

June 5, 2025

The Honorable Mike Johnson Speaker U.S. House of Representatives Washington, D.C. 20515

The Honorable Roger Williams Chairman Committee on Small Business U.S. House of Representatives Washington, D.C. 20515 The Honorable Hakeem Jeffries Minority Leader U.S. House of Representatives Washington, D.C. 20515

The Honorable Nydia Velázquez Ranking Member Committee on Small Business U.S. House of Representatives Washington, D.C. 20515

Dear Speaker Johnson, Chairman Williams, Minority Leader Jeffries and Ranking Member Velázquez:

As a representative of America's 34 million small businesses, Small Business Majority writes to express our opposition to H.R. 2931, the Save SBA from Sanctuary Cities Act of 2025, and H.R. 2966, the American Entrepreneurs First Act.

Amid an increasingly more difficult economic environment, the federal government should do everything it can to meet small businesses where they are, which is why H.R. 2931 is an example of a policy proposal that would be ineffective at best and harmful at worst. The bill, which would require the U.S. Small Business Administration (SBA) to relocate any regional, district or local SBA office housed in a 'sanctuary jurisdiction', ignores the fact that millions of small businesses are located in or near cities that could be designated as a 'sanctuary jurisdiction.' Moving offices farther away from the small businesses they were intended to support certainly would not facilitate SBA better servicing these small firms. What's more, there is no evidence to even suggest that a city's policy toward immigrants has any relationship to its ability to effectively meet the needs of local small businesses. With that in mind, we strongly encourage members of the House of Representatives to ignore distractions like H.R. 2931 and focus on policies that would truly benefit America's entrepreneurs.

In addition to ongoing efforts to shutter regional offices, with no detailed or communicated plans as to where those offices will be relocated or when, SBA has also slashed its workforce by 43%, further restricting the agency's ability to meet the growing demands of today's small businesses. Recent national polling found that 78% of small business owners are concerned about cuts to the SBA and its programs. Nearly 8 in 10 small business owners report having used SBA programs for their business.¹

Also up for consideration is H.R. 2966, the American Entrepreneurs First Act, which doesn't live up to its name. Some small businesses that are majority owned by Americans have foreign investors, and under this bill those businesses would be denied access to critical Small Business Administration

¹ Small Business Majority Voice of Main Street survey: Entrepreneurs struggle to access funding, support policies that increase availability of responsible capital. https://smallbusinessmajority.org/our-research/voice-of-main-street/entrepreneurs-struggle-access-funding-support-policies-increase-availability-responsible-capital

resources. What's more, this legislation ignores the fact that immigrant communities are a vital hub of entrepreneurial activity in the United States. Immigrants who may not yet be citizens employ American citizens and pay taxes to the United States government; they too deserve access to Small Business Administration resources. Small Business Majority strongly supports uplifting immigrant communities working in good faith to obtain U.S. citizenship. These bills will lead to less vibrant communities and fewer Main Street business opportunities for many in search of the American Dream. Congress should do all it can to support America's job creators, not pick and choose winners within the small business community based on nothing more than where a small business owner was born.

We urge your office to oppose H.R. 2931 and H.R. 2966 as both proposals undermine the SBA's capacity to carry out its mission and strip resources away from hundreds of thousands of entrepreneurs. Thank you for your consideration, should you have any questions, please contact Alexis D'Amato, our Government Affairs Director, at adamato@smallbusinessmajority.org.

Sincerely,

John Arensmeyer Founder & CEO

Small Business Majority

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