

SBA Proposes Rule to Eliminate Regulations that Exclude Faith-Based Organizations from Seven SBA Programs

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WASHINGTON — The [U.S. Small Business Administration](#) is inviting public comment on a proposed rule designed to remove regulatory provisions that exclude certain faith-based organizations from seven business loan and disaster assistance programs. According to a release issued Tuesday, these programs include the Intermediary Lending Program (ILP), Business Loan programs (7(a), Microloan and 504 programs), Economic Injury Disaster Loan (EIDL) program, Military Reservist Economic Injury Disaster Loan (MREIDL) program and Immediate Disaster Assistance Program (IDAP).

Because these provisions exclude otherwise eligible applicants based on their religious status, they violate their constitutionally guaranteed religious liberty rights, said the SBA. By eliminating the

provisions, the proposed rule would ensure that SBA's programs provide equal treatment for faith-based organizations, which the Constitution requires, and would correspond with the [President's Executive Order Promoting Free Speech and Religious Liberty](#).

"Today's proposed rule would remove barriers to SBA loans and disaster assistance that current regulations unfairly impose on faith-based businesses and organizations," said SBA Administrator Jovita Carranza. "America's faith-based small businesses and organizations play a vital role in providing employment opportunities, products, and essential educational, training and youth social services that benefit both our local communities and the overall national economy."

"Today's proposed rule would ensure that these businesses and organizations are not forced to choose between their faith and the SBA financial assistance that they need to continue serving the public and employing our neighbors."

Public comments on this [proposed rule](#) can be submitted on or before February 18, 2021 at www.regulations.gov, using the following RIN number: RIN 3245-AH60. The public may also comment by mail to Valerie Mills, Executive Operations Officer, Office of General Counsel, U.S. Small Business Administration, 409 Third Street, SW, Washington, DC 20416.

SBA will post all comments on <https://www.regulations.gov>.