

PRESERVING ACCESS TO CAPITAL:

The role of SSBCI in building a resilient small business economy

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Small Business Majority

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Introduction

The State Small Business Credit Initiative (SSBCI) represents a critical federal investment in U.S. small businesses. Originally established under the Small Business Jobs Act of 2010 and reauthorized under the American Rescue Plan in 2021, SSBCI provides states, territories and tribal governments with federal funding to incentivize small business lending. Through a range of programs—including loan participation, loan guarantee, capital access and technical assistance—SSBCI helps ensure that entrepreneurs have access to the capital they need to launch and sustain their businesses. The goal of the program is to facilitate access to capital for small businesses that face challenges obtaining traditional financing. By leveraging these funds, states can create innovative programs tailored to local market conditions, with the potential to catalyze up to 10 dollars of private investment for every dollar of federal SSBCI funding.

Over the past two years, Small Business Majority has worked alongside state program administrators, Community Development Financial Institutions (CDFIs) and other stakeholders to understand how SSBCI is performing on the ground and to ensure funds reach their intended targets: socially and economically disadvantaged (SEDI) businesses, microbusinesses and businesses in under-resourced communities. Through outreach, education and the development of high-quality resources, we have connected more than 114,000 entrepreneurs nationwide with tools and opportunities to access capital in markets bolstered by SSBCI investments.

Our research and interviews with small business owners highlight both the successes and the challenges of the program. Many SSBCI-funded initiatives are effectively reaching underserved small business owners. However, some states continue to face barriers to small-dollar lending, lengthy approval times and limited CDFI participation. Based on these findings, we developed recommendations to help states maximize SSBCI's impact and ensure that dollars flow to the smallest and most under-resourced entrepreneurs who need them most.

We have also partnered with the [Community Reinvestment Fund \(CRF\)](#) to help entrepreneurs connect directly with capital. Together, we have supported over 1,100 applications totaling more than \$122 million in matched loans, representing an average loan of \$112,000. In addition, our Rapid Response Coalition—launched in early 2025 and now comprising more than 170 business and advocacy groups—has been mobilized to actively defend federal small business programs and funding.

As Congress and state policymakers consider the future of small business support, preserving SSBCI is essential. Where other state ecosystem supports may be reduced or unavailable, these federal dollars serve as a critical backstop, filling gaps and ensuring that businesses—especially those in states not structured for small-dollar lending—have access to the capital they need. Yet some of the federal government's recent actions may threaten the program's stability. Specifically, staffing cuts at the Treasury Department jeopardize the \$5 billion in SSBCI funds still undistributed, along with \$147 million in administrative resources, creating uncertainty for lenders and small business owners alike. The CDFI Fund, which supports many of the SSBCI-participating lenders, is also in jeopardy as \$324 million in congressionally approved funds for the program have yet to be allocated by the Office of Management and Budget. While these policy debates continue in Washington, Small Business Majority has been steadfast in ensuring that the SSBCI dollars already released reach historically excluded entrepreneurs, including microbusinesses, minority- and women-owned businesses and rural enterprises. Protecting and strengthening SSBCI is not only about supporting individual businesses; it is a strategic investment in the broader economic vitality, innovation and resilience of the nation.

Our impact at a glance

- Reached more than 114,000 entrepreneurs nationwide
- Supported over 1,100 applications, representing an average loan request of \$112,000
- Over 50% of event participants were employer businesses with fewer than 10 employees, while 32% were self-employed

Early impact and analysis

The following data, from a [report released by U.S. Treasury](#), reflects the impact of the program through 2023.¹ The report, released in November 2024, remains the most comprehensive and updated source of data available for analysis.

- By the end of 2023, nearly \$750 million in SSBCI funds were expended resulting in \$3.1 billion in overall new financing, which includes \$2.6 billion in private investment. As of March 31, 2025, over \$2.6 billion in SSBCI funds had been deployed; there is not yet data on private investment leverage.
- Capital access programs have the highest leverage ratio of 26:1, while loan participation programs are around 3:1.
- Seventy-eight percent of all transactions supported very small businesses with fewer than 10 employees, while 58% were to businesses with less than \$500,000 in annual revenue.
- Seventy-five percent of all transactions supported businesses owned by socially and economically disadvantaged individuals (SEDI); 40% were reported as supporting minority-owned businesses and 31% for women-owned or controlled companies.² Jurisdictions provided a total of \$170 million to Black-owned small businesses, averaging \$301,500 per loan or investment. Hispanic or Latino/a-owned/controlled small businesses were provided a total of \$139 million, averaging \$261,800 per loan or investment. About 9% of all transactions supported companies in rural communities.
- Over 31% of participating lenders are CDFIs and 51% are community banks embedded in their communities. CDFIs accounted for 63% of all transactions.

