



SBA Reauthorization

Don't Make Small Business Owners Wait Any Longer

SMALL AGENCY, BIG IMPACT

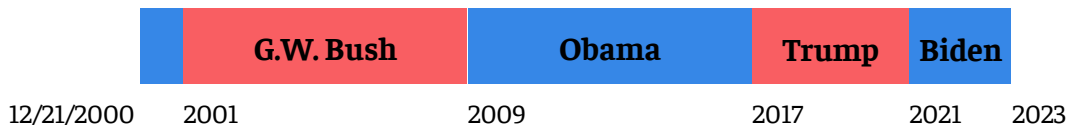
The Small Business Administration (SBA) is the only cabinet-level agency fully dedicated to supporting America's nearly 6 million small businesses and entrepreneurs. Despite its size—representing less than 1 percent of annual discretionary spending—the SBA has a tremendous impact on the U.S. economy.

- Small businesses with employees constitute nearly 90 percent of all employer firms and close to half of private sector employment.
- In 2020, 2021, and the first half of 2022, 4 million of the total applications filed to start new businesses were for those deemed likely to grow and create jobs.¹
- The application rate for SBA-backed loans and lines of credit roughly doubled in each of the past two years.²

TWO DECADES AND COUNTING

The last time Congress reauthorized the SBA in its entirety was December 2000.

8,049 days³



That's not to say Congress has ignored the SBA for two decades. Members of both parties have worked in a bipartisan fashion to reauthorize various SBA programs over the last 22 years. This piecemeal approach has kept the agency operating but without the benefit of a comprehensive evaluation and strengthening of its activities.

It's also an aberration from the earlier years of SBA's history when reauthorization occurred regularly. Between 1980 and 2000, for example, Congress reauthorized SBA five times, with reauthorization periods ranging from two to five years.

¹ From the U.S. Census Bureau's Business Formation Statistics dataset. A "high propensity" application is one deemed, on various criteria, to have a high likelihood of becoming an employer firm. Over the period referenced, high-propensity applications accounted for one-third of total business applications.

² Requests for financing through pandemic assistance programs are not included in this calculation.

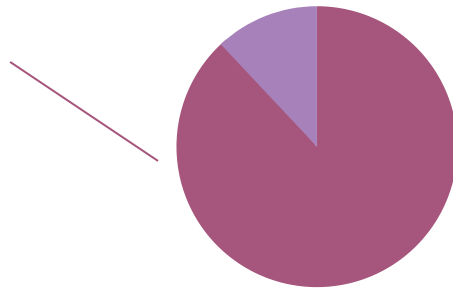
³ From enactment of the Consolidated Appropriations Act of 2001 on December 21, 2000, which reauthorized the SBA, to the start of 118th Congress (January 3, 2023).

ACCOMPLISHING ITS MISSION

Reauthorizing the SBA would allow Congress, small business owners, and other stakeholders to conduct a top to bottom review of the agency and modernize it by strengthening areas that need improvement and enhancing programs that are working well.

Strong Support Exists for Reauthorization

88% of small business owners support reauthorization



Citation: Goldman Sachs 10,000 Small Businesses Voices survey, January 2022

→ **Support Employers and Job Creators**

Small businesses truly are the backbone of the American economy. Reauthorization can position the SBA to better meet the needs of small businesses and, in doing so, support U.S. economic growth and competitiveness.

→ **Strengthen for the Future**

Disbursing over \$1 trillion in emergency support, the SBA played a central role in the federal response to the COVID-19 crisis. Reauthorization can ensure the SBA has the resources and structure in place to respond even better to the next emergency.

→ **Modernize for a Diversifying Country**

The SBA is charged with leading the federal government's efforts to support all small businesses, including those whose owners encounter extra barriers. Reauthorization can pave the way to a more equitable future by making sure the SBA effectively meets the needs of historically disadvantaged communities.

→ **Show Bipartisan Commitment**

Support for small businesses has historically been a unifying feature of Congress. Reauthorization can demonstrate that bipartisan consensus still exists for America's small businesses.