

June 2, 2026

The Honorable Kelly Loeffler
Administrator
U.S. Small Business Administration
409 3rd Street, SW
Washington, DC 20416

Dear Administrator Loeffler:

For the first time in at least 25 years, the Senate Committee on Small Business and Entrepreneurship will not receive testimony from the Administrator of the Small Business Administration (SBA) about proposals set out in the President's annual budget. To date, every other cabinet level official has appeared before a congressional committee this year. Your testimony is especially important given that the President's Budget would cut SBA resources by 67 percent and eliminate 15 of the agency's 16 entrepreneurial development programs.¹ As the head of SBA, you have an obligation to stand before the committee and answer questions about the effect these damaging actions would have on American small businesses.

The budget proposal would, if enacted, do away with the vast majority of resources currently available for new and growing small businesses. Included among the 15 programs proposed for elimination are the broadly popular Small Business Development Centers, Women's Business Centers, and the SCORE program. These programs provide essential services to nearly one million small businesses per year, including historically underserved entrepreneurs such as women and minorities. Under this proposal, SBA would essentially close its doors to new and aspiring business owners looking for help and, in doing so, abandon one of its basic missions.

We have grave concerns not only about the proposed budget, but about the agency's performance following a year and a half of reckless and destructive staffing cuts. Two recent reports issued by independent watchdogs about SBA's internal controls suggest that the loss of staff has prevented SBA from meeting basic accounting standards. First, KPMG's independent audit of SBA released last month cited *nearly two dozen findings* of non-compliance.² This included "a failure to perform or document updated required risk assessments for all applicable programs in FY 2025."

¹ U.S. Small Bus. Admin., *FY 2027 Cong. Budget Justification FY 2025 Ann. Performance Rep.* (2026), <https://www.sba.gov/document/report-congressional-budget-justification-annual-performance-report>.

² KPMG LLC, *Performance Audit of the U.S. Small Bus. Admin.'s FY 2025 Compliance with the Payment Integrity Info. Act of 2019* (May 15, 2026), <https://www.oversight.gov/sites/default/files/documents/reports/2026-05/SBA>.

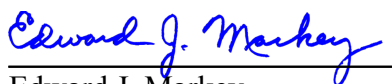
Additionally, the Office of Inspector General released a report last month about SBA's information security protocols that found that the agency fell below the acceptable baseline for effective controls in *nine of the ten domains* being measured.³ Even more concerning, it found that SBA regressed in three essential areas: information security and continuous monitoring, identity and access management, and risk and asset management.

You have consistently maintained that the draconian staff cuts that you and the Department of Government Efficiency executed over the last year and a half have not compromised the quality of SBA's work or its ability to maintain proper information security protocols. However, these reports make clear that, under your leadership, the agency is not meeting even basic standards of accountability, risk assessment, and information security. Small businesses that entrust SBA with their confidential data will no doubt be terrified by these findings, as will taxpayers who have good reason to doubt whether SBA knows how funding is being spent. The members of this committee deserve the opportunity to question you about why the agency has failed in so many of these critical areas.

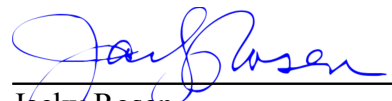
Unfortunately, your failure to appear is consistent with the Trump SBA's abysmal track record when it comes to transparency and accountability. A case in point: members of this committee who submitted questions for the record after your last appearance before the committee on May 21, 2025, received official responses from your agency only *last month*. That is *one full year* after you received those questions. Sadly, the answers your office provided were neither substantive nor responsive to the questions asked.

The duty of Congress to conduct oversight is a critical safeguard against executive overreach and ensures that programs are effective and taxpayer dollars are spent wisely. The members of the committee have a right to know what is happening at SBA, and require detailed, thorough responses to our questions. Especially when the President's official policy is to eliminate two-thirds of the agency, our committee must be given the opportunity to evaluate the choices you are making to ensure that SBA is meeting the needs of America's 36 million small business effectively.

Sincerely,

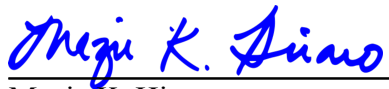


Edward J. Markey
Ranking Member

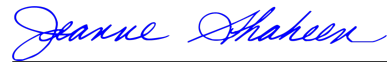


Jacky Rosen
United States Senator

³ FY 2025 Fed. Info. Sec. Modernization Act, U.S. Small Bus. Admin. Off. of Inspector Gen. (May 19, 2026), <https://www.oversight.gov/sites/default/files/documents/reports/2026-05/SBA>.



Mazie K. Hirono
United States Senator



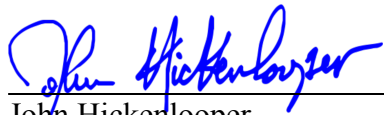
Jeanne Shaheen
United States Senator



Christopher A. Coons
United States Senator



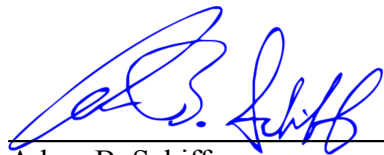
Cory A. Booker
United States Senator



John Hickenlooper
United States Senator



Maria Cantwell
United States Senator



Adam B. Schiff
United States Senator