While SSBCI funding appears to be meeting its goal of targeting SEDI-owned and very small businesses (those with fewer than 10 employees), more work needs to be done. Firms with 10 or fewer employees account for 96% of all businesses in the United States, so even though 78% of transactions went to these firms, there still is a sizable gap. We attribute this to the fact that most of these smaller businesses are seeking loans under \$100,000, which the market is unable to deliver at scale. The average amount for all SSBCI-backed loans is \$475,500.

Some of the issues providing small dollar loans can be attributed to the continued difficulties CDFIs and other microlenders face in leveraging their jurisdiction's program to support small-dollar lending. While the [Aspen Institute](#) and [ScaleLink](#) dive into these challenges from the CDFI perspective in depth in [their September 2024 report](#), the main issue lies in program complexity and design, and regulatory compliance.³

There are four main types of programs states are administering for SSBCI loan programs:

- **Loan Participation Programs (LPPs)** are the most prevalent type of loan program in SSBCI, accounting for more than one-third of all SSBCI dollars and half of SSBCI loan dollars. Lenders can access capital to lend in exchange for future earnings on a portion of the loan.
- **Capital Access Programs (CAPs)** provide a portfolio loan loss reserve for which the lender and borrower contribute a share of the loan value (up to 7%) that is matched on a dollar-for-dollar

¹ "State Small Business Credit Initiative Annual Report 2022–2023", U.S. Department of the Treasury, November 2024, <https://home.treasury.gov/system/files/136/SSBCI-AnnualReport-2022-2023.pdf>

² Under the SSBCI program, SEDI-owned businesses include those owned by individuals who have experienced social, racial or cultural bias, limited access to capital, or who operate in rural areas or persistently impoverished regions. More information on the U.S. Department of Treasury website: <https://home.treasury.gov/system/files/136/SSBCI-Reporting-Guidance.pdf>

³ "Maximizing the Impact of SSBCI on Small-Dollar Small Business Loans: Program Design Recommendations," The Aspen Institute Business Ownership Initiative & Scale Link, September 2024, <https://www.aspeninstitute.org/wp-content/uploads/2024/09/Maximizing-the-Impact-of-SSBCI-on-Small-Dollar-Small-Business-Loans-Program-Design-Recommendations.pdf>

basis with SSBCI funds. Losses may be recovered from the reserve until there is no additional funding in the reserve.

- **Collateral support programs (CSPs)** provide cash to lenders when there is a collateral shortfall, while
- **Loan Guarantee Programs (LGPs)** provide an assurance to lenders of partial repayment in the event a loan goes into default.

Some states have effectively used these tools to expand small-dollar lending and could serve as a model. For example, California runs both a CAP (CalCAP) and an LGP; of its 1,139 SSBCI transactions through 2023, 894 (78%) were for loans of \$100,000 or less. Many of these loans have been facilitated through California Small Business Loan Match, a loan portal that matches small business owners to SSBCI lending partners. Since launching in April 2023, California Small Business Loan Match has facilitated nearly 600 matches to SSBCI lending partners. Small Business Majority supported the launch of the tool, driving more than 400 applications on the site.

Some states have successfully blended its programs—for instance, one restaurant owner we worked with in New Mexico was able to buy out the business she managed by combining support from an LPP with collateral assistance from a CSP— while other states have taken narrower approaches. Illinois only operates an LPP but still achieved notable small-dollar lending—40% of its loans through 2023 were under \$100,000.

In contrast to these examples, most states have prioritized large-dollar equity or venture investments, limiting the reach of SSBCI for the smallest firms, with 17 states reporting zero transactions of \$100,000 or less.

