

U.S. SMALL BUSINESS ADMINISTRATION

Statement of Regulatory Priorities

Overview

The mission of the U.S. Small Business Administration (SBA) is to maintain and strengthen the Nation's economy by enabling the establishment and viability of small businesses and by assisting in the physical and economic recovery of communities after disasters. In carrying out this mission, SBA strives to drive economic growth and opportunity for all small businesses. SBA has several financial, procurement, and technical assistance programs that provide a crucial foundation for those starting or growing a small business. For example, the Agency serves as a guarantor of loans made to small businesses by lenders that participate in SBA's programs and licenses Small Business Investment Companies that make equity and debt investments in qualifying small businesses using a combination of privately raised capital and SBA guaranteed leverage. SBA also funds various training and mentoring programs to help small businesses gain access to Federal government contracting opportunities. The Agency also provides management and technical assistance to existing or potential small business owners through various grants, cooperative agreements or contracts. Finally, as a vital part of its purpose, SBA also provides direct financial assistance to homeowners, renters, and businesses to repair or replace their property in the aftermath of a disaster.

Unleashing Prosperity Through Deregulation

SBA's regulatory policy reflects a commitment to developing regulations that reduce or eliminate the burden on the public, in particular the Agency's core constituents—small businesses. SBA's regulatory process generally includes an assessment of the costs and benefits of the regulations as required by Executive Order 12866, "Regulatory Planning and Review;" Executive Order 13563, "Improving Regulation and Regulatory Review;" and the Regulatory Flexibility Act. SBA's program offices are particularly invested in finding ways to reduce the burden imposed by the Agency's core activities in its loan, grant, innovation, and procurement programs.

On January 31, 2025, President Trump issued E.O. 14192, "Unleashing Prosperity Through Deregulation," 90 FR 9065, which establishes principles to promote prudent financial management and alleviate unnecessary regulatory burdens. E.O. 14192 was followed by E.O. 14219, "Ensuring Lawful Governance and Implementing the President's "Department of Government Efficiency" Deregulatory Initiative," 90 FR 10583, and Presidential Memorandum "Directing the Repeal of Unlawful Regulations", which identified processes and criteria for agencies to follow in overseeing their deregulatory initiatives. This Agenda was prepared in accordance with both E.O. 14192, E.O. 14219, and the aforementioned Presidential Memorandum. SBA will continue to work internally, as well as with the Office of Management and Budget, to fully integrate the executive orders and implementing OMB principles into the SBA rulemaking processes. As part of that effort, SBA undertook a comprehensive inventory and review of SBA regulations to determine which regulations should be repealed, replaced, or modified because they are obsolete, unnecessary, ineffective, costly, or burdensome. In addition, SBA's Office of Advocacy is hosting a series of small business roundtables in order to hear firsthand from small businesses facing any federal regulatory burden. Additionally, Advocacy has established a red tape

hotline that gives small business owners a direct way to report federal regulations that hurt their ability to grow, compete, or innovate. For more information on these roundtables and the red tape hotline, please visit <https://www.sba.gov/advocacy/>.

Based on the requirements of E.O. 14192, E.O. 14219 and OMB guidance, SBA currently anticipates that the majority of actions for Fiscal Year 2026 will be deregulatory actions and none are regulatory as defined in E.O. 14192. SBA estimates that this will result in a significant reduction of sections within SBA's regulations. All other rulemakings are either exempt from EO 14192 or will have no additional regulatory effect once finalized. SBA continues to work on assessing the incremental cost savings of these Agenda items, which do not include non-rulemakings, such as guidance documents, or information collections.

Eliminating Fraud, Waste, and Abuse

SBA has an obligation and legal responsibility to uphold the law and protect taxpayer dollars by ensuring that SBA resources and benefits go only to legitimate, eligible small businesses. To these ends, SBA is initiating regulatory actions to tighten loopholes and eliminate waste, fraud, and abuse in its contracting programs. SBA will additionally focus on mitigating risk and eliminating such waste, fraud, and abuse across other SBA programs.

Adherence to Presidential Actions

SBA is committed to ensuring the President Trump's agenda is implemented fully and faithfully. The President has initiated a number of Executive Orders and Presidential Actions that require broad changes to industries, programs, and the economy as a whole. As such, SBA is ensuring that its regulatory and deregulatory actions adhere to and align with the provisions within Executive Orders, Presidential memoranda, and other Presidential actions. SBA has already begun issuing policy guidance and notices to ensure adherence to these actions. SBA's regulatory plan also, where applicable, references planned rulemakings, including interim and direct final rules, that will ensure that SBA's regulations are aligned with the President's Agenda. This includes deregulatory actions around designated industries (manufacturing, food processing, critical minerals, AI, and others), ending radical DEI programs and preferencing, and additional areas of importance for the President.