119TH CONGRESS
1st Session

HOUSE OF REPRESENTATIVES

REPORT
119–383

DESTROYING UNNECESSARY, MISALIGNED, AND PROHIBITIVE RED TAPE ACT

NOVEMBER 21, 2025.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

---

Mr. WILLIAMS of Texas, from the Committee on Small Business, submitted the following

REPORT

together with

MINORITY VIEWS

[To accompany H.R. 4305]

The Committee on Small Business, to whom was referred the bill (H.R. 4305) to direct the Chief Counsel for Advocacy of the Small Business Administration to establish a Red Tape Hotline to receive notifications of burdensome agency rules, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

CONTENTS

69–006

The amendment is as follows:
Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Destroying Unnecessary, Misaligned, and Prohibitive Red Tape Act" or the "DUMP Red Tape Act".

SEC. 2. ESTABLISHMENT OF RED TAPE HOTLINE.

Section 203 of Public Law 94–305 (15 U.S.C. 634c) is amended by adding at the end the following new subsection:

"(c) RED TAPE HOTLINE.—

"(1) ESTABLISHMENT.—Not later than 180 days after the date of the enactment of this Act, the Chief Counsel for Advocacy shall—

"(A) establish, operate, and maintain a hotline, to be known as the 'Red Tape Hotline' to receive a notification from a small entity relating to the burden of complying with a rule, guidance, policy statement, or other activity of an agency that is applicable to such concern;

"(B) establish an email address, submission form, phone number, or such other method as determined appropriate by the Chief Counsel for small entities to submit such notifications to such hotline; and

"(C) establish a website providing such email address, submission form, phone number, or other method in a manner that is easily accessible.

"(2) REPORT.—Not later than 1 year after the date of the enactment of this subsection, and annually thereafter, the Chief Counsel for Advocacy shall submit to the Administrator of the Small Business Administration and Congress a report on the Red Tape Hotline that includes—

"(A) the rules, guidance, policy statements, and other activities for which notifications are most frequently received, including the affected industry sectors for such rules, guidance, policy statements, or other activities (as applicable);

"(B) a summary of the notifications received, including the type of small entity or other organization that submitted the notification and the geographic area and industry category from which the notification was sent;

"(C) an identification of the agency that issued each such rule, guidance, policy statement, or engaged in such other activity, including an identification of which such rule, guidance, or policy statement such agency issued or an explanation of which such other activity the agency engaged in, as applicable;

"(D) recommendations for each agency that issued such a rule, guidance, policy statement, or engaged in such other activity, for reducing the burden of such rule, guidance, policy statement, or other activity on small entities; and

"(E) a summary of actions taken by the Chief Counsel to address such rules, guidance, policy statements, and other activities, including any such rules, guidance, policy statements, or other activities (as applicable) for which the Chief Counsel submitted comments or analysis.

"(3) DEFINITIONS.—In this subsection—

"(A) the term 'agency' has the meaning given such term in section 551 of title 5, United States Code; and

"(B) the terms 'rule' and 'small entity' have the meanings given such terms, respectively, in section 601 of such title.".

I. PURPOSE AND BILL SUMMARY

On July 10, 2025, Representative Wied introduced H.R. 4305, the *Destroying Unnecessary, Misaligned, and Prohibitive Red Tape Act of 2025* or the *DUMP Red Tape Act*. H.R. 4305 directs the Chief Counsel for the U.S. Small Business Administration Office of Advocacy (Advocacy) to establish a "Red Tape Hotline" that allows small businesses to submit reports of burdensome rulemakings, guidance, and other agency actions.

II. NEED FOR LEGISLATION

Every day, small business owners must manage federal regulations that are often outdated, duplicative, or unclear as part of their business responsibilities. Many of these regulations are overly burdensome, requiring high compliance costs that hurts Main Street's ability to grow, compete, and innovate. Advocacy serves as a voice to support small businesses with these issues through research, outreach, and regulatory efforts.

On January 31, 2025, President Trump issued Executive Orders 14192, "Unleashing Prosperity Through Deregulation" to ease unnecessary regulatory burdens across the United States. In line with the Trump Administration's deregulatory agenda, Advocacy has taken action to provide small businesses with more opportunities to share the specific regulatory burdens and issues they face. On March 10, 2025, Advocacy launched a "Red Tape Hotline," an essential tool for small businesses to report federal regulatory burdens and how the agency activity may be impacting the small business. The hotline further helps Advocacy compile information to assess and communicate the concerns of small businesses to federal agencies.

