

MEMBER DAY

HEARING BEFORE THE COMMITTEE ON SMALL BUSINESS UNITED STATES HOUSE OF REPRESENTATIVES ONE HUNDRED NINETEENTH CONGRESS FIRST SESSION

HEARING HELD
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MEMBER DAY

TUESDAY, MAY 6, 2025

HOUSE OF REPRESENTATIVES,
COMMITTEE ON SMALL BUSINESS,

Washington, DC.

The Committee met, pursuant to call, at 1:00 p.m., in Room 2360, Rayburn House Office Building, Hon. Roger Williams [chairman of the Committee] presiding.

Present: Representatives Williams, Patronis, Wied, Jack, Finstad, Tran, McIver, and Simon.

Chairman WILLIAMS. Before we get started, I want to recognize Ms. Simon, who is going to lead us in the pledge and the prayer. Would you please stand?

Ms. SIMON. [Audio malfunction] And we acknowledge that you put us here to serve and to speak truth and to be together to do the right thing. The right thing meaning your way and your stead. The beautiful and amazing guests that we have here today amplify the tapestry of this beautiful nation that you have set forth and you allow us to be in, and we are so thankful. Heavenly Father, in your name, in the name of your son, Jesus Christ, we say amen.

I pledge allegiance to the flag of the United States of America. And to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

Chairman WILLIAMS. Good morning or good afternoon. I now call the Committee on Small Business to order. Without objection, the Chair is authorized to declare a recession of the committee at any time. I now recognize myself for my opening statement.

Welcome to today's House Committee on Small Business Opening Day hearing or Member Day hearing. I want to thank each of you for taking the time to come before the committee to share what you are hearing from small business owners in your districts. Member Day is an opportunity for us to get a pulse on the issues facing Main Street America. We deeply value your time and the voice of you and your constituents.

Now, to me, owning a small business embodies the very essence of the American dream. The opportunity for an American from any background to take risk, work hard, and build a better future for themselves, their families, and their communities. Our economy depends on small business and the workers they employ. In fact, 99 percent of businesses are small, and they employ half of American workers. From local manufacturers to retail employees, service workers, and bankers, small businesses are the heartbeat of our economy, shaping their communities through their dedication, creativity, and resilience.

It is no secret that small businesses have faced historic challenges over the past four years: the COVID-19 pandemic, out-of-control inflation, broken supply chains, high interest rates, and a National labor shortage. To add insult to injury and over-regulation, bad policy under the previous administration hurts small businesses even further. Every extra hour of paperwork is one less hour they can tend to their personal livelihoods, and every inflated tax is an extra dollar that could have gone back into their business. We see hope on the horizon through a pro-business administration committed to lowering taxes and cutting regulations. House Republicans are working with President Trump and Ambassador Loeffler to create an environment where businesses can thrive. We salute the entrepreneurs who continue to fight and give selflessly back to their communities. We are eager to enact policy solutions that will help have a path toward success for both now and the future.

Here on the Committee on Small Business, our mission is to listen, learn, and better understand the challenges of committees' opportunity impacts on Main Street America. That is why we look forward to hearing from representatives from across the country as they recount the experiences of small business owners in their district. Today's conversation will shed light on many of these challenges plaguing American small business. Increasing the dialogue between Members can—and off the committee—can only strengthen and broaden our understanding of how to better serve our nation's biggest job creators.

I want to thank all of you for being here today. I am looking forward to today's conversation. With that, I yield to Mr. Tran from the great state of California for opening remarks.

Mr. TRAN. Thank you, Mr. Chairman. Today we will hear directly from our fellow Members of Congress about their views on the federal programs and policies that promote small business creation and growth. In the last four years, our nation has seen an unprecedented small business boom and come back in the face of an equally unprecedented global pandemic and recession. Under the previous administration, main street received critical assistance and investment from historic legislative victories, putting our economy on a uniquely strong path to recovery. Small employers startup—tech startups—operating out of their garages, family farms, and main street restaurants all flourished in the last four years. They are joined by 22 million new small businesses. We are well on our way to a slice of the American dream.

