



**President's Advisory Commission on Asian Americans and Pacific Islanders
Second Quarterly Meeting – Meeting Minutes
Wednesday, August 5, 2020**

The President's Advisory Commission on Asian Americans and Pacific Islanders ("the Commission") convened its second meeting at 4:00 p.m. (EDT) on August 5, 2020 at the U.S. Department of Transportation via video conferencing.

In accordance to the provisions of Public Law 92-463, the meeting was open to the public from 4:00 p.m. to 6:00 p.m. (EDT) via audio and video conference technology. A roll call of Commission members preceded the meeting.

PAC-AAPI Members Present in Person:

- Jennifer Carnahan of Minnesota
- George Leing of Florida
- Grace Y. Lee of Michigan
- Jan-Ie Low of Nevada
- Herman Martir of Texas
- Prem Parameswaran of New York
- Chilling Tong of Maryland

PAC-AAPI Members Present Online:

- Doris Flores Brooks of Guam
- Eddie Calvo of Guam
- Paul S. Hsu of Florida, Chair of the Commission
- Keiko Orrall of Massachusetts
- Amata Radewagen of American Samoa
- Michelle P. Steel of California
- Helen Van Etten of Kansas

I. Welcome Remarks by Co-Chair of the White House Initiative on Asian Americans and Pacific Islanders (WHIAAPI), Secretary Wilbur Ross, U.S. Department of Commerce

U.S. Secretary Wilbur Ross, co-chair of White House Initiative on Asian Americans and Pacific Islanders opened the meeting by encouraging the Commissioners to continue to make progress

on their recommendations to the President. He noted that many of the 1.9 million AAPI-owned companies have suffered due to the ongoing pandemic. Secretary Ross acknowledged the Justice Department for their work on cases of racial prejudices and hate crimes. Secretary Ross reported on the economic progress that is being made. U.S. Exports increased 9.4% in June to \$158 billion. The Institute for Supply Management manufacturing index climbed to a 15-month high of 54.2% and consumer spending increased by 5.6% in June on top of a big increase in May. He also noted that Americans saved 19% of their personal income in June, an annualized rate of \$3.37 trillion.

Secretary Ross noted that the Administration is continuing to deploy resources to address the impacts of COVID-19 on minority business. He mentioned the Department of Commerce plans to host 10 regional webinars focused on introducing business owners to tools and assistance through the Department of Commerce and the Small Business Administration. He added that the Paycheck Protection Program has \$128 billion available to be loaned.

Secretary Ross also encouraged the members of the subcommittees to craft recommendations to improve AAPI-owned businesses as soon as possible.

II. Open Remarks from Chair of the Commission, Dr. Paul Hsu

Chairman of the Commission, Dr Paul Hsu called the meeting to order, and extended thanks to the Commissioners who joined the meeting virtually and in-person. The Chairman also acknowledged, Joe Chu, who was awarded the Chinese American World War II Congressional Gold Medal in August. Mr. Chu was drafted to the U.S. Army in 1945.

Chairman Hsu began his remarks by noting that before the pandemic, AAPI-owned business typically generated about \$700 billion in annual revenue. The annual buying power was more than \$900 billion with a population of 22.5 million, less than 6% of the U.S. Population. Chairman Hsu ended with a statement of honor to serve with the Commission.

Following Chairman Hsu's remarks the meeting moved to roll call attendance of the Commissioners. The minutes from the May 5th, 2020 meeting were approved and voted on.

III. Presentation from National Directory of the Minority Business Development Agency, David Byrd

David Byrd, National Director of the Minority Business Development Agency, extended thanks to Chairman Hsu and those in attendance. Director Byrd gave a brief overview of MBDA. MBDA's theme is "The Future is Now", with hopes that the agency can provide resources to help further minority-owned businesses into the future. Director Byrd shared that MBDA was created under Executive Order 11625 in 1969, focusing on the growth and competitiveness of minority-owned businesses. He noted that through the COVID-19 pandemic, they are working to help minority-owned businesses transform and move through the use of technology. He also noted that in fiscal year 2019, minority-owned businesses received \$3.1 billion in contracts; 68% were contracts in the private sector and 32% were in government contracts.

