

Appendix — SBA Office of Advocacy FY 2026 Congressional Budget Justification and Annual Performance Plan

Overview

The Office of Advocacy (Advocacy) is an independent office within the U.S. Small Business Administration (SBA). Advocacy has its own statutory charter, Title II of Public Law 94-305 as amended (15 U.S.C. § 634a et seq.), originally enacted in 1976. It is headed by a Chief Counsel for Advocacy, appointed by the President and confirmed by the Senate. Advocacy works to reduce the burdens that Federal regulations and other policies impose on small entities and provides vital small business research for the use of policymakers and other stakeholders.

The mission of Advocacy is to encourage policies that support the development and growth of American small businesses by:

- Intervening early in Federal agencies' regulatory development processes on proposals that affect small entities and providing Regulatory Flexibility Act (RFA) compliance training to Federal agency policymakers and regulatory development officials;
- Producing research to inform policymakers and other stakeholders on the impact of Federal regulatory burdens on small businesses, documenting the vital role of small businesses in the economy, and exploring and explaining the wide variety of issues of concern to the small business community; and
- Fostering two-way communication between Federal agencies and the small business community.

Advocacy represents the interests of small businesses within the Federal government. It advances the views and concerns of small businesses before Congress, the White House, Federal agencies, the Federal courts, and state and local policymakers as appropriate. Economic research, policy analyses, and small business outreach help identify issues of concern. Documentation of the contributions of, and challenges for, small businesses in the U.S. economy provides policymakers with the information that they need to make informed decisions.

In addition to those responsibilities included in Advocacy's basic charter, further duties and powers were conferred upon the Chief Counsel for Advocacy by the Regulatory Flexibility Act (RFA) of 1980 as amended and Executive Order 13272. These duties include the monitoring of Federal agency compliance with the RFA, providing RFA compliance training to regulatory officials, and assisting regulatory agencies during all stages of the rule development process to mitigate the potential impact of rules on small entities while still achieving their regulatory objectives.

Public Law 111-240, the Small Business Jobs Act of 2010, further amended Advocacy's statutory authority to require that each budget submitted by the President shall include a separate statement of the amount of appropriations requested for Advocacy, and that these funds be designated in a separate Treasury account. The Act also requires SBA to provide Advocacy with office space, equipment, an operating budget, and communications support, including the maintenance of such equipment and facilities (15 U.S.C. § 634g(b)).

FY 2026 Performance Plan

The Office of Advocacy is requesting an increase in appropriations to \$14.2 million in order to support the Trump Administrator’s prioritization of regulatory reform. Advocacy’s deregulatory efforts have led to massive returns for the American taxpayer. In FY 2024, Advocacy returned \$1.2 billion in annualized cost savings off an \$8.5 million budget. Multiple groups, including GAO,¹ Congress², and OMB have indicated a need for more robust enforcement of the RFA and the training to go with it.

In FY 2026, Advocacy will build on several of the new initiatives launched since January 20, 2025, including the SBA Made in America Manufacturing Initiative, the Red Tape Hotline, and expanding small business economic datasets. Advocacy will also continue its existing initiatives, holding meetings with hundreds of stakeholders across the country, filing dozens of public comment letters, and facilitating countless other touchpoints with federal regulatory agencies on behalf of small businesses. Advocacy will fully staff its regional advocate program, covering every state and territory to execute localized engagement.

Leaving Advocacy at its baseline funding level risks stretching the office too thin and falling short of the President’s bold but attainable deregulatory goals. Advocacy must currently strike make tradeoffs between core operations (RFA enforcement and small business research), new programs (research supporting the Made in America tour and potential legislative changes), and returning to old initiatives like the Regional Deregulatory Roundtable initiative.³ The additional \$4 million requested for FY 2026 allows Advocacy to stop falling short of executing the office’s full statutory authority. With the added funds, the office will quickly increase legal and economic staffing by utilizing our unique direct hiring authority, deliver more robust public communications and constituent/issue tracking, and travel more broadly to meet small businesses where they are and gather first-hand input, which pays significant dividends. The Office of Advocacy is uniquely well-positioned and at-the-ready to continue executing the President’s regulatory reform agenda.

FY Performance Targets

Performance Measure	Performance Metric Established	FY 2025 Target	FY 2026 Target
Objective 1.1: Achievement of Regulatory Cost Savings	FY 2021	\$6.5 billion	\$9.1 billion
Objective 1.2: Regulatory Flexibility Act Compliance Training	FY 2004	100 officials	140 officials
Objective 2.1: Research and Data Publications	FY 2013	20 products	28 products
Objective 2.2: Outreach by Regional Advocate Team	FY 2013	360 events	504 events

¹ <https://www.gao.gov/products/gao-25-106950>

² https://smallbusiness.house.gov/uploadedfiles/05.22.2024_-_house_committee_on_small_business_rfa_report.pdf

³ <https://advocacy.sba.gov/wp-content/uploads/2020/04/2nd-Progress-Report-on-Reg-Reform-Roundtables.pdf>

Objective 2.3: Outreach by Advocacy Economists	FY 2013	12 presentations	17 presentations
*All FY26 objectives reflect a 40% increase in targets in FY 2026, commensurate with the requested budget increase.			