But since then, the Trump administration has proven to be a nightmare for entrepreneurs. Members of both parties are hearing at town halls nationwide that America's main streets are increasingly threatened by the economic uncertainty and chaos emanating from the Trump administration's policies. In particular, President Trump's tariffs imperil the livelihoods of millions of American entrepreneurs and employers, all of whom are staring down added costs ranging from tens of thousands to hundreds of thousands. In fact, 88 percent of small firms rely upon imports for the goods they produce and sell, with many inputs and components lacking viable domestic alternatives. Furthermore, the suddenness of these tariffs, as well as their pauses and increases, ignores how most businesses operate regardless of their size. As the White House repeatedly

flip-flops on tariffs, small business owners and their customers cannot reasonably predict how products will be priced next month, next week, or even tomorrow.

Small business owners and even the U.S. Chamber of Commerce are begging the Trump administration for immediate tariff relief. And the White House has spurned their pleas for help, instead promising tax cuts for the rich and powerful at the expense of the everyday American. And the pain won't let up. The Trump administration's first hundred days have seen economic activity contract by 2.8 percent and our ports empty out. With uncertainty rippling through all sectors of our nation's economy, America is risking an entirely preventable recession.

Mr. Chairman, I would be remiss if I didn't mention that this week is National Small Business Week, where on this committee we honor the 35 million small businesses in our nation and recommit to promoting and protecting the jobs and livelihoods they sustain. I would also be remiss if I didn't remind my colleagues that these same small businesses are disproportionately harmed by recession. That is why this hearing is especially timely. As elected officials and policymakers, our duty is to build on the progress that small businesses have made and to give them the resources they need to thrive. To achieve this, we need a keen understanding of the greatest challenges, challenges facing small business owners in our district. I know when we all go home, we are eager to hear from entrepreneurs about the policies that serve them well and what we can improve on.

Thank you to all the Members testifying and taking the time out of their day to share their perspectives that they have heard from their small business constituents. Today, our committee has a chance to have an open, frank dialogue about how we can all stand up and support Main Street America. I look forward to our discussion. And with that, Mr. Chairman, I yield back.

Chairman WILLIAMS. The gentleman yields back. And before we continue, I would like to take a moment to explain how this hearing will proceed. Each Member will be given 5 minutes to deliver their testimony. And after they finish speaking, we will briefly pause as we change the panel to accommodate the next Member.

With that, I would like to introduce our first Member, Representative Mike Kelly, my friend and a fellow car dealer from the great state of Pennsylvania, and I recognize him to deliver his 5 minutes of testimony.

STATEMENTS OF HON. MIKE KELLY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA; HON. JAMES C. MOYLAN, A REPRESENTATIVE IN CONGRESS FROM THE TERRITORY OF GUAM; HON. TONY WIED, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF WISCONSIN; HON. GUS M. BILIRAKIS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA; HON. BEN CLINE, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF VIRGINIA; HON. LAMONICA MCIVER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW JERSEY; AND HON. BRIAN JACK, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF GEORGIA

STATEMENT OF HON. MIKE KELLY, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA

Mr. KELLY. Thank you, Chairman. It is really good to be with you, especially when the car guys get together. I think we always talk about how business is going. And quite frankly, from both opening remarks, I guess it is a tale of two cities. I watched for four years as we tried to get through the previous administration with all the types of things that were put in our way, and now we are into the Trump administration. And I would just remind you, we are talking about the 30 days since we started on the tariffs. It is not 30 weeks or 30 months. And I think the impact while we have all these ideas of how bad it has become.

