

Military Spouse Small Business Recognition Act

THE PURPOSE

Leveling the playing field for military spouse entrepreneurs

1 Expand Federal Contracting Access

Amending Small Business Administration (SBA) regulations to include “Military Spouse Small Business Owner” as a disadvantage status for federal contracting eligibility.

2 Reduce Borrowing Costs

Eliminating SBA guarantee fees on loans up to \$1 million for military spouse and veteran-owned businesses.

3 Remove Financial Barriers

Reducing equity requirements by lowering the minimum down payment for startup and ownership-change loans by at least 5%.

4 Require Transparency

Creating accountability and a baseline for future progress by directing the SBA to collect and publish participation data for military spouses in federal loan programs.

CONGRESS SHOULD ACT NOW

Spousal career satisfaction is among the top factors in military retention. When spouses cannot build sustainable livelihoods, service members leave.

Military spouse unemployment costs taxpayers up to \$1.2 billion per year. Supporting entrepreneurship reduces dependency on federal assistance.

The data shows: businesses owned by military spouses face denial rates, capital gaps, and income losses that no other entrepreneurial group endures at the same scale.

This is not a new program.

The Military Spouse Small Business Recognition Act modifies existing SBA tools to eliminate documented, structural barriers. It is targeted, fiscally responsible, and long overdue.



BY THE NUMBERS

12 Million

Military spouses
in the U.S.

22%

Unemployment rate
(highest of any group)

48%

Self-employed or want
to start a business

58%

Military spouses report
working below their
education or experience

\$1.2B+

Annual taxpayer cost of
military spouse unemployment

10%

Military spouses are male
and are excluded from
women-owned designations

UNIQUE BARRIERS

- Permanent changes of station disrupt careers, client relationships, and business continuity an average of every 2-3 years. Military spouses move 6-9 times during a typical career.
- Credit gaps follow families across state lines and long after a move, blocking access to financing even for businesses with a solid track record.
- Licensing hurdles force spouses to restart professional certifications in every new state, even for the same occupation.
- Financing denials occur at a higher rate: 25-29% of veteran-owned firms are denied vs. 20% of non-veteran-owned firms (Federal Reserve, 2025).
- Reserve families often depend on a spouse-owned business as primary income. Mobilization can threaten that business with limited legal protection under current law.

Support the Military Spouse Small Business Recognition Act

For questions or concerns, please reach out to us by **phone at (855)-855-8511** or **email hello@milspousechamber.org**.

