gov/2025/1/full-committee-nomination-hearing_2_3.

² Press Release, “Cantwell, Blunt Rochester Demand Commerce Secretary Lutnick Protect Minority Business Development Agency from Trump’s Overreach”, *U.S. Senate Committee on Commerce, Science, and Transportation*, (Mar. 24, 2025); <https://www.commerce.senate.gov/2025/3/cantwell-blunt-rochester-demand-commerce-secretary-lutnick-protect-minority-business-development-agency-from-trump-s-overreach>.

³ “Annual Performance Summary, Fiscal Year 2024,” *Minority Business Development Agency*, (accessed Mar. 24, 2025); <https://www.mbda.gov/sites/default/files/2025-03/fy-2024-annual-performance-report.pdf>.

April 17, 2025 Letter to Sec. Lutnick

Alarming, information provided to our offices makes clear the RIF your Department initiated at the MBDA was even more sweeping than we had feared, leaving the agency with effectively no staff. As a result, it is unclear to whom, if anyone, MBDA Business Centers are reporting or who is currently implementing MBDA's congressionally mandated programs and duties. Your Department appears to have dismantled the MBDA without any act of Congress—disregarding the programs and initiatives the Administration is directed by statute to implement.

The Commerce Committee has a duty to conduct oversight of the agencies and programs under its jurisdiction to ensure they are implemented and operating as Congress intended. Accordingly, please provide the following documents and information no later than May 1, 2025:

1. A complete description of the current staffing at MBDA, including the number of FTE employees presently working at the agency (if any), how many FTE employees are presently on administrative leave, and how many MBDA FTE employees have been sent RIF notices since January 20, 2025.
2. Copies of all RIF notices sent to MBDA FTE employees since January 20, 2025.
3. A complete description of all actions taken by the Department to comply with President Trump's March 14, 2025, executive order, "Continuing the Reduction of the Federal Bureaucracy."
4. A copy of the report required in the above-referenced March 14, 2025, Executive Order from MBDA to the Director of the Office of Management and Budget confirming compliance with the Executive Order and explaining which of its components or functions are statutorily required and to what extent.
5. An explanation of how the Department's actions regarding the MBDA are consistent with the Administration's statutory obligations under the Minority Business Development Act of 2021 (Division K of the Infrastructure Investment and Jobs Act, P.L. 117-58).
6. An explanation of how the Department's actions regarding the MBDA during your tenure as Commerce Secretary are consistent with your testimony to the Commerce Committee on January 29, 2025, and in your responses to the corresponding questions for the record. In your response, please specifically address the testimony you provided when asked if you support dismantling the MBDA, to which you responded, "I do not."

Sincerely,



Maria Cantwell
Ranking Member



Tammy Baldwin



Lisa Blunt Rochester