I got to tell you, I am on the lot when I go home, and where I am from, it is a little different view of the world. And I tell people all the time, if you want to know how important small businesses are, if you have a son who plays little league baseball, see whose name is on the outfield fence; if you have a daughter who is maybe performing in a school play, open up the program, and you are going to see whose name is inside the program because we pick up the tab on almost everything there is in our small towns and our small businesses and wherever it is that we live and work. So it has been an honor for me to serve with Roger because we understand each other so much on what it is and it takes to make a business prosper.

And the other side of it is the economic impact that small businesses have. We pay incredible taxes. We provide benefits. We provide an idea that, you know what? This is a business that I can—I can work as hard as I want, I can keep working, and I can prosper from it. There are times that it is tougher than other times. We get that. I have been through both sides of it. I have been through the situation where I can't imagine how I am going to make payroll. The 6th and the 21st were always the biggest days of the month for me, and people would say, is that an anniversary? I said, no, it was payroll. And I know that for people who are in small businesses, we never missed a payday. That is not bragging, by the way. Now, there were days I didn't get paid, but for the team that worked together every single day, we were there for them. But I think the backbone of America really is small. Small business is the big business of America. And I think the way we participate in our communities, it has nothing to do with other than the fact that we are all on the same field at the same time

and trying to make sure that everybody, at the end of the day, walks away thinking, you know what? That was not a wasted day. That was a day where I actually achieved something.

When I walked in, I got a chance to meet Roger's family. It kind of reminds me of my own. And you see these little people as they grow up. And I think Roger and I are the same. My first job at the dealership was cleaning restrooms and washing cars and delivering cars to parts to body shops that needed them. So we were always on the road or in the shop or doing something. But the real reward for me was watching John Reamers retire and Jim Ippolito (phonetic) retire. People say, who are those guys? I said, well, those are two people that worked for us. One was a tech and the other worked in the parts department. My dad, in 1971, right after I had graduated from school, called me in and says, listen, there is going to be a guy coming in to talk to us today, and he is going to talk to us about a pension program. I said, why would he be doing that? He said, well, at 21, you have no idea what it looks like, but you will later on.

So why do I bring up those two names? When my dad instituted that program, when John Reamers retired and Jim Ippolito retired, they had tears in their eyes when they came in. My dad had already left the business, but they said, if it had not been for your dad and the program that he put in place, we never would have been able to retire on just what we had been able to save. And I thought, you know what? That is what my dad was talking about back then. And I think Roger and I share the same thing. Our commitment is not so much to ourselves. Our commitment to ourselves is that you are going to open those doors every day, and you are never going to miss the 6th or the 21st. You are going to be there, not just for the team that you work with every day, but for the community you live in.

And so I think when you talk about small business, people tell me, well, big business is the backbone. I said, no, it is not. No, it is not. Please come into our communities. They have a presence, but their presence is name only. It is not that they are on the field every single day. We don't miss birthdays; we don't miss anniversaries. And again, as my friend lost his wife this year, we share in grief times, too. So it is a pleasure to be with you today. Please keep the eye on the ball. It is about small businesses making it possible for us to be prosperous.

I got to tell you, there are two times in my life that I didn't pay one penny in income tax. And I am on Ways and Means, and they asked me, how did you get away with that? I said, we lost money that year. So the key to everything in small business, and every business, you must be profitable. So you can do everything. Not only do you pay income tax, but you are putting money into payroll, into retirement plans, into health care plans. That takes the burden off hardworking American taxpayers every day.

So the success of small business is the success of America. So I can't tell you how proud I am to be here with you today, sir. And we are the backbone. We are the backbone of America. Thank you so much. And thanks for having this meeting.

Chairman WILLIAMS. Thank you, Representative Kelly, for your friendship and your commitment to this country. And if—do we

have any Members that have any questions? Well with—well, then nobody is asking who sells them cheaper, you or me.

Mr. KELLY. Well, wait. We do, I think. Yes. Yes, ma'am?

Chairman WILLIAMS. Yes, Ms. Simon?