Director Byrd discussed MBDA initiatives. The Billion Dollar Fund, which is a grant that was used to create the Martin Minority Growth Equity Fund Initiative, facilitates the deployment of \$1 billion in growth capital to minority-owned business. He shared that the key goals of this initiative is to quantify the demand for, and the current supply of capital focused on minority-owned businesses; leverage the extensive expertise and broad network to attract and invest growth capital in innovative businesses by minority entrepreneurs; and then third, drive substantial job and wealth creation to make a significant economic impact in historically underserved communities across the country. He added that this project began last year.

Next, he discussed CARES Act. He noted that MBDA was given specific responsibilities under this Act. Congress authorized \$10 million for educational training and advising MBEs in their recovery from COVID-19. The money received in grants was distributed to 30 existing MBDA centers and national minority chambers across the U.S. He noted that an AAPI Chamber of Commerce was a recipient of the funds. The division of funds are noted: \$7 million were split amongst 30 MBDA centers. \$3 million were put into five national chambers of commerce that included the U.S. Black Chamber, U.S. Hispanic Chamber, National ACE, the National Business League started by Booker T. Washington in 1901, and the National Urban League.

The third initiative is their partnership with Amazon, which has assisted 200 minority-owned businesses per year to utilize their platform. He also shared that MBDA Global is assisting with exports. Director Byrd also discussed the beginning of the MBDA Think Tank. This will be a policy institute within MBDA to distribute data and policy analysis, create investment opportunities, and cultivate partnerships to help change the MBDA narrative. He also shared about the annual MED week, which is September 13th and 19th. This week recognizes MBEs for their contribution to the economy. Director Byrd ended his presentation with sharing about the, Enterprising Women of Color (EWOC) programs.

Chairman Hsu thanked Director Byrd for hosting WHIAAPI and PAC-AAPI under the U.S. Department of Commerce and for his leadership. Chairman Hsu also recognized Alex Flemister, Associate Director for the White House Office of Public Liaison. Mr. Flemister shared a few remarks and updates from his office.

IV. Subcommittee Reports

Chairman Hsu requested from the Commissioners on the five different subcommittees. The five areas of focus are: passing the torch, breaking the glass ceiling, bridging the income gap, AAPI women in leadership, and COVID-19 impact on AAPI business and recovery effort:

- **Passing the Torch**

Commissioner Grace Lee shared that their three-fold objective which is to develop and foster professional and entrepreneurial skills and knowledge for the younger generations; strive to pass down the experience and expertise to the next generation of leaders; educate AAPI youth and prepare them for the workforce.

Commissioner Lee shared about the AAPI Young Leaders Summit, which was a four-day series of virtual events held in July in partnership with WHIAAPI. Over 800 people registered from 30 different states, which included high school students, college students, interns, young professionals, and many others.

- **Breaking the Glass Ceiling**

Commissioner Helen Van Etten discussed the need to increase AAPI in higher level leadership positions across different sectors. She recognized that there are efforts being made. She noted that the subcommittee wants to promote AAPI future leaders in Fortune 500 companies and striving towards CEO management or executive level positions. She discussed the importance of sharing internal success stories and the importance of giving AAPI more access to the influencers so that they have opportunities to network and pitch ideas. Commission Van Etten emphasized the shift that is needed to focus on educating and developing the AAPI community, specifically with breaking the culture of qualified AAPIs not taking the initiative to pursue executive-level and leadership positions.

