

Small Business Administration Ups Loan Guarantee to Accelerate Trump Admin's Reshoring Goals

BY KATE NISHIMURA
APRIL 2, 2026 10:00AM



Yarn spinning machine in a modern textile factory. SORENDS / GETTY IMAGES



Listen to this article now 4 min listen

00:00

Powered by [Trinity Audio](#)

03:40



1.0x

The **Trump** administration said nationwide small businesses including textile makers will soon be eligible for enhanced financial support through the Small Business Administration's International Trade Loan (ITL) Program to expand their operations and staff up in a bid to boost domestic production.

The SBA announced this week that the loans will now come with a 90 percent federal guarantee, superseding the standard 75 percent guarantee seen in the agency's flagship loan program and underscoring the administration's desire to bolster American manufacturing.

"Industrial dominance is essential to our national security and strength, and the **Trump** Administration has taken historic action to incentivize 'Made in America' through tax cuts, deregulation, fair trade and energy dominance—all of which are restoring American industries and jobs," said SBA Administrator Kelly Loeffler.

Loeffler said the development is "another step to support reindustrialization," allowing U.S. producers to procure more modern equipment and scale their capacity. It comes after the SBA recently announced an expansion in loan guarantees for small enterprises in the food supply chain.

"Small businesses make up 98 percent of all manufacturers in America, and as I've traveled across the country meeting with industry leaders, the demand for additional capital to expand and hire is evident," Loeffler said, noting that the administration hopes to see an "industrial comeback."

Beginning May 1, manufacturers across NAICS Sectors 31–33—including factories, plants and mills engaged in the production of durable and non-durable goods like textiles, food, electronics and machinery—will become eligible for the expanded ITL Program.

Those that are approved for the loans can use them to upgrade or replace equipment to improve productivity and margins, modernize their facilities and production lines, build more resilient inventory positions, and expand operations and capacity through strategic acquisitions, the SBA said. The goal is to “[d]iversify supply chains away from foreign adversaries and bring critical production back to the United States.”

“The enhanced SBA funding builds on the Trump Administration’s broader commitment to **reshoring** American industry and domestic supply chains,” the SBA added.

There’s little to show that the administration’s efforts—including its **tariff regime**—have prompted a **reshoring** wave within the fashion and textiles sector. The U.S. Fashion Industry Association’s (**USFIA**) 2025 benchmarking study revealed “[n]o clear evidence indicates that the Trump Administration’s tariff policy has successfully encouraged U.S. fashion companies to increase domestic sourcing of **‘Made in the USA’** textile and apparel products or to expand sourcing from the Western Hemisphere.” At the time, just 44 percent of the group’s survey respondents, which included 25 leading brands and retailers, said they planned to expand sourcing from the Western Hemisphere, and just 17 percent said they planned to source more goods from the U.S.

The tides could be shifting, though, along with ever-changing geopolitics and evolving trade policy. A **KPMG study** released this week showed that 26 percent of large American companies are either planning or executing reshoring initiatives, up from just 10 percent six months ago. Almost two-fifths said they were accelerating their domestic production strategies, and over half were prioritizing investments in their U.S. operations.

SJ NEWSLETTERS Receive Our Daily Newsletter & Special Offers

SIGN UP

RELATED