The *DUMP Red Tape Act* codifies deregulatory efforts under President Trump's Executive Orders by making the "Red Tape Hotline" a permanent resource for small businesses. H.R. 4305 also requires Advocacy to report these submissions annually to Congress, allowing for more effective policy making and oversight.

This bill provides American small businesses with an avenue to share the impact that burdensome regulations have had on their ability to start, grow, and succeed. In addition, this bill gives Congress another tool to identify and address burdensome regulations that stifle small business success.

III. HEARINGS

On April 1, 2025, the Committee on Small Business held a hearing examining matters related to H.R. 4305 entitled "The Golden Age: Unleashing Main Street Through Deregulation."

IV. COMMITTEE CONSIDERATION

The Committee on Small Business met in open session, with a quorum being present, on November 18, 2025, and ordered H.R. 4305, as amended, to be reported favorably to the House of Representatives by a roll call vote of 18 ayes to 9 nos.

V. COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list the recorded votes on the motion to report legislation and amendments thereto. The Committee voted to favorably report H.R. 4305, as amended, to the House of Representatives at 11:49 AM.

The Committee considered the following amendments to H.R. 4305:

- Representative Wied offered an amendment in the nature of a substitute. This amendment was adopted by voice vote.
- Representative Cisneros offered an amendment to the amendment in the nature of a substitute. The vote on the amendment failed, 12 ayes to 15 nos.

- Representative Scholten offered an amendment to the amendment in the nature of a substitute. The vote on the amendment failed, 12 ayes to 15 nos.

Present	Representatives	Aye	Nay
	Mr. Stauber (MN-08)		X
	Mr. Meuser (PA-09)		X
	Ms. Van Duyne (TX-24)		X
	Mr. Ellzey (TX-06)		X
	Mr. Alford (MO-04)		X
	Mr. LaLota (NY-01)		X
	Mr. Finstad (MN-01)		X
	Mr. Wied (WI-08)		X
	Mr. Bresnahan (PA-08)		X
	Mr. Jack (GA-03)		X
	Mr. Downing (MT-02)		X
	Ms. King-Hinds (Del.-CNMI)		X
	Mr. Schmidt (KS-02)		X
	Mr. Patronis (FL-01)		X
	Ranking Member Velazquez (NY-07)	X	
	Mr. McGarvey (KY-03)	X	
	Ms. Scholten (MI-03)	X	
	Ms. McIver (NJ-10)	X	
	Mr. Cisneros (CA-31)	X	
	Ms. Morrison (MN-03)	X	
	Mr. Latimer (NY-16)	X	
	Mr. Tran (CA-45)	X	
	Ms. Simon (CA-12)	X	
	Mr. Olszewski (MD-02)	X	
	Mr. Conaway (NJ-03)	X	
	Ms. Goodlander (NH-02)	X	
	Chairman Williams (TX-25)		X
	TOTALS	12	15

COMMITTEE ON SMALL BUSINESS
119th Congress (*First Session*)

Date: 11/18/2025

Time: 11:47 AM ET

Measure: Amendment to the ANS to H.R. 4305 Destroying Unnecessary, Misaligned, and Prohibitive (DUMP) Red Tape Act of 2025

Offered By: Mr. Cisneros

Amendment #: 1

Result?	Agreed To: [ ]		
	Not Agreed To: [X]		
	Withdrawn: [ ]		
Voice Vote	*Ayes*	*Nays*	*Present*
	12	*15*	