Ms. SIMON. I came all this way. I think you deserve a question, right? Planes, trains, and automobiles. My name is Lateefah Simon, and I come from the great state of California, which our Chair reminds me of often, and I appreciate that. Well, thank you all, to all the witnesses, but one I just want to thank you for your testimony. It was heartening. Regardless of where and who we are, how we vote, you know, your testimony was extremely compelling. I guess I do have a question, and it is really the question, and there is no right or wrong answer, your hopes for this committee as we move forth. You know, there is so much, so much at stake, clearly, for every American. The SBA is a very, very important agency. We do some oversight over SBA. Just curious, for small businesses like yours, you literally keep folks going, right?

Mr. KELLY. Yes, ma'am.

Ms. SIMON. What do you need? What do you need from the United States Congress from this particular committee?

Mr. KELLY. I think what we need more than anything else—because these are not red or blue issues, these are red, white, and blue issues. I think too often we get separated by our politics and not our—and we need to look at our policy. The policies affects every single American every single day and what we decide on. So I would hope that—and I—and I know that Roger and I are the same way. Anytime anybody came into our store, we had always say, what can I help you with today? And I think when we come in here to the Congress, we should be looking back home to the three-quarters of a million people that we represent. Say, what can we do to help you today? Because I know when small business is successful, America is successful, and we do so much in our communities, in addition to payroll, which is a big part of it, but our very presence is what adds hope and trust in the future for America. It is small business that is America's biggest business.

Ms. SIMON. I appreciate you talking about payroll. Since I was 20 years old, I have had staff, and that day before payroll, when you don't have the cash balance, we all sweat, and then we figure it out and we make it, and we don't get paid. So thank you for really modeling. I think, our Chair and our Ranking Member, who isn't here today, and our Ranking Member instead, we can say that this is one of the most productive committees in the United States Congress because we get exactly what you are saying: that regardless who you are, what you look like, who you pray to, the backbone of every small town, of every big city, the sandwich shop, the car dealer, the—the tire salesman, the local ice cream shop, they build who we are. They are who we are. The cupcake lady.

Mr. KELLY. Yeah.

Ms. SIMON. So I just really appreciate you, and I hope you can come back and continue to educate us as we move through a very, what we think is going to be, a very lively 2 years. Thank you, sir.

Mr. KELLY. Yes, ma'am. Thank you so much.

Chairman WILLIAMS. Thank you.

Mr. KELLY. Mr. Chairman.

Chairman WILLIAMS. We need to move on to the next.

Mr. KELLY. Okay.

Chairman WILLIAMS. Okay. Thank you for being here.

Mr. KELLY. Thank you.

Chairman WILLIAMS. Appreciate you greatly.

Mr. KELLY. Thank you.

Chairman WILLIAMS. Very much. And now we will bring up delegate James Moylan from Guam.

**STATEMENT OF THE HON. JAMES MOYLAN, A DELEGATE IN
CONGRESS FROM THE TERRITORY OF GUAM**

Mr. MOYLAN. Thank you, Mr. Chairman, and Ranking Member Tran. I want to thank you for hosting this Member Day. Thank you very much.

For over 6 decades, since what we call Super Typhoon Karen devastated our island in 1962, the SBA branch office has been the cornerstone in providing disaster loans and grants, enabling businesses and residents not only to recover and rebuild but to thrive as well. However, the recent decision to close Guam SBA branch office in April of this year poses significant challenges for our island. The transfer of responsibility to Hawaii SBA office, more than 3,800 miles and 5 time zones away, poses many risks. The distance and time zone differences will lead to delays in service and limited accessibility for small businesses in Guam. Without a local branch office, our communities will face additional challenges in accessing much-needed assistance.

Now, I commend the support of SBA's efforts to streamline spending, empower small businesses, and to eliminate fraud, waste, and abuse. However, the current reality falls short in considering the unique challenges of the Pacific Islands. The current plan to assign a Procurement Center representative to work alongside the Small Business Development Center, SBDC, at the University of Guam fails to address the urgent needs of our local community, especially as we host the military buildup.

