

SAVE SBA FROM SANCTUARY CITIES ACT OF 2025

MAY 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

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 2931]

The Committee on Small Business, to whom was referred the bill (H.R. 2931) to direct the Administrator of the Small Business Administration to relocate certain offices of the Small Business Administration in sanctuary jurisdictions, and for other purposes, having considered the same, reports favorably thereon with an amendment and recommends that the bill as amended do pass.

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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 “Save SBA from Sanctuary Cities Act of 2025”.

SEC. 2. RELOCATION OF CERTAIN OFFICES IN SANCTUARY JURISDICTIONS.

(a) **IN GENERAL.**—The Administrator shall relocate each covered office located in a sanctuary jurisdiction in accordance with this section.

(b) **DETERMINATION REQUIRED.**—Subsection (a) shall apply with respect to a covered office only if, prior to ordering the relocation of such covered office under such subsection, the Administrator makes a determination that such covered office is located in a sanctuary jurisdiction and makes such determination publicly available.

(c) **RELOCATION REQUIREMENT.**—When relocating a covered office under this section, the Administrator shall relocate such covered office to a location that—

- (1) is not in a sanctuary jurisdiction; and
- (2) if the State in which such covered office is located prior to such relocation is not a sanctuary jurisdiction, is in such State.

(d) **RELOCATION DEADLINE.**—

(1) **DEADLINE.**—Not later 120 days after the Administrator makes publicly available a determination under subsection (b) with respect to a covered office, the Administrator shall relocate such covered office in accordance with subsection (c).

(2) **NONCOMPLIANCE.**—

(A) **IN GENERAL.**—If a covered office described in paragraph (1) is not relocated in accordance with subsection (c) prior to the expiration of the 120-day period applicable to such relocation under such paragraph—

(i) not later 5 days after the expiration of such 120-day period, the head of such covered office shall submit to the Administrator a written explanation of why such covered office was not relocated prior to expiration of such 120-day period; and

(ii) during the period beginning on the day after expiration of such 120-day period and ending on the date on which such covered office is relocated to a location that is not in a sanctuary jurisdiction—

- (I) such covered office shall cease operations; and
- (II) each employee of the Administration whose duty station was at such covered office shall be assigned to a duty station at another covered office that is located in the same State and not in a sanctuary jurisdiction or, if no other covered office is located in the same State and not in a sanctuary jurisdiction, any other covered office that is not located in a sanctuary jurisdiction.

(B) **REMOVAL.**—The Administrator shall immediately remove the head of a covered office required to submit a written explanation under subparagraph (A)(i) if—

- (i) such head does not submit such a written explanation in accordance with such subparagraph; or
- (ii) the Administrator determines that the reasons provided in the written explanation submitted by such head under such subparagraph for the relocation of such covered office not being completed prior to the expiration of the 120-day period described in paragraph (1) with respect to such covered office are insufficient.

(e) **NEW OFFICE LIMITATION.**—The Administrator may not establish a covered office in sanctuary jurisdiction.

(f) **DEFINITIONS.**—In this section:

(1) **ADMINISTRATION.**—The term “Administration” means the Small Business Administration.

(2) **ADMINISTRATOR.**—The term “Administrator” means the Administrator of the Administration.

(3) **COVERED OFFICE.**—The term “covered office” means a regional, district, or local office the Administration, other than the headquarters of the Administration, or any other component of the Administration fully funded by funds appropriated by Congress.

(4) **SANCTUARY JURISDICTION.**—

(A) **IN GENERAL.**—Except as provided by subparagraph (B), the term “sanctuary jurisdiction” means any State or political subdivision of a State that has in effect a statute, ordinance, policy, or practice that prohibits or restricts any government entity or official from—

(i) sending, receiving, maintaining, or exchanging with any Federal, State, or local government entity information regarding the citizenship or immigration status (lawful or unlawful) of any individual; or

(ii) complying with a request lawfully made by the Department of Homeland Security under section 236 or 287 of the Immigration and Nationality Act (8 U.S.C. 1226 and 1357) to comply with a detainer for, or notify about the release of, an individual.