Loan or investment transactions under \$100,000 by state

State	Number of transactions of \$100,000 or less	Total number of transactions	Percent
Arkansas	49	52	94%
Ohio	64	77	83%
Louisiana	30	37	81%
California	894	1139	78%
New York	338	446	76%
Michigan	235	364	65%
Illinois	19	48	40%
Nevada	12	31	39%
Pennsylvania	121	336	36%
Rhode Island	3	10	30%
Hawaii	8	28	29%
Nebraska	5	17	29%
Arizona	8	32	25%
Vermont	22	95	23%
Alaska	6	26	23%
Commonwealth of Puerto Rico	3	13	23%
Maine	20	89	22%
New Mexico	5	24	21%
Georgia	5	25	20%

State	Number of transactions of \$100,000 or less	Total number of transactions	Percent
Kansas	23	136	17%
Guam	1	6	17%
Montana	8	62	13%
Idaho	5	39	13%
Colorado	3	24	13%
Minnesota	5	47	11%
Oklahoma	1	22	5%
Florida	3	72	4%
New Hampshire	1	32	3%
Massachusetts	1	31	3%
South Carolina	1	67	1%
Maryland	0	34	0%
Connecticut	0	29	0%
Delaware	0	2	0%
Indiana	0	46	0%
Iowa	0	31	0%
Kentucky	0	16	0%
Missouri	0	8	0%
New Jersey	0	3	0%
North Carolina	0	178	0%
North Dakota	0	18	0%
Oregon	0	5	0%
South Dakota	0	6	0%
Tennessee	0	5	0%
United States Virgin Islands	0	2	0%
Virginia	0	47	0%
West Virginia	0	24	0%
Wyoming	0	6	0%

Source: US. Department of Treasury- SSBCI Annual Credit Report 2022-2023, Transactions Dataset (August 5, 2022 through December 30, 2023), <https://home.treasury.gov/policy-issues/small-business-programs/state-small-business-credit-initiative-ssbci/ssbci-2-program-reports>

Impact of small dollar loans

The impact of small dollar loans on business success cannot be overstated. Small Business Majority has played a central role in ensuring that SSBCI dollars reach the smallest and most under-resourced entrepreneurs. Our work has included:

- **Educational programming and webinars:** We hosted 82 webinars, reaching nearly 6,800 business owners nationwide to help demystify SSBCI and related capital programs, equipping entrepreneurs with practical knowledge about how to become loan-ready, identify trusted lenders and successfully apply for funding.

- **Resource development:** Through our Venturize platform and newsletters, we created and shared tailored, accessible resources about SSBCI and related capital options, reaching more than 106,000 entrepreneurs. These tools helped business owners understand their financing choices and prepare the documents needed to pursue them
- **Policy and program support:** We worked directly with policymakers and state program administrators to set up and implement SSBCI programs, ensuring they were structured to meet the needs of the smallest businesses, particularly those seeking loans under \$100,000.
- **Partnerships with lenders:** We partnered with participating lenders—including CDFIs and community banks—to streamline connections and strategically refer entrepreneurs to financing opportunities.

Through this work Small Business Majority has successfully empowered business owners to overcome financial barriers, scale their ventures and significantly contribute to their communities and the economy. The following stories underscore the transformative power of filling knowledge gaps with diverse educational delivery methods and accessible resources, thus fostering entrepreneurial success and resilience.

Obtaining key equipment in Los Angeles: One solo entrepreneur, the owner of a botanical skincare line, successfully secured nearly \$10,000 in funding. This pivotal opportunity emerged after her participation in our “Back to Basics” cohort, where she gained essential knowledge in business operations and financial literacy. Small Business Majority prepared and referred her to a funding program that changed the course of her business’s viability. In addition to obtaining this funding, she received further technical assistance from a national CDFI to continue to evolve her business.

While the funding didn’t fully meet all of her capital needs, it was instrumental in allowing her to purchase essential equipment and stock up on inventory for her business. Her business proudly sources ethical, environmentally responsible ingredients from rural southern African women’s cooperatives, thereby supporting other small businesses across the world. Additional investment would enable her to significantly scale this impactful venture.