While the SBDC plays an important role, it is primarily designed to support SBA counseling, often with an international focus. The SBDC is not meant to serve as a substitute for Guam SBA branch office functions that assist Guam businesses. The Pacific territories are now the only jurisdiction in the entire nation that lacks on-the-ground SBA services. Every state has a district office, even Puerto Rico and the U.S. Virgin Islands, where they have only a single district office to serve both territories, SBA is retaining their presence. Yet for Guam, the Commonwealth of the Northern Marianas, and American Samoa, we must rely on a district office thousands of miles away to access SBA services.

The recent decision leaves me with a question: why do small businesses in the Pacific territories face such a challenge when nowhere else is this the case? To properly address our island needs, Guam requires a fully operational SBA branch office. Faced with unique challenges, including higher costs of doing business and vulnerabilities to natural disasters, Guam small businesses rely heavily on all SBA services, especially direct on-the-ground assistance. Eliminating the presence on island dismisses federal responsiveness and risks undermining our local economy.

So I respectfully urge this committee, Mr. Chairman, to ensure that every state and territory small business communities has the resources they need to thrive. Small businesses are the cornerstone of America, and we as Congress must take action to ensure that main street has the tools they need to succeed. Small business owners deserve continuity of service and support to ensure their survival and success, regardless of where they are located. Mr. Chairman, I thank you for your attention on this issue. Thank you.

Chairman WILLIAMS. Thank you very much for appearing. And we do have time for a 1-minute question? From anybody? Okay, seeing none. Thank you very much. I now recognize Representative Tony Wied from the great state of Wisconsin for 5 minutes.

**STATEMENT OF HON. TONY WEID, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF WISCONSIN**

Mr. WIED. Well, thank you, Mr. Chairman, and thank you to my colleagues who came to speak today. As most of you may know, this week is National Small Business Week, a time when we celebrate the hard work and contributions that entrepreneurs and small businesses make to our economy.

As a former small business owner, I know firsthand how difficult it is to run a successful company. For too long, small businesses on main street have been overlooked in favor of big businesses on Wall Street. House Republicans are committed to supporting President Trump's efforts to refocus the Small Business Administration away from the bloated regulatory agency primarily staffed by career bureaucrats in Washington, D.C., towards its original mission of helping small businesses inside their communities. Last week, this committee did just that. We passed out of committee bills that moved 30 percent of SBA staff out of Washington, D.C., required proof of citizenship for SBA loans, and prohibited the SBA from engaging in any voter registration activities. These are all common sense bills that refocus the Small Business Administration toward its original mission.

One of the biggest changes we have seen from the SBA under the Trump administration is an increased focus on manufacturing right here in the United States of America. From shipbuilding to paper products, Wisconsin's 8th district is a manufacturing hub with almost one quarter of our working population employed in this vital economic sector. I am committed to improving access to capital, reducing regulations, and supporting technical school graduates as we re-shore American manufacturing. I am looking forward to working with the Administrator Loeffler and Members of this committee to promote manufacturing in Wisconsin's 8th district and across our entire country. There is work to be done, and I, along with the Small Business Committee colleagues of mine, are committed to making main street great again. Thank you. I yield back.

Chairman WILLIAMS. The gentleman yields back. 1-minute question? Okay. Our next Representative and Congressman is Gus Bilirakis, a good friend from the great state of Florida.

**STATEMENT OF HON. GUS BILIRAKIS, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF FLORIDA**

Mr. BILIRAKIS. It is good to see my good friend here, my fellow baseball fan and also my fellow Floridian, a very good friend, Jimmy Patronis. Great to see you here, Jimmy. So I want to thank you, Mr. Chairman. I really appreciate you. I want to thank you for holding this Member's Day hearing. It is great to testify in front of you during the National, again, Small Business Week.