(B) EXCEPTION.—A State or political subdivision of a State shall not be deemed a sanctuary jurisdiction based solely on its having a policy whereby its officials will not share information regarding, or comply with a request made by the Department of Homeland Security under section 236 or 287 of the Immigration and Nationality Act (8 U.S.C. 1226 and 1357) to comply with a detainer regarding, an individual who comes forward as a victim or a witness to a criminal offense.

I. PURPOSE AND BILL SUMMARY

On April 17, 2025, Rep. Finstad introduced H.R. 2931, the *Save SBA from Sanctuary Cities Act*. H.R. 2931 requires the Small Business Administration (SBA) to relocate SBA offices out of sanctuary jurisdictions and into jurisdictions which do not limit their cooperation with federal agencies charged with immigration enforcement.

II. NEED FOR LEGISLATION

Under the Biden-Harris Administration, the United States suffered from a self-inflicted border crisis that welcomed a rise in sanctuary jurisdictions throughout the country. Sanctuary jurisdictions are jurisdictions throughout the United States that have implemented policies to limit immigration enforcement. The SBA has offices across the country, some of which are in sanctuary jurisdictions. This bill is necessary to ensure that SBA employees do not face public safety threats due to the relaxed policies in these cities.

This bill also codifies actions ordered with respect to President Trump’s Executive Order (EO) 14218 “Ending Taxpayer Subsidization of Open Borders” and EO 14287 “Protecting American Communities from Criminal Aliens.”¹ Additionally, on March 6, 2025, SBA Administrator Loeffler announced that the SBA would relocate SBA offices out of sanctuary jurisdictions.² This bill codifies EO 14287, EO 14218, and Administrator Loeffler’s implementation of the orders.

III. HEARINGS

On February 5, 2025, the Committee on Small Business held a hearing examining matters related to H.R. 2931 entitled “Hope on the Horizon: Prioritizing Small Business Growth in the 119th Congress.”

IV. COMMITTEE CONSIDERATION

The Committee on Small Business met in open session, with a quorum being present, on April 30, 2025, and ordered H.R. 2931, as amended, to be reported favorably to the House of Representatives by a roll call vote of 15 ayes to 11 nos. During the markup three amendments were offered.

¹Exec. Order 14,218, 90 Fed. Reg. 10581 (2025); Exec. Order 14,287, 90 Fed. Reg. 18761 (2025).

²News Release, U.S. Small Bus. Admin., Administrator Loeffler Announces SBA Reforms to Put American Citizens First (Mar. 6, 2025), <https://www.sba.gov/article/2025/03/06/administrator-loeffler-announces-sba-reforms-put-american-citizens-first>.

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. 2931 as amended, to the House of Representatives at 6:14 PM.

The Committee considered the following amendments to H.R. 2931:

- Representative Finstad 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 11 ayes to 15 nos.
- Representative Velázquez offered an amendment to the amendment in the nature of a substitute. The vote on the amendment failed 11 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	
	Mrs. McIver (NJ-10)	X	
	Mr. Cisneros (CA-31)	X	
	Dr. Morrison (MN-03)	X	
	Mr. Latimer (NY-16)	X	
	Mr. Tran (CA-45)		
	Ms. Simon (CA-12)	X	
	Dr. Olszewski (MD-02)	X	
	Dr. Conaway (NJ-03)	X	
	Ms. Goodlander (NH-02)	X	
	Chairman Williams (TX-25)		X
	TOTALS	11	15

COMMITTEE ON SMALL BUSINESS119th Congress (*First Session*)Date: Wednesday, April 30, 2025Measure: Amendment to the ANS to H.R. 2931