- **Bridging the Income Gap**

Commissioner Prem Parameswaran discussed that AAPIs have the highest per capita income of any ethnic group, including those of the Jewish ethnic group. He also shared that there are over 600,000 small businesses, and 1.9 million Asian American businesses. He discussed two major areas of discrimination that AAPIs face. The first is in education, the acceptance rate at prestigious colleges due to limited quotas. Second, giving AAPI small businesses better access to SBA and government loans to fund their businesses. He suggested possible action items to combat this. He shared the following potential action items to help combat the issues:

Possible action items:

- 1) No quotas for admission to our prestigious universities, or it should be raised considerably for AAPIs.
- 2) All U.S. corporations should have Asian Americans listed as a minority group with no reverse quotas.
- 3) Tax incentives for both small businesses, as well as individuals. The subcommittee believes the effective tax rate should be lowered at the corporate and individual level to 18%. The committee believes the state and local taxes cap should be lifted. SALT has hurt Asian Americans and middle-class people who are affected by this policy change, especially AAPIs. Noting that could also hurt potential new homeowners, which is the embodiment of the American dream. He shared that the committee believes this cap should be lifted with no cap or at least a \$60,000 deduction.
- 4) Asian small businesses should have access to bank debt revolvers up to \$30 million, which will help fuel the growth in the economy as well.

- **AAPI Women in Leadership**

Commissioner Keiko Orrall spoke on their nine focus areas that the President's Executive Order laid out and how they could apply it to developing AAPI women.

- 1) Access to federal government resources and opportunities
- 2) Encouraging innovation and entrepreneurship
- 3) Increasing federal procurement opportunity
- 4) Encouraging AAPI women to look for synergy and leverage in private partnerships
- 5) Trade and investment opportunities
- 6) How to prepare AAPI women to be successful in their line of work through educational opportunities, workforce involvement
- 7) Increasing diversity in the workforce to help AAPI women
- 8) Focusing on the analytical through AAPI population and subpopulation data as to how many AAPI women receive PPE grants
- 9) How to help Pacific Islander women

Commissioner Orrall began by stating their hope of including AAPI women in areas of STEM. She shared preliminary discussions about WHIAAPI collaboration with the Office of Space Commerce on future events to reach the AAPI community focuses on business and future STEM professionals, including AAPI women. Commissioner Orrall discussed the upcoming meeting with U.S. Patent Trade Office on diversity and inclusion, as well as increasing minority, women-owned patent owner holders.

The commissioner also shared actionable items for the Commission of hosting an AAPI Women in Leadership Virtual Roundtable Discussion on mentoring future AAPI women leaders, aiming to increase representation in leadership levels in all sectors, specifically within the federal government. The commissioner also discussed plans of WHIAAPI gathering more information on Ivanka Trumps W-GDP, noting this would be a great opportunity to collaborate between initiatives, particularly priorities like the W-GDP of this Administration. Commissioner Orrall also discussed how to increase AAPI women and leadership in the federal government, as well as through government programs, such as SBA's Women Mentorship and in the public and private sector. Commissioner Orrall conclude by acknowledging the efforts and importance of focusing on the economic recovery efforts from COVID-19.

- **COVID-19 Impact on AAPI Business and Recovery effort**

Commissioner Jan-Ie Low began her report by sharing about conversations she had with business owners who recognized the effects of COVID-19 and the assistance that the PPP and EIDL loans have provided.

Commissioner Low discussed the impact on small businesses, especially AAPI restaurateurs. She explained while businesses have been grateful for the PPP loans, it is still only a temporary band aid. In Las Vegas, with tourism down and the lack of conventions, businesses who depend on visitors have already used up their PPP loans and are hopeful for additional relief. In California, Governor Newsom has shut down all indoor dining and now restaurateurs must be creative and will incur more expenses to build outdoor patio seating and dining area.

Commissioner Low closed her report out by recognizing the entrepreneurs in Fountain Valley, California, that have started an initiative called #MovingForwardTogether. #MovingForwardTogether is a coalition led by leaders of the Psychological Institute President

Paul Hoang, Advance Beauty College President Tam Nguyen, Unitea Cafe co-founder Tan Nguyen, The Recess Room President Viet Pham, and the Nailing It for America, again, Tam Nguyen, Johnny Ngo, Chrissy Nguyen and Ha Yin. Commissioner Low noted that #MovingForwardTogether has the mission to feed with compassion, acceptance, reassurance, and empowerment. Noting the group has served over 4,000 meals to date.