Florida is home, as you know, to approximately 2.3 million small businesses, which employ about 3.1 million people. So I said billion, I meant million. This represents 43.2 percent of the state's private sector workforce. I always enjoy meeting with small business owners in my district who are the lifeblood of our community. As a matter of fact, Mr. Patronis has probably the best restaurant, and I am going to get in trouble with my constituents, but in any case, one of the best restaurants in the state of Florida in Panama City. And I know he doesn't own it anymore, but it is still in his family.

So I have many such meetings this year with small business owners and have held budget workshops to hear what my constituents would like to see out of Washington, D.C. The number one concern I have heard from the owners of these businesses is the need for an extension of the provisions in the 2017 Tax Cuts and Jobs Act. I know you agree, Mr. Chairman. These tax policies have allowed hard-working Americans to hold on to more of their paychecks and let small businesses in our state flourish and reinvest in their communities. Some provisions that have allowed businesses to grow are the deduction for research and development expenses, bonus depreciation, and a competitive interest deductibility standard. The gains that have been made since 2017 are at risk if we do not extend these tax provisions.

Additionally, small businesses are most at risk since they are overwhelmingly structured as pass-through entities. They have benefited from the qualified business income deduction and the personal income tax rate, which are set to expire. Pass-through entities account for 48 percent of private sector for-profit employment in Florida. In my district alone, 63,010 taxpayers claim the 20 percent deduction, the pass-through deduction, in 2020. This amounted to a collective tax benefit of \$425,022,000. The expiration of this provision would inflict severe damage to those small business owners and have a detrimental impact on our community. We can't have that. Within the community at large, the average taxpayer in Florida would see a 23 percent tax hike if the 2017 tax cuts are not extended. It would amount to the largest tax increase in history. Again, we can't have that, Mr. Chairman. This is unacceptable as far as I am concerned.

Similarly, I have talked to small business owners who have been able to hire more workers and expand their businesses but would have to scale back if the tax cut provisions were to expire. We need to ensure that owners are given the tools they need to continue to make these investments and grow their communities. So again, small businesses are the backbone of America. I don't have to tell you, Mr. Chairman. A permanent extension would give business owners the long-term tax stability they need to plan and invest in

their future with confidence. As small businesses succeed, America succeeds. That is the bottom line.

I support making the Tax Cuts and Jobs Act provisions permanent and look forward to continue to work with you again and for the entire committee. As a matter of fact, Mr. Patronis, my dad served on this committee, Congressman Bill Bilirakis, his first term, and I tell you, it is a great committee. Thank you. God bless you, and I yield back.

Chairman WILLIAMS. Thank you, Gus, for those words, and also thank you for your family that has been representing this great country for so long. Thank you very much. Do we have a 1-minute question? Okay, seeing none. Ben Cline from the great state of Virginia for 5 minutes. One of the great golf putters of all time right here.

**STATEMENT OF HON. BEN CLINE, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF VIRGINIA**

Mr. CLINE. Mr. Chairman, thank you. It is an honor to be before the committee. I appreciate the opportunity to be here on Small Business Week to join you in the celebration. And it is an honor to discuss legislation that I have introduced that supports and positively impacts small businesses not only in my district, the 6th District of Virginia, but across the nation.

The Small Business Regulatory Flexibility Improvements Act is an important piece of legislation under the jurisdiction of the committee that will help American small businesses comply with the overwhelming weight of federal regulation. As you know, small businesses around the United States are at a disadvantage when complying with burdensome federal regulations. And such regulations, including one-size-fits-all rules that raise prices at the cash register, cause significant economic harm to small businesses and consumers. Burdensome regulations also can keep some small businesses out of the market altogether. Facing insurmountable compliance costs, potential entrepreneurs all too often choose to never open their small businesses in the first place.

Under the existing Regulatory Flexibility Act, the RFA, agencies that issue economically burdensome regulations are required to take small businesses into account. But all too often, agencies don't comply with the RFA's mandates. While the RFA requires agencies to study the effect of their regulations on small businesses in up to 75 percent of rulemakings, the agencies either ignored costs on small businesses or underestimated the regulation's cost, according to NFIB.