FC Vote #	10

Present	Representatives	Aye	Nay
	Mr. Stauber (MN-08)		X
	Mr. Meuser (PA-09)		X
	Ms. Van Duyne (TX-24)		X
	Mr. Ellzey (TX-06)		X
	Mr. Alford (MO-04)		X
	Mr. LaLota (NY-01)		X
	Mr. Finstad (MN-01)		X
	Mr. Wied (WI-08)		X
	Mr. Bresnahan (PA-08)		X
	Mr. Jack (GA-03)		X
	Mr. Downing (MT-02)		X
	Ms. King-Hinds (Del.-CNMI)		X
	Mr. Schmidt (KS-02)		X
	Mr. Patronis (FL-01)		X
	Ranking Member Velazquez (NY-07)	X	
	Mr. McGarvey (KY-03)	X	
	Ms. Scholten (MI-03)	X	
	Ms. McIver (NJ-10)	X	
	Mr. Cisneros (CA-31)	X	
	Ms. Morrison (MN-03)	X	
	Mr. Latimer (NY-16)	X	
	Mr. Tran (CA-45)	X	
	Ms. Simon (CA-12)	X	
	Mr. Olszewski (MD-02)	X	
	Mr. Conaway (NJ-03)	X	
	Ms. Goodlander (NH-02)	X	
	Chairman Williams (TX-25)		X
	TOTALS	12	15

COMMITTEE ON SMALL BUSINESS
119th Congress (*First Session*)

Date: 11/18/2025

Time: 11:48 AM ET

Measure: Amendment to the ANS to H.R. 4305 – Destroying Unnecessary, Misaligned, and Prohibitive (DUMP) Red Tape Act of 2025

Offered By: Ms. Scholten

Amendment #: 1

Result?	Agreed To: [ ]		
	Not Agreed To: [X]		
	Withdrawn: [ ]		
Voice Vote	*Ayes*	*Nays*	*Present*
	12	*15*	

FC Vote #	11

Present	Representatives	Aye	Nay
	Mr. Stauber (MN-08)	X	
	Mr. Meuser (PA-09)	X	
	Ms. Van Duyne (TX-24)	X	
	Mr. Ellzey (TX-06)	X	
	Mr. Alford (MO-04)	X	
	Mr. LaLota (NY-01)	X	
	Mr. Finstad (MN-01)	X	
	Mr. Wied (WI-08)	X	
	Mr. Bresnahan (PA-08)	X	
	Mr. Jack (GA-03)	X	
	Mr. Downing (MT-02)	X	
	Ms. King-Hinds (Del.-CNMI)	X	
	Mr. Schmidt (KS-02)	X	
	Mr. Patronis (FL-01)	X	
	Ranking Member Velazquez (NY-07)		X
	Mr. McGarvey (KY-03)		X
	Ms. Scholten (MI-03)		X
	Ms. McIver (NJ-10)		X
	Mr. Cisneros (CA-31)		X
	Ms. Morrison (MN-03)		X
	Mr. Latimer (NY-16)	X	
	Mr. Tran (CA-45)	X	
	Ms. Simon (CA-12)		X
	Mr. Olszewski (MD-02)		X
	Mr. Conaway (NJ-03)		X
	Ms. Goodlander (NH-02)	X	
	Chairman Williams (TX-25)	X	
	TOTALS	18	9

COMMITTEE ON SMALL BUSINESS
119th Congress (*First Session*)

Date: 11/18/2025

Time: 11:49 AM ET

Measure: H.R. 4305 – Destroying Unnecessary, Misaligned, and Prohibitive (DUMP) Red Tape Act of 2025 (As Amended)

Offered By:

Amendment #:

Result?	Agreed To: [X] Not Agreed To: [ ] Withdrawn: [ ]		
Voice Vote	*Ayes*	*Nays*	*Present*
	18	*9*	

FC Vote #	12

VI. Section-by-Section of H.R. 4305

Section 1. Short title

This Act may be cited as the "Destroying Unnecessary, Misaligned, and Prohibitive Red Tape Act" or the "DUMP Red Tape Act."

Section 2. Establishment of Red Tape Hotline

This section requires the Chief Counsel for Advocacy to operate and maintain an easily accessible "Red Tape Hotline" to receive notifications from small businesses relating to the burden of complying with a rule, guidance, policy statement, or other agency activity.

Additionally, this section requires Advocacy to submit an annual report on the Red Tape Hotline to Congress and the Administrator of the SBA. The report must include: the specific agency activities for which notifications are most frequently received and the affected industry sectors; a summary of the notifications received including the type of small entity, its geographic area, and industry category; an identification of the agency and the specific rule, guidance, or policy statement such agency issued or an explanation of which such other activity the agency engaged in, as applicable; recommendations for each agency identified to reduce the burden of such agency on small businesses; and a summary of actions taken by the Chief Counsel to address such agency activity, including any such rules for which the Chief Counsel submitted comments or analysis.

