



TESTIMONY OF VOLUNTEERS OF LEGAL SERVICE
New York City Council Committee on Small Business
Oversight: Preliminary Budget Hearing
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My name is Nick Aquino and I am a Staff Attorney with the Microenterprise Project at Volunteers of Legal Service (“VOLS”). VOLS is a legal services nonprofit founded in 1984. Our mission is to bridge the justice gap in underserved communities through increased pro bono legal services. For over 20 years, the VOLS Microenterprise Project has helped existing and aspiring small business owners and entrepreneurs access high-quality free legal services from our dedicated staff and our network of pro bono attorneys. VOLS helps small business owners with transactional small business legal needs, including entity formation, drafting and reviewing contracts, and understanding industry-specific regulations. We partner with community economic development organizations and City government, particularly Small Business Services (“SBS”), to connect with clients who would benefit from our legal assistance, focusing on minority-, women-, immigrant-, and veteran-owned businesses.

For many New Yorkers in under resourced communities, entrepreneurship provides an opportunity—sometimes the *only* opportunity—to build wealth for themselves and future generations. Many of our clients develop businesses for the express purpose of handing it down to their children. This form of generational wealth is often only made possible when the nonprofit sector and local government work together to support these entrepreneurs. Beyond the direct benefits small business ownership provides for the owner and their families, a thriving small business ecosystem strengthens the wider local community as well. Small businesses create jobs, of course, but they also anchor communities. They help foster a sense of pride and identity in one’s



neighborhood, creating a shared purpose among residents to actively participate in their community's development and support its long-term prosperity. Many of our clients operate neighborhood institutions—delis, cafes, barbershops, etc.—that serve the dual purpose as a community space that simply cannot be replicated by corporate chains or well-funded businesses that parachute in.

As a legal service provider for under resourced entrepreneurs, VOLS is acutely aware of the barriers many face in realizing their entrepreneurial dreams. While we strive to provide comprehensive pro bono legal services for as many New York entrepreneurs as possible, we cannot solve this problem alone—leveraging City resources is essential. For example, on February 28th VOLS launched its partnership with SBS's Black Entrepreneurs NYC program at Restoration Plaza in Bedford Stuyvesant. There, VOLS facilitated a presentation by a top New York City law firm on entity selection and other fundamental business-legal considerations to an audience of Black entrepreneurs—a community that is vastly underrepresented in New York City's business owner community. The audience was not only engaged in the presentation itself, but also received actionable information from SBS officials on resources available through the agency.

It is exceedingly rare that our clients come to us solely for help with a legal issue. Instead, they need a full suite of technical assistance: marketing, financing, accounting, etc. To serve these needs we rely on essential SBS and other City programs. For example, SBS's financing assistance programming offers our clients—who are often locked out of traditional forms of financing—a necessary lifeline. Similarly, without well-resourced social networks due to historic discrimination, our M/WBE certified clients benefit greatly from SBS's procurement opportunities. In many cases, they would not have been able to get off the ground without



opportunities for government contracting facilitated through SBS.

In sum, small businesses improve the lives of the owners, the employees, and the larger New York City community. Without City government services to reduce the barriers to entry of under resourced entrepreneurs, the dream of small business ownership in New York City would be the exclusive purview of the wealthy and well-resourced. In addition, without your support in the form of discretionary funding VOLS would not be able to bring free legal services to New York City's entrepreneurs. Thank you for the opportunity to submit this testimony.

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