Renovating a B&B: The owner of bed and breakfast in Pasadena secured a \$50,000 loan after connecting with Small Business Majority and participating in our educational programming. Her passion for cooking and entertaining led her to purchase the business nearly 10 years ago, with a goal of ensuring her clients feel the warmth and comfort of a home away from home. When she initially connected with our team last year, she indicated that while she needed a cash infusion for her business, the high-interest environment left her with few, if any, options.

Through our programming, she received key resources that enabled her to find a suitable loan from a local CDFI, effectively meeting her capital needs. She used the funding to renovate the inn’s rooms, upgrade kitchen appliances, and stay afloat during economic uncertainty. Though the travel industry hasn’t been performing as strongly in recent years, she’s confident that travel will improve in the coming months.

Growing a B Corp media brand: The owner of a digital media business in Atlanta secured close to \$10,000 in capital after engaging with Small Business Majority and attending our educational programming. As a newly established B Corporation, this business consistently reaches new highs in democratizing access to resources and tools that empower indie creators and cultural organizations to amplify their voices and drive meaningful change. The secured capital allowed her to pursue new projects and significantly improve her business’s cash flow. Although the funding did not fully meet her capital needs, her business continues to thrive and bridge gaps in the ecosystem for creative entrepreneurs.

Expanding a bakery in Georgia: One veteran business owner who operates a bakery in Augusta, Ga., received a \$20,000 loan from a CDFI after learning about funding opportunities and programs through Small Business Majority’s programming. She described the loan as transformative for her business, as it allowed her to expand her operations to a new commercial kitchen and launch a coffee shop. She also used the funds to buy inventory and equipment for the new locations, providing her the peace of mind to

keep growing her business. Since opening the coffee shop, her business has experienced steady growth, even allowing her to hire three new employees.

When she first launched her business, she had nothing more than a mixer, an oven and a dream of making people happy through desserts. She takes pride in making everything from scratch and uses her family's recipes, passed from generation to generation, to serve her community in Augusta.

Preserving history in N.C.: The owner of a painting and remodeling business in Charlotte, N.C., secured about \$30,000 from a national CDFI after consistently attending Small Business Majority's educational events. As an immigrant business owner in pursuit of the American dream, he worked tirelessly to build his business from the ground up. Now 20 years later, he is known for his eye for design, and a hard-working team that goes above and beyond to meet their clients' expectations. His business operations have expanded throughout North Carolina, servicing rural and urban regions across the state.

The funding he secured fully met his needs and improved his business' cash flow. Beyond serving individual customers, his business actively contributes to the community by participating in local efforts to preserve local historical landmarks.

Small business barriers

Despite these successes in accessing capital, many small business owners are facing a range of challenges that impact their growth and operations. In a high-interest rate environment, some are turning down loan offers due to rates that can reach up to 9% APR or more. Even small businesses who have access to capital may decide not to actually take out a loan because their business is facing other challenges that capital alone cannot solve.

Economic uncertainty and shifting tariff policies have drained small business optimism. Our August 2025 Voice of Main Street opinion poll revealed that only 36% of small business owners were optimistic about their future business prospects, an 8-percentage point decline from 44% polled in April 2025.⁴ Additionally, despite cash infusions from SSBCI loans, small business owners are still struggling to find qualified candidates in niche industries, made more challenging on new restrictions on immigration and increased enforcement. Business owners also face challenges offering quality benefits which hurts their ability to attract and retain talent.

Coupled with a general lack of capital readiness, these factors create a complex landscape for small businesses striving to thrive.

We interviewed more than 30 small business owners and partners about the following barriers:

High-interest rate environment: Small business owners are particularly affected by higher interest rates when seeking new capital or taking on more debt on existing lines of credit or on credit cards. While some SSBCI loan fund programs are offering loans at below-market rates, this is not true in all states. One hospitality owner we spoke with applied for an SSBCI-backed loan through the California Small Business Loan Match portal, but turned down the offer after learning the interest rate was roughly 9%. She had previously secured an Economic Injury Disaster Loan during the pandemic and wasn't willing to take on more debt at such a high rate. Instead, she decided to pursue an SBA 504 loan, which allowed her to borrow at a lower interest rate.

Difficulty offering benefits: While many of the business owners we spoke with provide some range of benefits to their employees, gaps persist.