VII. Congressional Budget Office Cost Estimate

Pursuant to 3(c)(3) of rule XIII of the Rules of the House of Representatives, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974. At the time this report was filed, the Committee has requested but not received a cost estimate from the Director of the Congressional Budget Office.

VIII. New Budget Authority, Entitlement Authority, and Tax Expenditures

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a)(I) of the Congressional Budget Act of 1974, the Committee provides the following opinion and estimate with respect to new budget authority, entitlement authority, and tax expenditures. While the Committee has not received an estimate of new budget authority contained in the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974, the Committee does not believe that there will be any new or increased costs attributable to this legislation.

IX. Oversight Findings & Recommendations

In accordance with clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the oversight findings and recommendations of the Committee on Small

Business with respect to the subject matter contained in H.R. 4305 are incorporated into the descriptive portions of this report.

X. Performance Goals and Objectives

With respect to the requirements of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the goal of H.R. 4305 is to give small businesses a direct line to Advocacy to report burdensome regulations that are holding them back.

XI. Statement of Duplication of Federal Programs

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, no provision of H.R. 4305 is known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of Public Law 111–139 or the most recent Catalog of Federal Domestic Assistance.

XII. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits

With respect to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee finds that the bill does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of rule XXI of the Rules of the House of Representatives.

XIII. Federal Mandates Statement

The Committee will adopt as its own the estimate of the Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

XIV. Federal Advisory Committee Statement

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

XV. Applicability to Legislative Branch

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

XVI. Statement of Constitutional Authority

Pursuant to clause 7 of rule XII of the Rules of the House, the Committee finds that the authority for this legislation in Art. I, § 8, cl.1 of the Constitution of the United States.

XVII. Changes in Existing Law Made by the Bill, as Reported

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (new matter is printed in italics and existing law in which no change is proposed is shown in roman):

PUBLIC LAW 94-305

* * * * * * *

TITLE II—STUDY OF SMALL BUSINESS

* * * * * * *

DUTIES

SEC. 203.
(a) IN GENERAL.—The Office of Advocacy shall also perform the following duties on a continuing basis:
(1) serve as a focal point for the receipt of complaints, criticisms, and suggestions concerning the policies and activities of the Administration and any other Federal agency which affects small businesses;
(2) counsel small businesses on how to resolve questions and problems concerning the relationship of the small business to the Federal Government;
(3) develop proposals for changes in the policies and activities of any agency of the Federal Government which will better fulfill the purposes of the Small Business Act and communicate such proposals to the appropriate Federal agencies;
(4) represent the views and interests of small businesses before other Federal agencies whose policies and activities may affect small business;
(5) enlist the cooperation and assistance of public and private agencies, businesses, and other organizations in disseminating information about the programs and services provided by the Federal Government which are of benefit to small businesses, and information on how small businesses can participate in or make use of such programs and services; and
(6) carry out the responsibilities of the Office of Advocacy under chapter 6 of title 5, United States Code.
(b) OUTREACH AND INPUT FROM SMALL BUSINESSES ON TRADE PROMOTION AUTHORITY.—
(1) DEFINITIONS.—In this subsection—
(A) the term "agency" has the meaning given the term in section 551 of title 5, United States Code;
(B) the term "Chief Counsel for Advocacy" means the Chief Counsel for Advocacy of the Small Business Administration;
(C) the term "covered trade agreement" means a trade agreement being negotiated pursuant to section 103(b) of the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (Public Law 114–26; 19 U.S.C. 4202(b)); and

(D) the term “Working Group” means the Interagency Working Group convened under paragraph (2)(A).

(2) WORKING GROUP.—

(A) IN GENERAL.—Not later than 30 days after the date on which the President submits the notification required under section 105(a) of the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (Public Law 114–26; 19 U.S.C. 4204(a)), the Chief Counsel for Advocacy shall convene an Interagency Working Group, which shall consist of an employee from each of the following agencies, as selected by the head of the agency or an official delegated by the head of the agency:

(i) The Office of the United States Trade Representative.

(ii) The Department of Commerce.

(iii) The Department of Agriculture.

(iv) Any other agency that the Chief Counsel for Advocacy, in consultation with the United States Trade Representative, determines to be relevant with respect to the subject of the covered trade agreement.