H. R. 358, the Small Business Regulatory Flexibility Improvements Act, would strengthen the RFA's already existing provisions and deter agencies from skirting their statutory obligations to American small businesses. H. R. 358 requires that agencies convene small business review panels when promulgating all major rules, which gives small businesses a seat at the table to voice their concerns about the economically harmful regulations. It also requires regulators take indirect costs of their regulations into account. As you know, the bulk of the harm from regulations comes from the indirect cost of compliance. This bill addresses the oversight in the federal regulatory process. Further, it authorizes the

Small Business Association's chief advocacy council to create rules mandating how agencies must conduct their analyses.

Finally, it mandates that all rules as defined under the Administrative Procedures Act, not just notice and comment rulemakings, are covered by RFA's analysis requirements. As you know, Mr. Chairman, the RFA was passed in 1980, but there are still agencies which do not take the specific needs of small businesses into account when crafting regulations, and ultimately, federal regulators have failed in their obligations to American small business owners under the RFA.

So, Mr. Chairman, in conclusion, H. R. 358, the Small Business Regulatory Flexibility Improvements Act, is a common sense effort to ensure regulators comply with the RFA's provisions as Congress intended by fully considering the total regulatory impact on small business owners when crafting legislation. I hope it will be the will of the Committee to report the bill out and put it to your consideration. And I thank you for the opportunity today.

Chairman WILLIAMS. Thank you, Congressman. Thank you for your leadership.

Mr. CLINE. Thank you, Mr. Chairman.

Chairman WILLIAMS. I now recognize Representative McIver from the great state of New Jersey for 5 minutes.

**STATEMENT OF HON. LAMONICA MCIVER, A REPRESENTATIVE
IN CONGRESS FROM THE STATE OF NEW JERSEY**

Ms. MCIVER. Thank you, Chairman and Ranking Member, for holding this hearing, and thank you to our fellow Members of Congress for coming to share their small business goals with us today. First of all, happy Small Business Week to all of the small businesses who are tuned into us today. If you are so lucky to be tuned into us today via C-Span I proudly represent the 10th Congressional District in the great state of New Jersey, which has a GDP of more than \$200 billion and is home to more than 5,000 businesses, many of them thriving small businesses. These small businesses are not just job creators; they are community builders, and they are driving growth. They also include local gems like Big Rocs Deli, owned by and operated by Rocmond, and Casa De Flora, a beautiful flower shop owned by Maritza.

We are at a pivotal moment for small businesses like these and the Small Business Administration. The economy is officially contracting well on its way into a recession, all while the SBA engages in mass layoffs of qualified and experienced employees and moves forward with plans to move its offices out of the economic hubs that need it most. These actions are a direct threat to the millions of entrepreneurs who depend on the SBA. Our job isn't just to support—our job isn't just to support small businesses in theory. It is to ensure the SBA can function in real life for real people.

First, we must confront a core challenge: access to information. For too many small business owners, especially first-generation and low-income business owners, the process of applying for SBA loans remains complex and difficult to navigate. That is unacceptable. SBA must improve its outreach efforts to ensure that these entrepreneurs get the same clear, timely, and reliable guidance that any large business would expect from a bank.

Second, we cannot allow the historic gains made under the prior administration to slip away. We saw record growth in the number of small businesses owned by veterans, women, and people of color. That didn't happen by accident. It was the result of a fully staffed and funded SBA underneath the Biden and Harris administration. The SBA had a capital impact of 56 billion in 2024. We must prioritize staffing and resources to ensure as many small business entrepreneurs as possible are able to share in that success.

Third, we must think beyond our borders. Small businesses represent over 98 percent of all U.S. exporters, yet many lack the tools to navigate international trade, a situation made worse by the on and again tariff policy of the Trump administration. If the administration is not going to—not going to abandon its tariffs policies, then SBA needs to step up its services to these businesses to help them navigate these very, very trying times.

