



April 14, 2026

The Honorable Tom Cole
Chairman
Committee on Appropriations
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Susan Collins
Chair
Committee on Appropriations
U.S. Senate
Washington, D.C. 20510

The Honorable Rosa DeLauro
Ranking Member
Committee on Appropriations
U.S House of Representatives
Washington, D.C. 20515

The Honorable Patty Murray
Vice Chair
Committee on Appropriations
U.S. Senate
Washington, D.C. 20510

Dear Chairman Cole, Chair Collins, Ranking Member DeLauro and Vice Chair Murray:

As a leading representative of America's 36 million small businesses, Small Business Majority urges House and Senate appropriators to prioritize robust investments in the fiscal year 2027 (FY27) budget for the federal agencies and programs that are essential to the development and growth of our nation's small businesses. As Main Street businesses and communities continue to grapple with economic headwinds and rising costs, it is critical that Congress reaffirm its commitment to investing in the programs that have proven to spur growth and innovation among our nation's job creators.

Financial Services and General Government

Small Business Administration (SBA) Office of Entrepreneurial Development

SBA remains a critical resource for small businesses nationwide, and in this challenging time small businesses need access to SBA's key entrepreneurial development programs now more than ever. As business owners and entrepreneurs navigate an increasingly complex economic landscape, SBA's community-based programs including Small Business Development Centers (SBDCs) and Women's Business Centers (WBCs) have become increasingly important. These programs all work to support a robust entrepreneurial ecosystem that offers access to seasoned business expertise and mentoring, a network of SBA-backed lenders, and critical technical assistance (TA) to support growing small businesses as they pursue the American Dream. Last year, Congress funded the OED programs at \$330 million, which provided SBA with the ability to maintain certain programmatic funding while increasing other programs that have performed exceptionally well. We encourage Congress to match its commitment to the SBA's OED to ensure that the flagship programs supporting community entrepreneurship remain available for the next generation of business owners.

Key programmatic requests

- **\$30 million for the Women's Business Center program at the SBA's Office of Entrepreneurial Development.** The WBC program offers community-based training, technical assistance, business development counseling and tailored guidance for entrepreneurs from all backgrounds. Despite its name, the WBC program goes beyond serving women entrepreneurs alone and provides critical assistance and guidance for all entrepreneurs as they grow and pursue business ownership. SBA investments in Women's Business Centers (WBCs)

deliver a high return on federal dollars, generating \$6 in small business revenue and \$7.50 in private capital for every \$1 of support. The nationwide network of more than 140 WBCs helps sustain 341,000 jobs that contribute to \$16 billion of salaries on Main Street.¹ According to the latest available data, WBCs advised and trained more than 86,000 entrepreneurs and helped create more than 2,600 new small businesses in FY24 alone.²

- **At minimum, \$150,000,000 For the Small Business Development Center program at the SBA’s Office of Entrepreneurial Development.** The SBDC program is one of the most well-known and trusted institutions within the SBA – ensuring that the communities it operates within have access to resources, training, and support for the growing small business community across the country. Through a national network of nearly 1,000 service centers, SBDCs provided business development and technical assistance services to more than 272,000 small business clients in FY25 – connecting entrepreneurs to more than \$5.5 billion in capital and generating over 68,000 jobs on Main Street. Furthermore, small businesses that utilize SBDC services report sales growth that is two times higher than the average U.S. business.³
- **\$41 million to support the Microloan Technical Assistance (TA) program and \$12.5 million to support the Programs for Investors in Microentrepreneurs (PRIME) technical assistance.** These programs are critical components of SBA’s mission to support access to capital, business development and growth for microbusiness. These programs provide essential training and technical assistance to entrepreneurs at different stages of their business journey, with PRIME providing business development training at the startup phase, and the Microloan TA program providing training to businesses that need microloan financing. Roughly 80% of America’s 36 million small businesses are microbusinesses, which often operate on thin margins and minimal resources. This is why it’s imperative for Congress to exhaust all possible avenues to support America’s microbusinesses by continuing to provide SBA with the resources and funding needed to be successful in reaching markets with the greatest barriers to capital.

SBA Office of Capital Access

Congress should prohibit funding for the new policy guidance issued under SOP 50 10 08 barring access to SBA 7(a), 504, Surety Bond and Microloan programs for businesses not 100% owned and operated by a U.S. Citizen. This rule explicitly prevents green card holders (legal permanent residents) who have gone through legal immigration channels and have shown a deep commitment toward contributing to the U.S. economy. These restrictions will only harm the growth of entrepreneurship in the U.S. and will hold negative repercussions for thousands of small business owners who currently rely on SBA programs. The rule not only prevents green card holders from accessing SBA loans, denying decades of lending precedent at the SBA, but also prevents U.S. citizen-owned firms with any foreign ownership stake in their business from accessing SBA loans.

