CONGRESSIONAL REVIEW ACT (CRA) RESOLUTION ON SBA'S DRACONIAN CITIZENSHIP RESTRICTIONS

RANKING MEMBERS EDWARD J. MARKEY (D-MA) AND NYDIA VELÁZQUEZ (D-NY)

Putting Main Street First

The CRA resolution (S.J.Res.202) would overturn the Small Business Administration's (SBA) latest version of its draconian citizenship restrictions on the 7(a) and 504 loan programs - implemented in March 2026 – which bar any small businesses with owners that are green card holders from receiving 7(a) or 504 loans.

Ranking Members Markey and Velázquez have also introduced the ***Investing in the American Dream Act***, which would fully rollback the SBA's citizenship restrictions and restore long-standing SBA citizenship requirements for the 7(a), 504, Microloan, and Surety Bond programs, permitting green card holders, asylees, refugees, and other immigrants who are lawfully in the U.S. to access SBA loan programs.

Trump's Draconian Citizenship Restrictions Hurt Main Street

In March 2025, Trump's SBA issued a *policy notice* that **barred** small businesses with any owners who are lawfully in the U.S. but not a U.S. citizen, national, or Lawful Permanent Resident (LPR, or green card holder) including refugees, asylees, visa holders, recipients of Deferred Action for Childhood Arrivals (DACA) status, and foreign nationals, from receiving SBA financing.

SBA stated that its first set of changes on citizenship requirements for the 7(a) and 504 Loan Programs, as well as the Surety Bond and Microloan Programs, came from the *President's executive orders* that "direct SBA to identify and stop the provision of any public benefits to any illegal alien not authorized to receive them…" However, for more than 30 years, the Small Business Act has barred SBA assistance from going to individuals that are not lawfully in the U.S.

In March 2026, for the *7(a) and 504 Loan Programs*, and in April 2026, for the *Microloan* and *Surety Bond* programs, SBA expanded their draconian citizenship requirements to also bar green card holders from SBA financing. After four different changes in the last year, this is the latest iteration of their policy.

Green Card Holders Support Main Street, Create Jobs

Billions in SBA loans, used by small businesses to expand and create jobs in their local communities, are now unavailable to thousands of small businesses owned by individuals lawfully in the U.S. These actions are spreading fear and confusion among small business owners, immigrants, and SBA lenders.

According to analysis conducted by the Senate Small Business Committee, in Fiscal Year (FY) 2025, an estimated **456** loans in the 504 loan program went to small businesses with green card holders (6.7% of all 504 loans), at least **$2 billion** in loans (10% of all 504 loan amounts), supporting the creation or retention of **more than 7,220** jobs. Based on the 504 loan program analysis, the committee estimates **more than 5,700** loans in the 7(a) program, amounting to about **$3.6 billion** and supporting 7**3,000** jobs, went to small businesses with green card holders in FY25. That means **more than 6,100** SBA loans, amounting to **$5.5 billion** and supporting **more than 80,000** jobs, went to green card holders in FY25.

U.S. SENATE COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP

Committee on SMALL BUSINESS
Ranking Member Nydia M. Velázquez

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Estimated Impacts of SBA's Citizenship Restrictions: 7(a) and 504 Loan Programs

SBA Region	7(a) +504 LPR Loans Approved	7(a) + 504 LPR Loan Amounts	# of Jobs Supported by 7(a) + 504 LPR Loans
Region 1 (New England): Connecticut, Maine, Massachusetts, New Hampshire, Rhode Island, Vermont	241	$ 98,056,314.55	1,294
Region 2 (Atlantic): New Jersey, New York, Puerto Rico, U.S. Virgin Islands	1594	$770,863,563.04	12,505
Region 3 (Mid-Atlantic): Delaware, District of Columbia, Maryland, Pennsylvania, Virginia, West Virginia	346	$243,615,434.42	4,009
Region 4 (Southeast): Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee	1069	$1,123,015,989.56	17,129
Region 5 (Great Lakes): Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin	833	$587,957,383.77	8,545
Region 6 (South Central): Arkansas, Louisiana, New Mexico, Oklahoma, Texas	447	$388,606,944.30	6,332
Region 7 (Great Plains): Iowa, Kansas, Missouri, Nebraska	266	$283,139,544.65	4,436
Region 8 (Rocky Mountain): Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming	266	$341,882,655.00	4,572
Region 9 (Pacific Southwest): American Samoa, Arizona, California, Guam, Hawaii, Nevada	954	$1,622,963,688.51	20,200
Region 10 (Pacific Northwest): Alaska, Idaho, Oregon, Washington	150	$75,339,904.60	1,193
Total	**6165**	**$5,535,441,422.41**	**80,213**

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