Following Commissioner Low, Chairman Hsu opened the floor for additional comments from the Commissioners.

Commissioner Doris Flores Brooks discussed the significance of Guam due to its location. Doris Brooks noted the impact of the CARES Act, receiving \$1.6 billion. Ms. Brooks shared the largest are the PUA, or the Payroll Unemployment Assistance. Guam asked for \$924 million; they received approximately half of that. Ms. Brooks noted over 20,000 workers have received over \$270 million in PUA, in unemployment assistance; more than 35,000 workers have been laid off, furloughed, or have reduced hours. The other area that has also helped Guam tremendously are the PPP loans. SBA has issued over \$294 million loans to 2,684 businesses. Their Department of Finance expects an overall economic loss of \$600-\$700 million as a result of what has happened to COVID. And they're expecting a decline of over 48% and projecting a loss of \$100 million. Now they have received CARES Act funding of about \$263 million, not including the PPP loans.

Commissioner Brooks went on to share that businesses are concerned that the loans will be forgiven. She also shared that Guam's major industries are in tourism, military and federal expenditure, and while they have been impacted by the health pandemic, the COVID-19 numbers have been controllable due to it being an island. Guam needs a strong revitalization of their tourism industry.

Commissioner Michelle Steel added to Commissioner Parameswaran's report that the cap on SALT was placed at \$60,000 because California's State tax of 13.3%, noting that the Governor is ready to raise it to 16.8%.

Commissioner Jennifer Carnahan added to Commissioner Helen Van Etten's report. She specifically addressed the lack of AAPI leaders in the Fortune 500 and AAPIs that find it difficult to rise out of the individual contributor ranks and not having the support they need. Commissioner Carnahan suggested to identify companies with Asian American employee networks and three fortune 500 companies that are willing to work with PAC-AAPI to charter different programs. Commissioner Low added the need to identify the next generation and cultivate them and provide training through mentorship.

Commissioner Chiling Tong shared the accomplishments of National ACE from this past year. Commissioner Tong noted that the National Bureau of Economic Research showed that the number of active business owner in the United States dropped by 3.3 million or 22% over the critical time. And among those business, AAPI business owner dropped about 26%. Also, an April 6 report from the Center for Responsible Lending found that roughly 75% of Asian-owned business stand close to no chance of receiving a PPP loan. National ACE will be able to offer webinars and teaching opportunities to obtain PPPs (provided in six different languages).

Commissioner Tong discussed that small businesses need funding for technical assistance. Due to the lack of equity and access to capital, she hopes that the United States Treasury can create the Minority Investment Fund to provide equity investment into minority-owned business.

Commissioner Herman Martir discussed the issues that were brought up in regard to representation for AAPI in business and private sector. Commissioner Martir shared what is lacking is representation in the federal government sector of AAPI. 0.6% of Asian Pacific Americans work for the federal government, and he believes that by raising this number AAPIs will have great influence in the government to tackle issues that affect them.

V. Roundtable Updates

Commissioner George Leing was invited to talk about the AAPI Business Town Hall and Roundtable that was held in June. At this virtual meeting, Mr. Larry Stubblefield, the Associate Administrator of the U.S. Small Business Administration, provided a presentation and updates on CARES funds. During the Town Hall Larry Stubblefield shared about resources available from SBA, including federal contracting assistance programs, coronavirus-related resources, and other small business assistance. Commissioner Leing also reported on Ms. Caroline Chung's presentation. She is the Commercial Officer at the Northern Virginia U.S. Export Assistance Center, of the U.S. International Trade Administration. She shared that they are focused on enhancing the competitiveness of U.S. companies in global markets and increasing our exports. Finally, he shared that they heard from the Rural Business Cooperative Service of the U.S. Department of Agriculture through Dr. Venus Welsh-White, the National Rural Energy Program Coordinator talk about two programs: first, the Business and Industry Loan Guarantee Program in Rural Communities; and second, the Rural Energy for America Program, REAP, for purchasing and installing renewable energy systems and energy efficiency improvements.