Federal Trade Commission

Congress should increase funding for the Federal Trade Commission’s (FTC) mission to dismantle anti-competitive barriers and help guarantee that small businesses can compete fairly in a transparent marketplace. Increased investments would also equip antitrust enforcers with the resources necessary to reinvigorate enforcement of the Robinson-Patman Act (RPA), which prohibits discriminatory pricing and promotional treatment among competing purchasers. While the RPA serves as a critical tool in the antitrust enforcement toolbox, the law has seldom been enforced over the last several decades. The absence of RPA enforcement has allowed bad actors in the market to increase their dominance over

¹ “The Women’s Business Center Program Receives Record Funding in Bipartisan Funding Bill.” Association of Women’s Business Centers. Feb. 5, 2026. <https://awbc.org/the-womens-business-center-program-receives-record-funding-in-bipartisan-funding-bill/>

² “Fiscal Year 2024 Annual Performance Report.” U.S. Small Business Administration. <https://www.sba.gov/sites/default/files/2025-02/FY24%20SBA%20APR-2025-0123-508.pdf>

³ “2026 Annual Report: Stronger Together.” America’s SBDC. <https://americassbdc.org/impact/>

supply chains to disadvantage smaller competitors and hinder their ability to compete fairly with the larger players in our economy.

Abuses of price discrimination and price gouging have only become more glaring in today's economy as large corporations with hundreds of billions of dollars in annual revenue have exploited global tariffs as an opportunity to increase costs on consumers and small business clients. While most small businesses rely on imported goods and materials, only a fraction of small firms import materials directly from other countries. The rest purchase imported materials from large domestic suppliers that often leverage their market and buyer power to negate the impact of tariffs on their bottom line. Costs, however, are still being passed on to consumers and small businesses while corporations seemingly increase their dominance at no cost. Small Business Majority research found more than half of small businesses have experienced higher costs due to tariffs, forcing many to raise their prices on customers and cut back on investments.⁴

We encourage appropriators to build upon previous report language included in the FY26 appropriations bill that reiterated the FTC's existing statutory authorities to promote competition and ensure all market participants, including small businesses, are treated fairly.

Community Development Financial Institutions (CDFI) Fund

The CDFI Fund is one of the most important loan programs in the small business lending market and is well-known for its ability to provide low-cost loans to small businesses in local communities across the country. The CDFI Fund is also widely supported by policymakers across the political spectrum. For example, during the FY26 appropriations cycle, the White House attempted to advocate for the elimination of the CDFI Fund in its entirety. This action was met with swift pushback from top Republicans and Democrats in Congress, underscoring the critical importance of the CDFI Fund in not only the small business, but the affordable housing and consumer lending spaces across their states and districts.⁵

Moving forward, we continue to urge policymakers to uphold their commitment to the CDFI Fund to defend this critical program from unwarranted cuts. We were very pleased to see Congress affirm the importance of this program by committing level funding from FY25 to FY26 to the CDFI Fund. In FY27, as Americans face an unpredictable economy, the CDFI Fund will remain ever important, especially in rural and underserved communities. Therefore, it will require at least level funding from FY26 at \$324 million. The CDFI Fund provides critical support to the more than 1,400 CDFIs nationwide that offer tailored lending products and counseling to millions of small businesses and particularly those that may experience barriers in accessing capital through traditional financial institutions. Collectively, CDFIs manage a total portfolio of over \$304 billion that has supported more than 4 million small businesses and millions of communities through financing to support access to housing and childcare.⁶

Commerce, Justice, Science and Related Agencies

Minority Business Development Agency (MBDA)

The MBDA is a critical agency supporting the growth and development of minority business enterprises (MBEs) across the nation. Created in 1969 by President Richard Nixon, the MBDA exists to support the significant contributions made by America's diverse business ecosystem. While the MBDA faced major challenges over the past year, we applaud Congress for turning down the White House's budget request issued for FY26 that called for elimination of that agency. Underscoring the importance of the MBDA,

⁴ "Voice of Main Street: Small businesses being strained by rising costs." Small Business Majority. March 25, 2026. <https://smallbusinessmajority.org/our-research/voice-of-main-street/small-businesses-being-strained-rising-costs>

⁵ "Letter to Treasury Secretary and OMB Director Vought re CDFI Fund RIF." <https://www.crapo.senate.gov/imo/media/doc/cdfiletter10232025.pdf>

⁶ "OFN Statement on Executive Order and Potential Threats to the CDFI Fund." Opportunity Finance Network. March 15, 2025. <https://www.ofn.org/news/ofn-statement-on-executive-order-and-potential-threats-to-the-cdfi-fund/>

Congress last year appropriated \$50 million for the MBDA. Nonetheless, Small Business Majority and its partners remain concerned about the disbursement of funding as it relates to FY26. For FY27, we ask that Congress not only appropriate at least level funding for the MBDA at \$50 million, but that Congress also takes the necessary steps to ensure that this money can flow to the MBDA, its core program offices and to the MBDA business center network promptly, while also addressing late or unsent payments appropriated in FY26. The MBDA needs Congress' support now to continue fulfilling its mission. Many MBDA partners work closely with CDFIs, community lenders and local business development experts to support local Main Streets across the country. It is critical that Congress addresses this issue promptly.