Time: 6:15 PM ET

Amendment #: 1Offered By: Representative Cisneros

Result?	<u>Agreed To:</u>	[]	
	<u>Not Agreed To:</u>	[X]	
	<u>Withdrawn:</u>	[]	
<i>Voice Vote</i>	<i>Ayes</i>	<i>Nays</i>	<i>Present</i>
	11	15	

FC Vote #	17
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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	
	Mrs. McIver (NJ-10)	X	
	Mr. Cisneros (CA-31)	X	
	Dr. Morrison (MN-03)	X	
	Mr. Latimer (NY-16)	X	
	Mr. Tran (CA-45)		
	Ms. Simon (CA-12)	X	
	Dr. Olszewski (MD-02)	X	
	Dr. Conaway (NJ-03)	X	
	Ms. Goodlander (NH-02)	X	
	Chairman Williams (TX-25)		X
	TOTALS	11	15

COMMITTEE ON SMALL BUSINESS119th Congress (*First Session*)Date: Wednesday, April 30, 2025Measure: Amendment to the ANS to H.R. 2931

Time: 6:15 PM ET

Amendment #: 1Offered By: Representative Velazquez

Result?	<u>Agreed To:</u> []		
	<u>Not Agreed To:</u> [X]		
	<u>Withdrawn:</u> []		
<i>Voice Vote</i>	<i>Ayes</i>	<i>Nays</i>	<i>Present</i>
	11	15	

FC Vote #	18
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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
	Mrs. McIver (NJ-10)		X
	Mr. Cisneros (CA-31)		X
	Dr. Morrison (MN-03)		X
	Mr. Latimer (NY-16)		X
	Mr. Tran (CA-45)		
	Ms. Simon (CA-12)		X
	Dr. Olszewski (MD-02)		X
	Dr. Conaway (NJ-03)		X
	Ms. Goodlander (NH-02)		X
	Chairman Williams (TX-25)	X	
	TOTALS	15	11

COMMITTEE ON SMALL BUSINESS119th Congress (*First Session*)Date: Wednesday, April 30, 2025Measure: H.R. 2931 Save SBA from Sanctuary Cities Act (As Amended)

Time: 6:16 PM ET

Result?	Agreed To: [X]		
	Not Agreed To: []		
	Withdrawn: []		
<i>Voice Vote</i>	<i>Ayes</i>	<i>Nays</i>	<i>Present</i>
	15	11	

FC Vote #	19
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VI. SECTION-BY-SECTION OF H.R. 2931

Section 1—Short title

This section states that the Act may be cited as the “Save SBA from Sanctuary Cities Act.”

Section 2—Relocation of certain offices in sanctuary jurisdictions

This section requires SBA to relocate covered SBA offices in sanctuary jurisdictions per numerous conditions.

Within 120 days after the Administrator makes a public determination that an SBA office is located in a sanctuary jurisdiction, the SBA office must be relocated. If a covered SBA office fails to relocate within the 120-day period, the office shall cease operations until it is relocated, and SBA employees assigned to such office shall be reassigned to an office located in a non-sanctuary jurisdiction.

Within five days after the expiration of the 120-day relocation period, heads of offices determined to be in sanctuary jurisdictions must submit a written explanation to the Administrator as to why such office was not relocated within the 120-day relocation period. The Administrator is then required to immediately remove heads of offices if such explanation is not submitted within five days, or in the case that such explanation is determined to be insufficient.

Additionally, this section prohibits the SBA from establishing a covered office in a sanctuary jurisdiction and lists definitions for several terms used throughout the bill, including “covered office” and “sanctuary jurisdiction.”

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. The Committee has requested but not received from the Director of the Congressional Budget Office a cost estimate for the Committee’s provisions.

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 Sec. 402 of the Congressional Budget Act of 1974, the Committee does not believe that there will be any additional costs attributable to this legislation. H.R. 2931 does not direct new spending, but instead reallocates funding independently authorized and appropriated.

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. 2931 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, there are no specific performance goals and objectives of H.R. 2931 applicable.