(B) VIEWS OF SMALL BUSINESSES.—Not later than 30 days after the date on which the Chief Counsel for Advocacy convenes the Working Group under subparagraph (A), the Chief Counsel for Advocacy shall identify a diverse group of small businesses, representatives of small businesses, or a combination thereof, to provide to the Working Group the views of small businesses in the manufacturing, services, and agriculture industries on the potential economic effects of the covered trade agreement.

(3) REPORT.—

(A) IN GENERAL.—Not later than 180 days after the date on which the Chief Counsel for Advocacy convenes the Working Group under paragraph (2)(A), the Chief Counsel for Advocacy shall submit to the Committee on Small Business and Entrepreneurship and the Committee on Finance of the Senate and the Committee on Small Business and the Committee on Ways and Means of the House of Representatives a report on the economic impacts of the covered trade agreement on small businesses, which shall—

(i) identify the most important priorities, opportunities, and challenges to various industries from the covered trade agreement;

(ii) assess the impact for new small businesses to start exporting, or increase their exports, to markets in countries that are parties to the covered trade agreement;

(iii) analyze the competitive position of industries likely to be significantly affected by the covered trade agreement;

(iv) identify—

(I) any State-owned enterprises in each country participating in negotiations for the covered trade agreement that could pose a threat to small businesses; and

(II) any steps to take to create a level playing field for those small businesses;

(v) identify any rule of an agency that should be modified to become compliant with the covered trade agreement; and

(vi) include an overview of the methodology used to develop the report, including the number of small business participants by industry, how those small businesses were selected, and any other factors that the Chief Counsel for Advocacy may determine appropriate.

(B) DELAYED SUBMISSION.—To ensure that negotiations for the covered trade agreement are not disrupted, the President may require that the Chief Counsel for Advocacy delay submission of the report under subparagraph (A) until after the negotiations for the covered trade agreement are concluded, provided that the delay allows the Chief Counsel for Advocacy to submit the report to Congress not later than 45 days before the Senate or the House of Representatives acts to approve or disapprove the covered trade agreement.

(C) AVOIDANCE OF DUPLICATION.—The Chief Counsel for Advocacy shall, to the extent practicable, coordinate the submission of the report under this paragraph with the United States International Trade Commission, the United States Trade Representative, other agencies, and trade advisory committees to avoid unnecessary duplication of reporting requirements.

(c) RED TAPE HOTLINE.—

(1) ESTABLISHMENT.—Not later than 180 days after the date of the enactment of this Act, the Chief Counsel for Advocacy shall—

(A) establish, operate, and maintain a hotline, to be known as the "Red Tape Hotline" to receive a notification from a small entity relating to the burden of complying with a rule, guidance, policy statement, or other activity of an agency that is applicable to such concern;

(B) establish an email address, submission form, phone number, or such other method as determined appropriate by the Chief Counsel for small entities to submit such notifications to such hotline; and

(C) establish a website providing such email address, submission form, phone number, or other method in a manner that is easily accessible.

(2) REPORT.—Not later than 1 year after the date of the enactment of this subsection, and annually thereafter, the Chief Counsel for Advocacy shall submit to the Administrator of the Small Business Administration and Congress a report on the Red Tape Hotline that includes—

(A) the rules, guidance, policy statements, and other activities for which notifications are most frequently received, including the affected industry sectors for such rules, guidance, policy statements, or other activities (as applicable);

(B) a summary of the notifications received, including the type of small entity or other organization that submitted

the notification and the geographic area and industry category from which the notification was sent;

(C) an identification of the agency that issued each such rule, guidance, policy statement, or engaged in such other activity, including an identification of which such rule, guidance, or policy statement such agency issued or an explanation of which such other activity the agency engaged in, as applicable;

(D) recommendations for each agency that issued such a rule, guidance, policy statement, or engaged in such other activity, for reducing the burden of such rule, guidance, policy statement, or other activity on small entities; and

(E) a summary of actions taken by the Chief Counsel to address such rules, guidance, policy statements, and other activities, including any such rules, guidance, policy statements, or other activities (as applicable) for which the Chief Counsel submitted comments or analysis.

(3) DEFINITIONS.—In this subsection—

(A) the term "agency" has the meaning given such term in section 551 of title 5, United States Code; and

(B) the terms "rule" and "small entity" have the meanings given such terms, respectively, in section 601 of such title.

