

March 11, 2025

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

The Honorable Rosa DeLauro
Ranking Member
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 Patty Murray
Ranking Member
Committee on Appropriations
U.S. Senate
Washington, D.C. 20510

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

As a representative of America's 34 million small businesses and on behalf of Small Business Majority, we urge Congress to prioritize the needs of America's entrepreneurial community as Congress works to provide the continued funding necessary for the operations of the United States Government. Ensuring that our government is not only open, but adequately staffed and funded, will only stand to serve the needs of America's small business community.

The Continuing Resolution (CR) introduced by House appropriators not only fails to provide the necessary funding levels for key agencies to meet the demands of our nation's growing small business community but also omits billions of dollars in community project funding that thousands of organizations rely on to support local communities and small businesses.

- The CR cuts access to millions of congressionally directed spending projects including \$116 million from the Small Business Administration and \$107 million in workforce development projects. Also impacted are congressionally directed spending (CDS) projects in healthcare facilities (healthcare access is a top concern for small businesses in our network).¹ Our partners on the ground rely on funding opportunities like those included in CDS projects in their endeavors to provide technical assistance, financial planning, and business development programming to business owners across America's local communities.
- The CR cuts a staggering \$20 billion from the Internal Revenue Service (IRS) ahead of tax season, slowing down the filing of returns, access to tax refunds owed from 2024 expenditures and reducing the availability of customer service agents to support small businesses at tax time. Small businesses largely believe that our current tax code favors large corporations over their small business which is why our research found nearly 80% of small business owners support increased

¹ Small businesses that offer health coverage to their employees report that the cost of insurance premiums (78%), deductibles (57%), copays (60%), prescription drug copays (60%), and hospital visits (59%) have increased. "Opinion poll: Small businesses struggling with rising healthcare costs, support bipartisan policy solutions." Small Business Majority. February 2024. <https://smallbusinessmajority.org/our-research/healthcare/small-businesses-struggling-rising-healthcare-costs-support-bipartisan-policy-solutions>

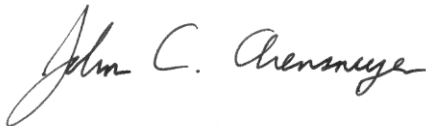
IRS funding to allow the agency to audit large corporations and wealthy taxpayers to ensure they are paying their fair share.²

- The CR increases funding for mass deportations, which small business owners in our network oppose. More than one-third (37%) of entrepreneurs are concerned about mass deportation policies negatively affecting their business or their suppliers' businesses, while 69% are concerned about the negative impact on the U.S. economy as a whole.³ What's more, is many immigrants themselves are small business owners, embodying the ideals of the American Dream. Mass deportations are disruptive to the American economy and to local businesses that rely on an immigrant workforce. Rural businesses, for example, will be feeling the economic impact of losing their workforce. While Small Business Majority supports secure borders and commonsense immigration policies, we do not support a heavy-handed attempt to remove individuals without due process and opportunities for citizenship for immigrants working in good faith to become citizens while contributing to our economy.

Instead of the current approach, Congress should work to pass a clean CR (without harmful anomalies targeting programs and activities that hurt small business) and subsequently work in a bipartisan manner to fulfill its duty of enacting all 12 FY25 appropriations bills, for which Congress is already six months past due. When our government cannot fulfil its statutory duties in funding the government and keeping economic conditions stable, consumer and business confidence suffers. Congress must take seriously the responsibility of providing American entrepreneurs with the economic certainty and federal support that they need to continue creating thriving local economies.

Should you like to discuss this matter or discuss our appropriations priorities with us, please do not hesitate to contact our Government Affairs Director at adamato@smallbusinessmajority.org

Sincerely,



John Arensmeyer
Founder & CEO
Small Business Majority

CC:

Speaker of the House Mike Johnson (R-LA),
House Minority Leader Hakeem Jeffries (D-NY)
Senate Majority Leader John Thune (R-SD)
Senate Minority Leader Chuck Schumer (D-NY)

² "Opinion poll: Small businesses support bottom-up tax reforms." Small Business Majority. August 2024. <https://smallbusinessmajority.org/our-research/taxes-budget-economy/opinion-poll-small-businesses-support-bottom-tax-reforms>

³ "Voice of Main Street: Entrepreneurs worry about impact of tariffs, other disruptive acts, prefer small business friendly policies." Small Business Majority. February 2025. <https://smallbusinessmajority.org/our-research/voice-of-main-street/small-businesses-concerned-about-impact-tariffs-prefer-small-business-friendly-policies>