- **Healthcare:** Rather than providing health insurance, for instance, one business owner provides reimbursements for employees who purchase individual plans through HealthCare.gov or elsewhere on the individual market. Another was unable to provide benefits at all, though he still

⁴ Voice of Main Street: Small business optimism declines amid concerns about tariffs, healthcare; Latino-owned businesses report biggest losses, Small Business Majority, August 2025, <https://smallbusinessmajority.org/our-research/voice-of-main-street>

refers his employees to HealthCare.gov for their needs. Rising healthcare costs, particularly with uncertainty around the ACA's enhanced premium tax credits that are set to expire this year, will make it even more challenging for small business owners and employees who struggle to afford health coverage.

- **Retirement:** Few of the business owners we spoke with offer retirement plans for their employees, often citing cost, complexity, and fiduciary liability as a concern. While a few states have enacted programs that offer portable, automatic individual retirement account (IRA) plans overseen by a state administrator, these programs are not universal. A recent federal policy change called SECURE 2.0, has increased tax credits for small business owners to start a retirement plan; however, it hasn't yet incentivized the business owners we interviewed to start a workplace-based retirement program of their own.

Workforce challenges: Most business owners we spoke with cited finding qualified candidates as a large impediment to their growth, especially in niche industries. For example, an abatement company owner invested more than \$7,000 in certification training for a new employee, only to have them fail the certification test. Low unemployment rates have created a very tight and competitive market. We heard stories of job applicants not showing up for scheduled interviews, while others never reported to work after being hired. These issues underscore the fact that small business owners' challenges in offering robust workplace benefits often puts them at a disadvantage when competing for dedicated and talented workers against larger companies that can afford robust benefits. Immigration policies also play a role, as restrictions on immigrant workers—who make up a critical segment of the small business workforce—are exacerbating labor shortages and limiting access to skilled employees.

Tariff impacts: Our recent *Voice of Main Street* polling released in August indicated that the vast majority (81%) of small business owners are concerned about the impact of tariffs on their business in the future; more than half (54%) are very concerned about the impact of tariffs on their business in the future. Additionally, 60% report that they've experienced higher costs for imported materials or goods due to recent tariff increases. As expected, three quarters of respondents (75%) from our polling support a legislative proposal exempting tariffs for small businesses, which could significantly decrease the cost burden.

Inflation impacts: Inflation continues to weigh heavily on small businesses, compounding the longstanding challenges they face in accessing affordable capital. Rising costs for supplies, labor and rent have strained entrepreneurs' margins, forcing many to take on additional debt or delay investments to expand their business. Small business owners report that elevated prices remain one of their most pressing concerns. In our most recent *Voice of Main Street* survey, 67% of small business owners reported their expenses had increased over the past three months. At the same time, revenues declined for 46% of entrepreneurs, leaving many with fewer resources to cover rising costs.

Lack of capital readiness: Too many small business owners are simply not capital ready. Many small business owners we spoke with who have not accessed SBCI-backed funding cited a range of challenges accessing capital broadly, including a lack of guidance in developing appropriate financial documents to become loan ready, lack of awareness about which lenders to approach, denials by banks, or a complete lack of a banking relationship. They are often unfamiliar with or unprepared to fulfill the requirements that responsible lenders ask them to complete before moving forward with a loan. For example, few business owners have a formal business plan that outlines what they plan to do with the capital they receive. Unlike many high-cost lenders, responsible lenders require financial documents, like profit-and-loss statements, to ensure a small business owner is able to pay back the loan.

It's important to note that small business owners lack access to sophisticated legal resources to help them navigate workforce challenges, or dedicated human resources departments to help them navigate benefits that are often expensive or require some level of fiduciary responsibility. Of the smallest businesses, very few have access to a sophisticated financial advisor or a chief financial officer. Managing the company's finances typically falls to the business owner, and this is on top of the typical 60 to 70 hours a week they spend focused on the operations of the business. Additionally, many small business owners discovered

entrepreneurship as a means of economic mobility, perhaps due to losing a corporate job or because of a personal situation that required more autonomy in their work schedules. While the business owner may be an expert in providing their particular product or service, most are not financial experts. Financial records may be incomplete or not organized. Business expenses may be intertwined with personal finances, especially for solo-entrepreneurs.