* * * * * * *

XVIII. MINORITY VIEWS

On March 10, 2025, U.S. Small Business Administration (SBA) Administrator Loeffler announced an initiative, which would "cut $100 billion in regulations through the Office of Advocacy (Advocacy), launch a "Red Tape Hotline" for small businesses to share feedback and submit burdensome regulations for review, among other things.[1] According to the SBA, the "Red Tape Hotline" would give small businesses another mechanism to report regulations that are costly, confusing, duplicative or outdated. Between January 20, 2025, and April 29, 2025, the "Red Tape Hotline" received 96 small business requests and Advocacy is communicating those issues to federal agencies.[2] Despite repeated requests for more specific information on the submissions, Advocacy has not shared the topic or content with the Committee.

The Trump Administration has made rolling back regulations a priority, and many of the proposals trace back to Project 2025.[3] These Project 2025 proposals would bring the regulatory process to a standstill, harming the health, safety, and welfare of Americans and small businesses alike. Blanket deregulation creates confusion and uncertainty for small business stakeholders, imposes steep costs and ultimately hinders economic growth across multiple industries. I acknowledge poorly crafted regulations can be onerous and burdensome for small businesses; however, it is important to find ways to balance the shared goal of minimizing the burdens and achieving the intended effects of regulations.

The main points of concern with the "DUMP Red Tape Act" are:

- *The Title of the Legislation.* The "DUMP Red Tape Act" infers that regulations are inherently harmful to small businesses. The Coalition for Sensible Safeguards writes, the "one-sided nature of this bill creates the impression that it is more focused on advancing an ideological attack on regulations than actually helping small businesses."[4]
- *Lack of Transparency.* The information required in the report to Congress would not include the type of organization submitting the notification to the hotline. To that end, there would be no assurances that the individual or small business submitting the complaint is actually a small business or a business that has had the assistance of a trade association or law firm who represents larger clients, with the intent of torpedoing the regulation. In 2014, the U.S. Government Account-

[1] Press Release, U.S. SMALL BUS. ADMIN., SBA Announces Made in America Initiative (Mar. 10, 2025), https://www.sba.gov/article/2025/03/10/sba-announces-made-america-manufacturing-initiative.

[2] OFF. OF ADVOC., *First 100 Days*, U.S. SMALL BUS. ADMIN. (Apr. 2025), https://advocacy.sba.gov/wp-content/uploads/2025/04/First-100-Days_FINAL.pdf.

[3] *Mandate for Leadership: The Conservative Promise*, THE HERITAGE FOUND. (2024).

[4] Letter from Rachel Weintraub, Exec. Dir., COAL. FOR SENSIBLE SAFEGUARDS, to Roger Williams, Chair, H. COMM. ON SMALL BUS., & Nydia M. Velázquez, Ranking Member, H. COMM. ON SMALL BUS. (Nov. 18, 2025) (on file with the H. COMM. ON SMALL BUS.).

ability Office (GAO) issued a scathing report that found Advocacy lacked policies for documentation and maintaining records. In response to the report, Advocacy wrote that the Office will continue to develop how they disseminate information about regulatory activities in ways that are both responsive to the GAO's recommendations and the furtherance of Advocacy's mission.[5] During oversight meetings with Committee staff and the Office, Advocacy stated the Office has a process in place, whereby the business self identifies as a small business, after which the counsels conduct research into applicable industry NAICS code and corresponding size standard revenue to verify the claim.[6]

• *Focuses Only on "Burdensome" Regulations.* According to the site, the "Red Tape Hotline" gives "small businesses owners a direct way to report federal regulations that hurt their ability to grow, compete, or innovate." The message is very one-sided, asking small business owners to describe regulations that are confusing, costly or outdated; result in permitting or licensing delays; are duplicative of conflicting rules; or result in excessive paperwork or unclear guidance. It does not encourage small businesses to report on regulations that are beneficial to their small entity, in terms of leveling the playing field, promoting innovation, or providing clear rules of the road. In the letter from the Coalition on Sensible Safeguards, Ms. Rachel Weintraub further states: [7]

> Small businesses do not always oppose regulations or desire to see them weakened. In fact, small businesses often support regulations because they provide a level playing field on which to compete with larger corporations that would otherwise dominate the market. Small businesses also tend to support agency guidance and policy documents that provide plain-language explanations on what is expected to reduce hazards and avoid citations and penalties. In addition, small businesses already receive unique opportunities to provide input on rules and other actions that the public does not receive. Yet this bill seeks only information from some small businesses about so-called burdens, rather than seeking to understand how regulations affect small businesses—both the good and bad.

