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SBA Report Cites Rising Small Business Confidence in U.S. Virgin Islands and Puerto Rico

The SBA’s 2025 Annual Report highlights growing optimism across the Atlantic Region, including Puerto Rico and the U.S. Virgin Islands, as federal officials point to expanded capital access, deregulation, and increased outreach to small businesses.

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The U.S. Virgin Islands and Puerto Rico are among the jurisdictions identified by the U.S. Small Business Administration as experiencing rising small-business confidence and activity, according to the agency’s newly released 2025 Annual Report, which outlines what the SBA describes as record-setting results during the first year of President Donald J. Trump’s second term.

The report highlights performance across the SBA's Atlantic Region, which includes New York, New Jersey, Puerto Rico, and the U.S. Virgin Islands. SBA officials say the region has seen heightened optimism among entrepreneurs, reflecting what the agency describes as a shift in federal economic policy priorities.

SBA Atlantic Regional Administrator Matt Coleman said the report reflects conditions he is seeing firsthand. "The release of this report details what I'm seeing on the ground across the Atlantic Region: small business is booming. From New York and New Jersey to Puerto Rico and the U.S. Virgin Islands, small business confidence is at its highest levels," Coleman said. He added that entrepreneurs are responding to tax savings, onshoring opportunities, and what he described as the SBA's focus on innovation and investment.

The 2025 Annual Report frames these developments as part of a broader economic reversal following four years of policies under the Biden administration, which the SBA characterizes as marked by inflation, expanded bureaucracy, weakened financial oversight, fraud, and crime. The agency said 2025 represented a return to its statutory mission of strengthening small businesses and driving economic growth.

SBA Administrator Kelly Loeffler said the agency's emphasis on capital access, deregulation, and domestic manufacturing helped drive what she described as a turnaround year. "After four tough years, 2025 marked Main Street's comeback because President Trump knows that small business is big business for America," Loeffler said. She credited tax cuts, deregulation, and fair trade with contributing to record levels of small business formation, confidence, and capital delivery.

According to the report, the SBA delivered more than $100 billion in capital access nationwide across its lending, disaster, and investment programs in 2025. That included guaranteeing 85,000 SBA 7(a) and 504 loans totaling $45 billion, while the agency's Small Business Investment Company (SBIC) program ended the year with a record $53 billion portfolio volume.

While the report does not provide loan or capital totals broken out specifically for Puerto Rico or the U.S. Virgin Islands, the SBA confirmed that all major programs cited — including lending, disaster assistance, and investment initiatives — are available to eligible businesses in both territories.

The report also details internal restructuring at the agency. An SBA-wide reorganization reduced the workforce by more than 50%, and cost-cutting measures eliminated approximately $300 million in annual spending, which the agency said was part of an effort to reduce waste and reverse what it described as a partisan social policy agenda from the prior administration.

Another centerpiece of the report is the Made in America Manufacturing Initiative, launched to support reindustrialization through small businesses, with the stated goal of creating higher-paying jobs and bringing supply chains back to the United States.

Fraud prevention and enforcement were also highlighted. The SBA reported implementing citizenship and age verification checks on all loan applications, launching a full-scale audit of its 8(a) Business Development Program, and beginning efforts to pursue an estimated $200 billion in pandemic-era fraud, working with law enforcement to recover taxpayer funds.

The agency said it also helped eliminate more than $100 billion in regulatory burdens, while leading an administration-wide Deregulation Strike Force aimed at rolling back Biden-era regulations that it says increased costs for businesses and consumers.

The SBA further emphasized support for veterans and rural entrepreneurs, citing expanded field-based outreach, cleared contracting certification backlogs for veterans, and targeted capital and counseling delivered in partnership with agencies such as the Departments of Veterans Affairs, Agriculture, and Labor.

Coleman said the SBA intends to continue expanding access and support across the Atlantic Region, including Puerto Rico and the U.S. Virgin Islands. “As part of President Trump’s economic agenda, the SBA will continue to enhance small business owners’ entrepreneurial journeys in rural, urban and suburban communities,” he said.

SBA Programs Available to USVI and Puerto Rico Businesses in 2026

While the SBA’s 2025 Annual Report does not break out territory-specific funding totals, businesses in Puerto Rico and the U.S. Virgin Islands are eligible for the same core SBA programs highlighted in the report, including:

- SBA 7(a) Loans – for working capital, equipment, refinancing, and business expansion
- SBA 504 Loans – long-term, fixed-rate financing for real estate and major equipment
- Disaster Loans – including faster approval timelines cited in the report, particularly relevant for hurricane-prone jurisdictions
- SBIC Investment Capital – private investment funds backed by SBA guarantees
- 8(a) Business Development Program – for eligible small businesses seeking federal contracting opportunities
- Veteran-Focused Programs – including contracting certification support and targeted capital
- Field-Based Counseling and Outreach – expanded nationwide, including non-metropolitan and island communities

SBA officials said these programs form the backbone of the agency’s support for small businesses heading into 2026, with Puerto Rico and the U.S. Virgin Islands included in regional implementation.