The importance of technical assistance

Access to capital alone is not enough—businesses also need guidance and support to become loan-ready and successfully navigate funding programs. Small Business Majority is one of many organizations helping entrepreneurs along this journey, ensuring they can take full advantage of SSBCI and other funding opportunities. One key component of this round of SSBCI was the recognition and funding of the key support networks that help business owners along their journey.

- Treasury also allocated \$400 million for technical assistance programs that enable businesses to apply for SSBCI-supported financing or other funding programs.
- Of the \$200 million that was made available for jurisdiction technical assistance programs, as of October 2024, Treasury had approved technical assistance plans totaling \$151 million for 65 jurisdictions and continues to review/approve applications.
- Throughout September and October 2024, Treasury also announced the selection of 14 applications to the Investing in America Small Business Opportunity Program, a competitive grant program awarded \$75 million to support jurisdictions' proposals to expand access to technical assistance services in innovative and high-impact program models, and with a focus on serving businesses in infrastructure, manufacturing, clean energy, or climate resiliency.
- Treasury also allocated \$125 million to the Minority Business Development Agency for its Capital Readiness Program, which made 43 awards to technical assistance providers across the country.

Different jurisdictions are taking different approaches to technical assistance delivery. Some are contracting directly with their state Small Business Development Center networks, while others are contracting technical assistance services out to for-profit third parties. In California, Small Business Majority participates in the California Office of the Small Business Advocate's SCALE program.

The SCALE program is built on a mesh network model, which places small businesses at the center and connects them to multiple points of entry across the ecosystem. This model fosters collaboration among technical assistance providers, capital providers, community organizations and other stakeholders, and aligns everyone with one goal: the success of our small businesses. In the first year of SCALE, nearly 4,000 clients were served through 789 workshops, fostering growth and learning within the community. In addition to group sessions, SCALE members have provided more than 14,000 hours of one-on-one technical assistance, ensuring personalized support for each individual.

Within this structure, Small Business Majority serves as both a connector—expanding awareness through our outreach—and a provider, delivering technical assistance through webinars, social media campaigns and ongoing one-on-one support. By combining outreach with direct services and contributing to the network's shared data system, we help ensure that California's diverse entrepreneurs can access timely, trusted support without barriers.

The work ahead

While smooth implementation of the SSBCI program is still a priority, the small business capital access ecosystem has dramatically changed in 2025. Programs, investments and support systems that have underpinned the small business ecosystem for decades are being reduced, and in some cases, eliminated

altogether. These cuts are not merely short-term budgetary decisions—they jeopardize the strategic use of public funds to unlock private capital, weakening the capacity for inclusive economic growth.

We are working to address a range of policy changes as well as risks to critical programs and institutions. First and foremost is ensuring that the remaining dollars yet to be disbursed in the SSBCI program are not clawed back. Other programs that affect the SSBCI program, technical assistance and capital access include:

- **Community Development Financial Institutions (CDFI) Fund:** The administration has moved to gut the bipartisan-supported CDFI Fund, undermining capital access for under-resourced small businesses and limiting their ability to grow in communities that need it most. The White House's FY26 budget request recommends eliminating all CDFI Fund discretionary award programs, representing a cut of \$291 million.
- **Minority Business Development Agency (MBDA):** The only federal agency dedicated to supporting diverse entrepreneurs has been dismantled, with more than \$60 million in critical SSBCI-related funding now at risk. The White House's FY26 budget request calls for the elimination of the MBDA in its entirety and requests \$7.25 million to carry out the closure of the agency. With only a handful of staff remaining, the MBDA is no longer able to carry out SSBCI technical assistance. Most of the SSBCI technical assistance dollars had already been distributed to Capital Readiness grantees, meaning the remaining funding cannot be effectively administered or leveraged without an operational MBDA.
- **Small Business Administration (SBA):** Nearly half of SBA staff are facing termination and many regional offices have been closed, all while the agency is being asked to assume new responsibilities, such as student loan processing. SBA loan products are also facing new restrictions, including a rule that bans small businesses from receiving SBA loans if firms have owners or managers who are immigrants of certain legal statuses or foreign investors. In addition, the SBA is ending the expansion of the Community Advantage program—a critical resource for many CDFIs—and threats to the Microloan program are raising further concerns among mission-driven lenders. The White House's FY26 budget also calls for the elimination of all entrepreneurial development programs, except the Small Business Development Center (SBDC) program. These cuts, along with reductions to related programs at agencies like the United States Department of Agriculture (USDA) and the Economic Development Administration (EDA), pose serious risks to community-rooted small business support systems. The ripple effect is stark: without these foundational public investments, the burden of advancing entrepreneurship shifts heavily onto the private sector—straining its capacity and limiting future economic mobility.
- **SCORE and Women's Business Centers (WBCs):** These organizations, which provide no-cost mentoring, technical assistance and training to small businesses, are marked for elimination in a budget proposal from the federal administration.