Commissioner Leing discussed the presentation during the second part of the Town Hall Meeting. He reported that those in attendance heard presentations from Mr. Chirag Shah, the Asian American Hotel Owners Association; Mr. Patrick Atagi, the Chairman of the Board of Directors, the National Industrial Hemp Council; Attorney Qiang Bjornbak; Dr. Kyo Paul Jhin, the Current Vice Chairman of the National AAPI Republican Assembly; Ms. Pauline Lee, a business owner and real estate developer; Mr. Tuan Pham, Managing Partner and Financial Advisor at P&P Advisory Group; Mr. My Lan Tran, the Executive Director of the Virginia Asian Chamber of Commerce; and Helen Zhou, the President and CEO of Anetmart LLC.

Commissioner Martir provided a summary of the AAPI Town Hall held during WHIAAPI's AAPI Young Leaders Summit in July and in conjunction with the anti-AAPI bias and hate crimes panel discussion with the U.S. Department of Justice. He discussed the bias and hate crimes committed against Asian Pacific Americans and the economic challenges that AAPI is facing right now due to COVID-19. Many of the millennials that participated expressed their interest in continued engagement on the issues of social justice, civic engagements with AAPIs. Commissioner Martir discussed the increase of mental health issues in the AAPI community, increased suicide rate amongst AAPIs, and how this could be addressed through engagement and training, mentorship.

Governor Eddie Calvo added to Herman's report. He looked at the impacts of COVID-19 and cited the two major areas of focus have been on the economic impacts and the direct health impacts of COVID-19. He noted that it is important to look more in-depth at the statistics as presented and use that on how we should consider opening up the economy. He also mentioned the rise in suicide rates amongst AAPIs due to the effects of COVID-19.

Commissioner Martir added that it would be beneficial to have conversations with African Americans on the issue of race and for both minority groups to work together to better serve our communities, and to help promote economic growth and prosperity.

Commissioner Doris Brooks added a final comment to Governor Calvo's statement about the economic and mental health. She noted that Guam is now receiving 20 calls a day to the suicide prevention hotline in comparison the hotline previously receiving 20 calls a month.

Chairman Hsu applauded Governor Calvo for his work during an interview a few weeks ago prior to moving the meeting to New Business.

VI. New Items of Business

Executive Director of WHIAAPI, Tina Wei Smith turned the directed the meeting back to Chairman Hsu, who then allowed for additional remarks from the Commissioners.

Commissioner Helen Van Etten discussed the mentor program with plans to develop a leaders' forum to train future leaders, with hopes to create a leader's circle to gain access to mentors and influencers.

Commissioner Keiko Orrall discussed working with other minority groups to form a coalition to host similar events like the COVID relief event. Potential groups were Hispanic Chamber of Commerce members, and other minority groups to host and participate in these opportunities.

The Commissioners concluded the meeting by discussing about the next quarterly meeting. Chairman Hsu then adjourned the meeting and moved to the public comment period from AAPI community leaders and business owners. He noted that this period will last around 15 to 30 minutes.

VII. Public Comment Period

- Duke Pham of Washington shared about the struggles that COVID-19 has had on businesses in Washington. He noted that his food restaurant and food company, Pho'nomenal, has eight locations on Microsoft campus to external restaurants. He also noted that his restaurant locations have not reopened. The pipeline distribution and sales have also struggled due to trade shows across the country have been cancelled. He discussed how the PPP loans and EIDL loans have provided great assistance to many people in his community, but the loans are being quickly depleted. He asked if there is a possibility of extending the loans or additional funds from the PPP and EDIL loans. Following up to Chairman Hsu,

he noted that he received 80% of the additional relief from the EIDL loans; three other SBA loans for his other restaurants. This would create a challenge to make the payments for the SBA loans if his businesses are receiving no income due to the COVID restrictions.

