



Testimony of Associate Administrator Josh Carter Before the U.S. House Committee on Small Business

June 25, 2026

Chairman Williams, Ranking Member Velázquez, and distinguished members of the House Committee on Small Business:

Thank you for the opportunity to testify today on behalf of the U.S. Small Business Administration (SBA).

My name is Josh Carter, and I serve as the Associate Administrator for the SBA's Office of Investment and Innovation. It is an honor to discuss how the SBA's investment and innovation programs are helping America's entrepreneurs access capital, commercialize breakthrough technologies, and create jobs in local communities across the country.

Under the leadership of President Donald J. Trump and Administrator Kelly Loeffler, SBA has renewed its focus on supercharging access to capital for small businesses, commercializing new innovative technology, and creating good-paying jobs through strong public-private partnerships. Today, I am pleased to discuss how the SBA's investment and innovation programs are producing historic results for America's entrepreneurs, manufacturers, technology leaders, and taxpayers.

Fiscal Year 2025 marked a record year for capital formation and innovation at the SBA. At the center of that success is the Small Business Investment Company, or SBIC, program. Last year, the SBIC program reached a record \$53 billion in total assets, the largest in its history and a reflection of unprecedented levels of private capital being mobilized through public-private partnerships.

For more than six decades, the SBIC program has served as one of the federal government's less well-known but most successful investment programs. Importantly, SBICs provide more than just capital. They bring industry expertise, strategic guidance, and business relationships that help entrepreneurs grow and succeed.

Today, approximately 360 active SBIC funds manage more than \$55 billion in total capital. Since the program's inception, SBICs have deployed more than \$147 billion through over



200,000 investments in American small businesses. These investments supported the creation of more than 10.6 million new jobs since 1995.

Congress has also taken an important step to ensure the continued growth of the SBIC program through passage of the Investing in All of America Act, one of the most significant enhancements to the SBIC program in years. The legislation increases SBA leverage limits, allowing significantly more private capital to flow into America's small businesses. For many funds, these higher limits can translate into nearly \$200 million in additional investment capacity available to support growing businesses.

The law also provides up to \$125 million in additional leverage for funds investing in Administration priorities such as critical technologies, rural communities, and small manufacturers. These incentives help direct capital toward sectors and communities essential to America's long-term economic competitiveness and industrial strength in an increasingly competitive global environment.

During the past year, the SBA has removed regulatory barriers to facilitate SBIC investments in critical mineral extraction and processing and designated critical technologies, while eliminating restrictive eligibility requirements for fund applicants and improving efficiency for experienced fund managers.

Additionally, the SBIC program aligned its Investment Strategies with SBA Strategic Priorities to create additional flexibilities around pre-licensing investments to ensure U.S. small businesses receive the capital they need, when they need it.

These reforms strengthen one of the federal government's most successful public-private partnerships, positioning the SBIC program to mobilize investment at greater scale for the next generation of American small businesses.

And while capital is essential, innovation remains equally important to America's future. The Small Business Innovation Research and Small Business Technology Transfer, or SBIR/STTR, programs continue to demonstrate the power of investing in American ingenuity.

In 2025, more than 1,600 SBIR/STTR-funded small businesses reported nearly \$29 billion in commercialization activity, including follow-on private investment, government contracts, and private-sector sales. These outcomes demonstrate the SBIR/STTR program's



effectiveness in translating federally funded research into deployable technologies with real-world economic and national security impact.

The recent reauthorization of the SBIR/STTR program provides critical certainty for innovators, investors, federal agencies, and entrepreneurs.

All these accomplishments tell a powerful story. The SBIC program reached a record portfolio size, providing unprecedented access to capital for small businesses. The SBA approved new investment funds expected to generate tens of billions of dollars in private-sector investment. Congress modernized the SBIC program through the Investing in All of America Act, increasing leverage capacity and incentivizing investment in critical technologies and Made in America manufacturing. At the same time, SBIR/STTR-supported companies continue to generate significant commercialization activity, and President Trump and Congress have provided long-term certainty through reauthorization of the program.

These results demonstrate that when government creates the conditions for private-sector investment and innovation, America's small businesses deliver tangible results and drive economic growth across the nation.

The SBA remains committed to expanding access to capital, supporting innovation, strengthening domestic manufacturing, and helping America's entrepreneurs continue to lead the world in economic and technological advancement.

Thank you for your time today. I look forward to hearing from members of this committee and answering your questions.