

119TH CONGRESS
1ST SESSION

H. R. 2965

IN THE SENATE OF THE UNITED STATES

DECEMBER 4, 2025

Received; read twice and referred to the Committee on Small Business and
Entrepreneurship

AN ACT

To require the Administrator of the Small Business Adminis-
tration to ensure that the small business regulatory
budget for a small business concern in a fiscal year
is not greater than zero, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Small Business Regu-
3 latory Reduction Act of 2025”.

4 **SEC. 2. SMALL BUSINESS ADMINISTRATION RULEMAKING**
5 **COSTS TO SMALL BUSINESS CONCERNS.**

6 (a) DEFINITIONS.—In this section:

7 (1) ADMINISTRATOR.—The term “Adminis-
8 trator” means the Administrator of the Small Busi-
9 ness Administration.

10 (2) RULE; RULEMAKING.—The terms “rule”
11 and “rulemaking” have the meanings given those
12 terms in section 551 of title 5, United States Code.

13 (3) SMALL BUSINESS.—The term “small busi-
14 ness” has the same meaning as the term “small
15 business concern” under section 3 of the Small
16 Business Act (15 U.S.C. 632), unless an agency,
17 after consultation with the Office of Advocacy of the
18 Small Business Administration and after oppor-
19 tunity for public comment, establishes one or more
20 definitions of such term which are appropriate to the
21 activities of the agency and publishes any such defi-
22 nitions in the Federal Register.

23 (4) SMALL BUSINESS REGULATORY BUDGET.—
24 The term “small business regulatory budget” means
25 the cost to a small business of a rulemaking con-
26 ducted by a Federal agency, including the cost re-

1 sulting from the issuance of any new rule and the
2 cost resulting from the modification or repeal of an
3 existing rule.

4 (b) REQUIREMENT.—In fiscal year 2026 and each
5 fiscal year thereafter, the Administrator shall ensure that
6 the small business regulatory budget for the Small Busi-
7 ness Administration for the applicable fiscal year is not
8 greater than zero.

9 (c) ADVOCACY REPORT.—Not later than 60 days
10 after the end of fiscal year 2025, and annually thereafter,
11 the Chief Counsel for the Office of Advocacy of the Small
12 Business Administration shall submit to Congress a report
13 regarding rules issued by Federal agencies other than the
14 Administration during the preceding fiscal year that have
15 an impact on small businesses, which shall—

16 (1) include the total small business regulatory
17 budgets for the preceding fiscal year for each Fed-
18 eral agency;

19 (2) include each such rule issued during the
20 preceding fiscal year; and

21 (3) be disaggregated by the Federal agency that
22 issued each such rule.