Labor, Health and Human Services, Education and Related Agencies

Increase funding for federal childcare programs to address rising demand on Main Street

A lack of access to quality, affordable childcare for small business owners and their employees continues to create barriers to small business formation and growth on Main Street. Small Business Majority research shows that nearly 60% of small business owners agree that a lack of access to childcare for their own children has impacted their ability to start and grow their business.⁷ Additionally, small business owners report that when their employees experience childcare issues that lead to unplanned absences or staff turnover, the business suffers from lower productivity, shorter operating hours and lost revenue and earnings. Without access to affordable, high-quality childcare, small businesses lack certainty in their workforce and operations and are placed at an even greater competitive disadvantage when competing with larger businesses for skilled workers.

To address the childcare affordability and availability crisis that stifles small businesses and our national economy, Small Business Majority urges Congress to increase funding for federal childcare programs that build provider capacity and expand access to affordable childcare for working families on Main Street. More specifically, we request that appropriators provide increased funding for the Child Care and Development Block Grant (CCDBG) to assist states in meeting the growing demand for affordable care. Due to inadequate annual funding for CCDBG and other federal childcare and early learning programs like Head Start, federal childcare assistance continues to reach only a fraction of eligible families each year. Increased appropriations for federal programs like CCDBG and Head Start will optimize federal resources, enabling states to more effectively bridge the gap between childcare affordability and the growing needs of the small business community. This urgent need for expanded CCDBG investment is underscored by previous calls from a bipartisan coalition of senators to place CCDBG on a path to double in funding by FY 2028, further highlighting the urgent need for robust federal investment in the childcare economy.⁸

Agriculture, Rural Development, Food and Drug Administration and Related Agencies

Increase funding for USDA-RD RBCS programs that serve rural small businesses and community-based organizations

The suite of business development programs provided through the U.S. Department of Agriculture Rural Development's (USDA-RD) Business and Cooperative Service (RBCS) are imperative to fostering lasting economic growth in rural communities through flexible investments in rural small businesses and entrepreneurs. RBCS programs like the Rural Microentrepreneur Assistance Program, Intermediary Relending Program, Rural Business Development Grants and Rural Economic Development Loans and

⁷ "Opinion Poll: Small businesses support policy solutions to address our nation's childcare challenges." Small Business Majority. April 9, 2024. <https://smallbusinessmajority.org/our-research/workforce/opinion-poll-small-businesses-support-policy-solutions-address-our-nation-s-childcare-challenges>

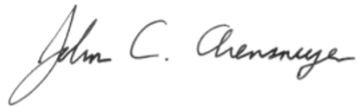
⁸ "Collins, Colleagues Call for Doubling of Federal Child Care Funding in Five Years." Senator Susan Collins. May 22, 2024. <https://www.collins.senate.gov/newsroom/collins-colleagues-call-for-doubling-of-federal-child-care-funding-in-five-years>

Grants have a proven track record of strengthening the capacity of community-based intermediaries, including CDFIs and business incubators, that serve thousands of rural small businesses each year. These federal investments enable organizations to extend responsible financing products, technical assistance and business development services to rural small businesses, empowering them with the capital and resources required to create local job growth and economic opportunity in rural America.

Compounded by rising healthcare costs, global tariffs and workforce pressures driven by escalating immigration enforcement, the barriers facing rural small businesses have never been greater. Now more than ever, Congress must prioritize funding for programs that provide established pathways to growth for the small businesses that are the economic engines of rural communities. We urge Congress to increase funding for USDA-RD RBCS programs in FY27, ensuring the agency can meet the rising demand for responsible capital and support services essential to doing business in rural America.

Small Business Majority looks forward to working with lawmakers beyond the FY27 appropriations process to advance policies and investments that support our nation's small business economy. For any questions or additional information, please contact our Senior Director of Federal Government Affairs, Alexis D'Amato Falvey, at adamato@smallbusinessmajority.org.

Sincerely,

A handwritten signature in black ink that reads "John C. Arensmeyer". The signature is written in a cursive, flowing style.

John Arensmeyer
Founder & CEO
Small Business Majority