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. 2931 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 adopts as its own the estimate of 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. MINORITY VIEWS

On March 6, 2025, SBA Administrator Kelly Loeffler announced that “SBA will relocate six of its regional offices currently located in municipalities that do not comply with U.S. Immigration and Customs Enforcement (ICE). Over the coming months, the Atlanta, Boston, Chicago, Denver, New York City, and Seattle regional offices will be moved to less costly, more accessible locations that better serve the small business community and comply with federal immigration law.”¹

This announcement came one day after the Chairman of the House Oversight Committee hauled in the mayors from four of the six above-mentioned cities to testify about their policies towards immigrants. In their testimony, the mayors made clear that they are in full compliance with federal law, and they do not obstruct ICE from carrying out its responsibilities.²

Twenty-four House Democrats, led by the Ranking Member, sent a letter to Administrator Loeffler on March 20, 2025³ raising serious concerns over the abrupt decision to relocate six SBA regional offices. At this time, the Administrator has not responded to the letter nor has she set up a briefing to brief Members, ignoring the Small Business Committee Members who have direct oversight over all matters and related to the SBA.

Specifically, the concerns were:

- The move, which punitively targets six major cities with high concentrations of Democratic residents, is a blatant weaponization of SBA for political gain;
- This decision will unduly harm millions of small businesses across the country that have been suffering from the chaotic, confusing, and unpredictable economic policies of the Trump Administration;
- The SBA has no clear plans to relocate the offices or prevent any disruption to the small business owners who rely upon them, and appears not to have followed leading practices of effective agency reorganizations identified by the Government Accountability Office; and
- Congressional and other stakeholders were not consulted or informed of this decision or any other proposed agency reforms.

Committee Democrats offered two amendments to the legislation. First, Rep. Gil Cisneros (D–CA) offered an amendment that would

¹ Press Release, U.S. SMALL BUS. ADMIN., *Administrator Loeffler Announces SBA Reforms to Put American Citizens First* (Mar. 6, 2025), <https://www.sba.gov/article/2025/03/06/administrator-loeffler-announces-sba-reforms-put-american-citizens-first>.

² A Hearing with Sanctuary City Mayors: Hearing before the H. COMM. ON OVERSIGHT AND GOVT REFORM, 119th Cong. (Mar. 5, 2025).

³ Letter from the H. COMM. ON SMALL BUS. to the U.S. SMALL BUS. ADMIN. (Mar. 20, 2025), https://democrats-smallbusiness.house.gov/uploadedfiles/letter_to_sba_-_regional_office_relocations_final.pdf.

prohibit the implementation of the bill if the costs are greater than zero. Mr. Cisneros made the point that the SBA is not the Department of Homeland Security or Immigration and Customs Enforcement (ICE) and should be focused on supporting small businesses, regardless of party affiliation. The Ranking Member added that the costs to the taxpayer should be taken into consideration when making these decisions. Republicans defeated the amendment.

Mr. McGarvey offered an amendment on behalf of Rep. Nydia Velazquez (D-NY) because she had to be at a mark-up at the Financial Services Committee. The amendment would prohibit the implementation of the Act until the Administrator submits to the House and Senate Small Business Committees a report providing specific information on the relocations. There has been limited stakeholder involvement in this decision and there appears to be no plan in place or analysis conducted around the relocation of the offices. Despite multiple requests for information, SBA has not provided any details. Republicans defeated the amendment on the grounds that it would delay the implementation of the process. Committee Democrats disagree and made clear that unilaterally, pushing through proposals to relocate long-standing regional offices without consulting Congress is unacceptable. Disregarding congressional oversight undermines the principles of accountability and transparency. Republicans opposed the amendment that would bring transparency to the process.

Committee Democrats opposed the measure because (1) the relocation is a waste of taxpayers' resources, (2) there has been no information about the reorganization plan despite repeated requests to SBA for information, and (3) the Administrator is publicly stating she is going to relocate the Denver office, but privately she is asking employees to relocate there.

NYDIA M. VELÁZQUEZ,
Ranking Member.

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