Our response

In response to these federal changes, Small Business Majority launched a [Rapid Response Coalition](#)—now 170+ strong—comprising local chambers, CDFIs, technical assistance providers and other grassroots small business-serving organizations. Many of these groups are focused on serving the entrepreneurs most impacted by federal cuts, yet they lack the infrastructure to engage in advocacy at a federal level.

This coalition has filled a critical gap by giving smaller, community-rooted organizations a platform to advocate at the federal level and share their insights. Interest in the coalition continues to surge, and we now see a broader, longer-term opportunity: to rebalance the scales of influence and ensure these groups have a permanent seat at the policy table, alongside larger, better-resourced voices. This coalition will remain both reactive and proactive—ready to mobilize swiftly when existing programs are threatened and to advance long-term policy solutions that strengthen local small business ecosystems.

Our future plans include:

Expand storybanking and spokesperson training: Over 20 years, we've built a national network of 85,000 small business owners, including trained spokespeople who share firsthand experiences on policy impacts. We are expanding efforts to identify, train, and mobilize entrepreneurs, illustrating the real-world effects of policy decisions. We are also engaging our business organization partners to amplify their critical role in supporting small businesses, highlighting the impact of funding cuts and policy changes.

Facilitate meetings with policymakers: We are mobilizing small business owners and local coalition partners to engage Congress and seek bipartisan solutions. By deploying small business spokespeople to share firsthand experiences, we are highlighting the real-world impact of funding cuts and regulatory changes.

Host policymaker roundtables: We are hosting in-district and virtual roundtable discussions with key members of Congress to express our perspectives. When possible, we hold these roundtable meetings in conjunction with local chambers of commerce and other business organizations who are seen as trusted business voices in their communities.

Drive media and storytelling campaigns: We equip small business owners and local partners with toolkits, sign-on campaigns, letter-writing templates and direct advocacy opportunities. Through media training, messaging workshops, and public speaking support, we help them share their stories via op-eds and interviews, emphasizing their role in economic growth. While we uplift diverse voices, we prioritize safety and anonymity when needed, ensuring participation is always voluntary and risk-aware.

Provide education and resources for small business owners: Even as federal programs are dramatically remade or eliminated, small business owners still need access to capital and technical support. We are committed to meeting this need by providing tailored education and resources.

We will continue to help entrepreneurs navigate the changing capital access landscape to become “capital ready” by offering targeted financial education, connecting them with CDFIs and mission-driven lenders, and equipping them to pursue grants, loans and accelerator programs. As key programs such as SSBCI face potential funding reductions, while numerous new restrictions are added to the SBA loan programs, and federal agencies that traditionally support small businesses experience staffing cuts and office closures, we are working to ensure business owners understand how these changes may impact their access to financing. By failing to sustain these foundational investments, we risk weakening the entire capital ecosystem—from community lenders, to venture and commercial sources—and reducing the flow of private capital that historically builds on public initiatives.

Our educational programming and resources help small business owners identify alternative funding sources and navigate emerging capital gaps. We also provide financial skills training to help them build resilience in the face of global economic shifts, such as rising interest rates and tariffs. This includes guidance on understanding the downstream effects of trade policy changes, like supply chain disruptions and cost increases, and how these challenges may impact their business.

While access to capital remains a primary focus, we also provide practical guidance and education across a spectrum of challenges facing entrepreneurs—including shifting dynamics in procurement and government contracting, looming tax changes, growing uncertainty around healthcare, and an increasingly restrictive immigration environment. By equipping small business owners with timely, actionable information, we help strengthen their resilience and ensure they are prepared to adapt and thrive in a rapidly changing policy landscape.

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