

Texas Rural Legal Aid's Micro-Enterprise Project To Offer Transactional Attorneys Pro Bono Spotlight

By Yvonne R. Castillo

Juana G. meticulously sews *quinceañera* and wedding gowns for family and friends. She wants to turn her skills into a business. Olga M. is an excellent cook interested in opening up a corner *tacqueria*. Another woman sells home-made soaps and shampoos from her home, dreaming of the day when she might have a *tiendita* in which to sell her wares. A young man picks melons and citrus fruits and sells them on the side of the road out of his truck.

Each year, hundreds of low-income residents along the Texas/Mexico border launch small businesses similar to those described above. Some of these micro-enterprises succeed. But many others fail, not because of the quality of their products and services but because the business owner made costly mistakes negotiating a lease, did not understand regulatory laws, failed to obtain permits or licenses, or unwittingly made some other critical mistake. Many of these mistakes could have been avoided with the assistance of an attorney at the early stages of the business start-up. Unfortunately, the cost of such consultations for indigent entrepreneurs is prohibitive.

To help support these micro-enterprises and enhance the chances for their success, Texas Rural Legal Aid (TRLA), with primary funding from the Levi Strauss Foundation, has launched the Legal Assistance for Micro-Enterprise Project (LAMP). The project will provide indigent clients with legal services ranging from one-on-one legal advice to educational workshops and seminars on relevant legal topics for starting, successfully maintaining, or expanding a micro-business. Although the project is just beginning, TRLA anticipates a need for a pool of transactional attorneys throughout the state who can offer legal assistance in their particular areas of expertise.

Micro-Enterprising: Empowering the Economically Disadvantaged

Micro-enterprises are tremendously diverse but share some common characteristics:

- the entrepreneur is the sole employee or has fewer than five employees;
- the business is home-based or operated from a garage or

truck;

- the entrepreneur has no access to capital through traditional loans;
- the business is the sole source of income for the entrepreneur;
- the neighborhood or city is usually the market area.

Advocates of micro-enterprise development believe that economies built from the bottom up offer an escape route out of poverty by empowering poor people with the realistic prospect of upward mobility. To the very poor, these entrepreneurial ventures may be the only means of survival.

For many, everything earned in a day is spent to maintain a household. Successful micro-enterprises, however, can have an energizing effect by offering economic choices, providing household stability, enhancing self-esteem, and creating hope for the future.

Volunteer Attorneys Can Help

To an indigent client filled with the entrepreneurial spirit, consulting with a business lawyer can make a world of difference. Business attorneys can provide legal services ranging from contract law to regulatory and employment law. TRLA, the primary provider of civil legal services to the poor in South Texas, will match volunteer business lawyers with low-income entrepreneurs to help them succeed in their ventures.

The LAMP pro bono initiative is a great opportunity for those transactional lawyers interested in helping low income entrepreneurs start and successfully maintain their own businesses. For more information about LAMP, please contact Yvonne R. Castillo at 512-479-1370.

Yvonne R. Castillo is a staff attorney with Texas Rural Legal Aid and the Project Director for the Legal Assistance to Micro-Enterprise Project.