

**Congress of the United States**  
**U.S. House of Representatives**  
**Committee on Small Business**  
2561 Rayburn House Office Building  
Washington, DC 20515-6515

January 29, 2026

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

Dear Administrator Loeffler:

We write to urge you to immediately provide reimbursements to states and territories participating in the Small Business Administration's (SBA) State Trade Expansion Program (STEP) for services completed in Fiscal Year (FY) 2023 and FY 2024, as well as follow through in the awarding of FY 2025 grants and release the FY 2026 funds in a timely way.

It has come to our attention that reimbursements to STEP grantees have been delayed. Based on feedback from grantees, 23 recipients are waiting for reimbursements from STEP 11, totaling \$2.3 million in FY 2023. Thirty-two grantees are waiting for reimbursements from STEP 12, totaling \$5.8 million in FY 2024. It is imperative that the SBA honor its commitments and disburse funds for services already rendered by the states. Withholding millions of dollars in reimbursements from SBA's partners is causing financial constraints on an otherwise effective program.

Further, SBA has not followed through in awarding grants to states and territories for STEP 13. In FY 2025, Congress approved \$20 million in funding for the STEP program. On June 13, 2025, the SBA posted a Notice of Funding Opportunity (NOFO) seeking proposals for STEP 13 grants. The closing date for states to submit applications was July 31, 2025. However, the awards have not been announced, nor have the funds been disbursed. When Congress appropriates funds for entrepreneurial development programs, including STEP, SBA has a legal obligation to implement those programs and provide full funding, consistent with Congressional intent.

STEP has been incredibly successful over the years. In FY 2024, SBA reported making several program improvements including additional steps to monitor STEP reimbursement requests and digital tools to better track and report on the STEP process. That year, STEP conducted twice as many outreach events as originally planned, assisted at least 3,400 small businesses, and supported more than 14,800 jobs.

Since its inception, STEP has helped to level the playing field for small businesses and enter new markets, in turn creating jobs and expanding our economy. Small businesses currently account

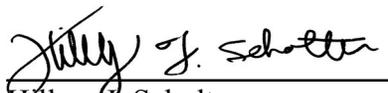
for about 35 percent of all U.S. exports, with \$542 billion of the \$1.5 trillion in total export sales coming from small businesses.<sup>1</sup> To achieve our shared goals of expanding the base of small business exporters and increasing export sales it is crucial that you reimburse grantees and award FY 25 grants to promote export development, unlocking opportunities to participate in trade missions, foreign market sales trips, export trade shows, international marketing efforts, and export training. In conclusion, STEP is a proven, time-tested program that spurs job creation and boosts our economy, and congressionally appropriated funds should be released without further delay.

Thank you for your attention to this request, and we look forward to your prompt reply.

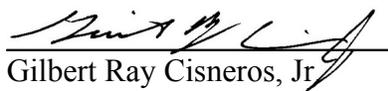
Sincerely,

  
Nydia M. Velázquez  
Ranking Member  
Committee on Small Business

  
Morgan McGarvey  
Member of Congress

  
Hillary J. Scholten  
Member of Congress

  
LaMonica McIver  
Member of Congress

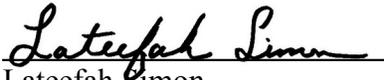
  
Gilbert Ray Cisneros, Jr.  
Member of Congress

  
Kelly Morrison  
Member of Congress

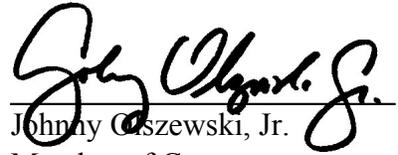
  
George Latimer  
Member of Congress

  
Derek T. Tran  
Member of Congress

<sup>1</sup> Amanda Radwanski, *What Do We Know About Small Businesses that Export?* SMALL BUSINESS ADMIN. OFFICE OF ADVOCACY (Mar. 5, 2024).



Lateefah Simon  
Member of Congress



Johnny Ciszewski, Jr.  
Member of Congress



Herbert C. Conaway, Jr.  
Member of Congress



Maggie Goodlander  
Member of Congress