• *Lack of Information.* Despite two specific requests at the Committee staff level for information pertaining to the types of requests that small businesses are sharing on the hotline, Advocacy has failed to provide the information. The submissions could be related to tariffs and unpaid contracting invoices, instead of rules. But the Committee lacked the information, and the measure was rushed to mark-up without adequate informa-

[5] U.S. GOV'T ACCOUNTABILITY OFF., GAO–14–525, SMALL BUSINESS ADMINISTRATION: OFFICE OF ADVOCACY NEEDS TO IMPROVE CONTROLS OVER RESEARCH, REGULATORY, AND WORKFORCE PLANNING ACTIVITIES (Jul. 2014), https://www.gao.gov/assets/gao-14-525.pdf.

[6] Meeting with Hon. Casey B. Mulligan, Chief Couns., OFF. OF ADVOC., Stephanie Fekete, Dir. of Interagency Affs., OFF. OF ADVOC., and Committee staff at H. COMM. ON SMALL BUS., in D.C. (Sept. 11, 2025).

[7] Weintraub, *supra* note 4.

tion to ensure changes are made that could improve the hotline.

• *Message is Misleading.* And the messaging from the Administration suggesting that Advocacy is "empowered by law to work across federal agencies to identify and eliminate rules, policies, and procedures that disproportionately burden small businesses and manufacturers" is misleading. Advocacy's role is to be the voice of small businesses throughout the regulatory process, not to be an anti-regulatory czar.

• *Lack of Independence From the SBA.* Advocacy is an independent office within the SBA that is responsible for advancing the views and concerns of small businesses before Congress, the White House, federal agencies, the federal courts, and state and local policymakers as appropriate.[8] The independence stemmed from concerns that SBA's Administrator reports to the Office of Management and Budget (OMB) and at the time was more attuned to the interests of large businesses. Congress responded by passing P.L. 94–305 to enhance the Chief Counsel's authority by requiring Advocacy to be established as a separate, standalone office within the SBA and requiring the Chief Counsel to be appointed from civilian life by and with the advice and consent of the Senate. The Small Business Jobs Act of 2010 required a separate appropriations account for Advocacy, further enhancing its independence by requiring a separate budget and also office space, and equipment.[9] Despite the intent for independence, I believe Administrator Loeffler has blurred the lines between the role of the SBA and the Office of Advocacy, by stating it will work with the Office of Advocacy to identify areas for deregulation to reduce unneeded burden on small businesses. Moreover, it is the Committee's understanding that the SBA created and is now managing the hotline on Advocacy's website.

• *Hotline is Redundant.* Advocacy has main webpage with the names and contact information of the counsels for specific rules. The Office also has regional advocates in 10 regions who identify issues and concerns of small businesses. Moreover, there is already an anti-regulation hotline on regulations.gov. The hotline is duplicative and redundant, especially as the government looks to be more efficient with taxpayer funds.

Small businesses need certainty, and the Trump Administration's actions are causing a tremendous amount of chaos, confusion, and unpredictability for small businesses. Democratic Members have sent letters to Administrator Loeffler regarding the Department of Government Efficiency (DOGE) infiltrating SBA headquarters, staff terminations, federal funding freeze, the relocation of six regional offices, and tariffs. No substantive responses have been received for any letter. Similarly, Medicaid and health care cuts and tariffs are

---

[8] OFF. OF ADVOC., *Background Paper: Office of Advocacy 2017–2020*, U.S. SMALL BUS. ADMIN. (Jan. 2021), https://advocacy.sba.gov/wp-content/uploads/2021/02/Background-Paper-Office-of-Advocacy-2017-2020-web.pdf.

[9] CONG. RSCH. SERV., R43625, SBA OFFICE OF ADVOCACY: OVERVIEW, HISTORY, AND CURRENT ISSUES (Mar. 30, 2022), https://www.congress.gov/crs-product/R43625.

actively harming America's main streets by reducing the workforce and increasing operating costs.

NYDIA M. VELÁZQUEZ,
Ranking Member.

○