

# “Trump is Setting the SBA Up for Failure,” says Lloyd Chapman, American Small Business League Founder and President

*The SBA's contracting program is the largest economic stimulus plan ever created by Congress, Chapman asserts*

PETALUMA, CA, UNITED STATES, March 31, 2025 /EINPresswire.com/ -- Lloyd Chapman, founder

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If President Trump insists that student loans must go inside the SBA, then without question it would need a much bigger budget and a much bigger staff.”

*Lloyd Chapman*

and president of the [American Small Business League](#), recently warned, “I believe that President Trump is setting [the SBA](#) up for failure. The staff is being cut by 43%. The budget is expected to shrink by almost half. It has recently been accused of mismanaging over \$600 million in loans. And yet it’s being given responsibility for \$1.6 trillion in federally backed student loans. Why?”

Chapman emphasized, “There’s already talk of the student loans being moved into the Treasury or Commerce

Department eventually. Are we being prepared to hear that all of the SBA’s functions will be moved into other agencies, where they can get lost in the fog of bureaucracy?”

“Rarely mentioned,” said Chapman, “is the SBA’s contracting program, mandated by the Small Business Act of 1953, the largest economic stimulus plan ever passed by Congress whereby 23% of federal contracts are supposed to go to small businesses, which are 99.9% of all companies in America.”

“We [the American Small Business League] have shown for decades,” Chapman continued, “that small business contracts regularly go to Fortune 500 companies and the SBA falsifies compliance with the 23% goal, diverting billions of dollars away from legitimate small businesses every year and preventing them from creating the millions of new jobs they would have to create to fulfill those contracts if only some president would investigate this scandal and force compliance with the law.”

“Congress did not create the SBA under the 1953 Small Business Act to handle student loans,” said Chapman. “It was created to serve small businesses. But student loans have to go

somewhere, now that the Department of Education is being dismantled. They should go into the Treasury Department. Much more logical. They can handle it. Their budget is \$20 billion this year, versus the SBA's, which will shrink, it seems, from just under one billion to just over \$500 million."

"But if President Trump insists that student loans must go inside the SBA," Chapman concluded, "then without question it would need a much bigger budget and a much bigger staff."

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About The American Small Business League

The American Small Business League is the strongest voice in America protecting the federal programs that assist the nation's 34.7 million small businesses. Winning over 100 Freedom of Information legal battles has exposed the rampant fraud in federal small business programs. In the national media and in federal courts, the ASBL has had a larger presence than all other organizations that claim to represent the interest of small businesses combined.

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