- Christine Nguyen, owner of Studio 18 Nail Bar, discussed the effects of COVID-19 on her small business. She noted that due to the California restrictions, they recently opened for two weeks before reclosing. She discussed in more details how the PPP loans aided her business through the restrictions. She noted as of May, the nail industry leaders were anticipating 20-40% of nail salons to permanent close by the time reopened the first time. But now with the second closure, we anticipate about 30-50% of salons being closed permanently when we do reopen. Her question is seeking if there is any additional help for the nail industry in this economy.
- Father Joseph Dang, Community Liaison for Vietnamese-America in Colorado, shared that the Vietnamese seniors have struggled through the Stimulus check. He also noted that many seniors who receive Social Security did not get a stimulus check. He was provided assistance to contact the IRS. The second thing he shared is that the Vietnamese American community wants to make sure that President Trump presses on China about the South China Sea tension due to their aggressiveness towards Vietnamese fishermen.
- John Lee of Maryland is a young professional Korean American Republican. He discusses that he recently started a startup consulting firm working to connect South Korea healthcare companies and manufacturers to supply COVID-19 medical products to the U.S. He also shared that they are also leading a young AAPI Republican group with over 60 members. He thanked Commissioner Jan-Ie for speaking to the group.
- Donna Tran of California, a third-year medical student at Michigan State University and the National President of the Asian Pacific American Medical Student Association (APAMSA), reported that the Asian American minority medical students have experienced an increase in psychological stress and a lower quality of life for both students and physicians. She also noted that AAPI communities have experienced exponentially more outward overt racism, aggression and hate crimes. Ms. Tran discussed important issues for Asian American students: having the financial assistance for student loans and relief to manage attending medical school and training. Secondly, she is concerned that we need to increase diversity for AAPIs in the medical fields and in training educational curriculum. AAPIs is not a homogeneous population group but rather many different minority groups and we need more disaggregated data on future reports and researches on the AAPI community. She concluded by addressing the rise in xenophobia and aggression towards AAPI communities and towards AAPI healthcare professionals.
- Rose Li of Rose Li & Associates provided the final comments. Rose Li & Associates conduct research support for research-centric organizations. Rose Li discussed that according to the 2017 Census Bureau population estimate, there are 18.2 million Asian Americans alone living in the U.S. Asian Americans which accounts for almost 6% of the nation's population. She noted that if the

Commissioner are looking at data, this would serve as an opportunity to recommend over-sampling AAPIs in national surveys. This would ungroup AAPIs from the “other” category on federal charts.

Executive Director Tina Wei Smith closed the public comment period seeing no more public participants had comments. She turned the meeting back to Chairman Paul Hsu for concluding remarks. The Chairman thanked those who were in attendance and shared his gratitude for serving on the Commission.

With no further public comments, the public comment period was closed.

VIII. Next Steps and Adjournment

Dr. Hsu thanked the Commissioners and announced that the next meeting of the Commission would likely be in December.

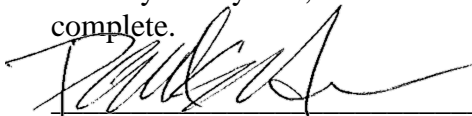
The meeting adjourned at 6:15pm (EDT)

IX. Materials Provided to the Commission Members

The following materials were provided to the Commission members at the meeting:

1. Agenda
2. Discussion Slides
3. May Quarterly Meeting Minutes
4. Bios for Speakers

I hereby certify that, to the best of my knowledge, the foregoing minutes are accurate and complete.



Dr. Paul Hsu, Chair
President’s Advisory Commission on Asian
Americans and Pacific Islanders
Minority Business Development Agency
U.S. Department of Commerce

11/16/2020

Date

Tina Wei Smith, Designated Federal Official
White House Initiative on Asian Americans and
Pacific Islanders
Minority Business Development Agency
U.S. Department of Commerce

Date