And finally, the future of small businesses relies not only on who owns the companies but on how they are owned. That is why I am calling for a renewed focus on employee ownership models, such as cooperatives and employee stock ownership plans that allow workers to build wealth and equity through their labor. These models are proven to stabilize businesses and strengthen local economies. The SBA must play a leadership role in supporting employee ownership, particularly as older Americans retire and ownership succession becomes a growing issue.

These are not partisan ideas. These are not partisan ideas. They are common sense steps to make the SBA work better for more people and in more places. We need an SBA that supports our entrepreneurs at home, opens doors abroad, and ensures workers share in the prosperity they help create. For these reasons, I urge my colleagues across the aisle and my colleagues on this side of my aisle to eliminate barriers to growth among small businesses, not just in today's discussion, but in the legislation and oversight to come. Our small businesses deserve nothing less. With that, I yield back.

Chairman WILLIAMS. The gentlelady yields back. I now recognize Congressman Brian Jack from the great state of Georgia for 5 minutes.

**STATEMENT OF HON. BRIAN JACK, A REPRESENTATIVE IN
CONGRESS FROM THE STATE OF GEORGIA**

Mr. JACK. Well, thank you, Mr. Chairman, and mindful of the timing of our vote series today, I will be very brief. First and foremost, Mr. Chairman, I want to thank you for your leadership on this committee and likewise want to commend the committee's work. As you have noted long before, this is one of the last vestiges of bipartisanship on Capitol Hill, and it is important because we are trying to solve the problems that affect 99.9 percent of all businesses across our country.

I just want to highlight two things as it relates to Georgia's incredible 3rd Congressional District. In honor of not just National Small Business Week, of which we are well within now, but really Small Business Month over the last month and really this entire year, I had the privilege of welcoming to my congressional district about 3 weeks ago Administrator Loeffler. She is a friend of mine.

I was formerly her constituent before she was appointed, of course, to lead the Small Business Administration. But I had a chance to bring her to Troup County, in my district. We had a chance to go to Jane Foods. If anybody is in Troup County, it is a great place to visit. And likewise, I took her to really what is Main Street America, took her to main street in LaGrange. She had a chance to go to Solomon's clothing store in Charlie Joseph's, which is the best place to eat if you are in LaGrange. It was very special for me. It is special for the community to have an opportunity to share with her some of the challenges that they face and, likewise, provide some recommendations for resolutions to those challenges.

And I also just want to highlight in my closing comments, I had a chance, working with Members of this committee, to really help a small business in my district. Just a few months ago, there was a regulation that was handed down by Joe Biden's Department of Energy the day after Christmas, December 26th, 2024, that would have put out of business a water heater manufacturing company in my district. Last Friday I welcomed my second cabinet member to the district, Secretary Chris Wright, to celebrate the passage of our CRA resolution that repealed that regulation. We talk a lot. We have heard from innumerable witnesses throughout the course of this Congress just how regulatory burdens can drastically impact and affect the way that small businesses function. In this case, working together with our colleagues and 11 Democrats crossing the aisle, we repealed a regulation that would put a factory out of business, and we celebrated its repeal last Friday with the second cabinet secretary to visit my district. So excited about that blueprint for success and look forward to building upon that going forward and look forward to continuing to serve under your leadership, Mr. Chairman. Thank you.

Chairman WILLIAMS. Thank you very much. The gentleman yields back, and I would like to conclude by thanking all the Members who testified today for taking time out of your busy schedule to advocate on behalf of small businesses in your districts and around the country. Our committee will keep your ideas at the top of mind as we continue addressing the issues that our nation's small businesses are facing. Members will have 5 legislative days to submit statements and supporting materials for the record. Without objection, so ordered. And if there is no further business, we will go vote. This committee is adjourned. Thank you.

[Whereupon, at 1:40 p.m., the committee was adjourned.]

