

How Immigration Enforcement Impacts Small Businesses and Local Economies

Webinar

February 18, 2026

About Me



Supporting a California
Economy that Works for
Everybody

Clair Whitmer

CalOSBA Deputy Director

- Daughter of a single mom Avon Lady
- Proud Franco-American
- Dog Person

3 Time Appointee of
Governor Newsom



City of Fresno:
Save Our Small
Businesses

CalOSBA Mission

SUPPORT CALIFORNIA'S DREAMERS **TO START, SCALE & SUCCEED** AS
SMALL BUSINESS OWNERS, EMPLOYERS & DRIVERS OF THE ECONOMY

1. **Administer the Governor's direct grant relief** supporting small businesses
2. **Fund and oversee** a network of small business support centers
3. **Increase pipeline of loans** to our smallest and most vulnerable small businesses
4. **Advance the resiliency** of our small businesses through disaster awareness and preparation
5. **Represent and elevate** the voices of CA's small business-owners

FUN FACT!

1
NUMBER **REASON**
**PEOPLE SAY THEY WANT
TO START THEIR OWN
BUSINESS...
BE THEIR OWN BOSS!**



**4th largest economy
in the world**

Number of Small Businesses in CA

4.3 million

**Immigrants in CA represent \$383B
in spending power; undocumented
about \$57.3B**

**46% of Fortune 500 companies
founded by immigrants or
children of immigrants**

**% of State & Local Taxes Paid by
Undocumented Workers**

\$8.5 B

CA

**has the most small
businesses in U.S.**



32%

**Of all Jobs
Held by
Immigrants**

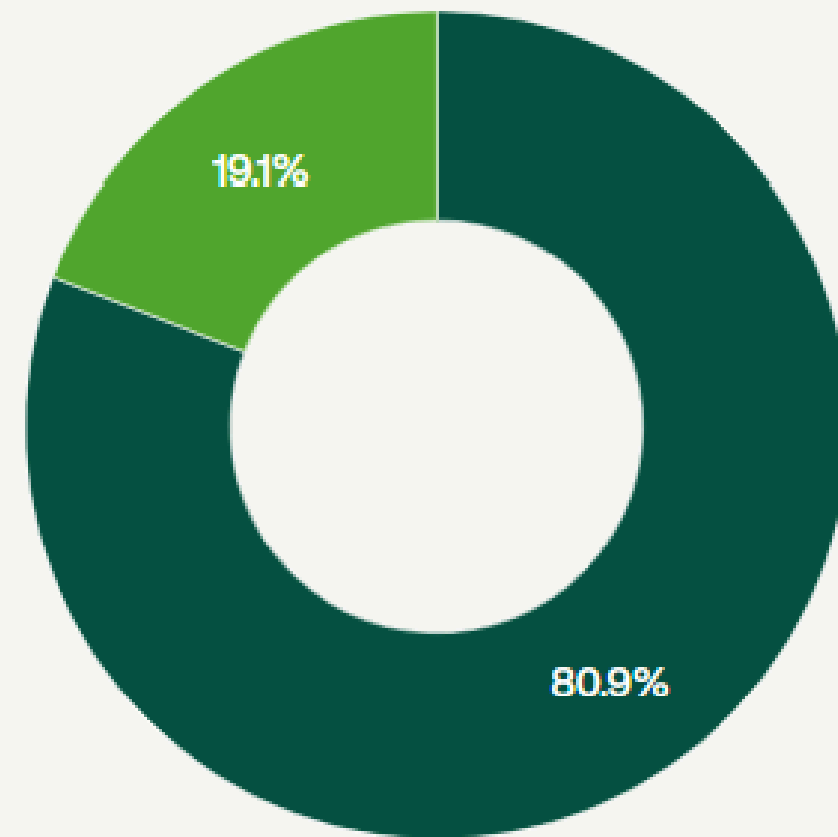
39%

**Of All
Entrepreneurs
are Immigrants**

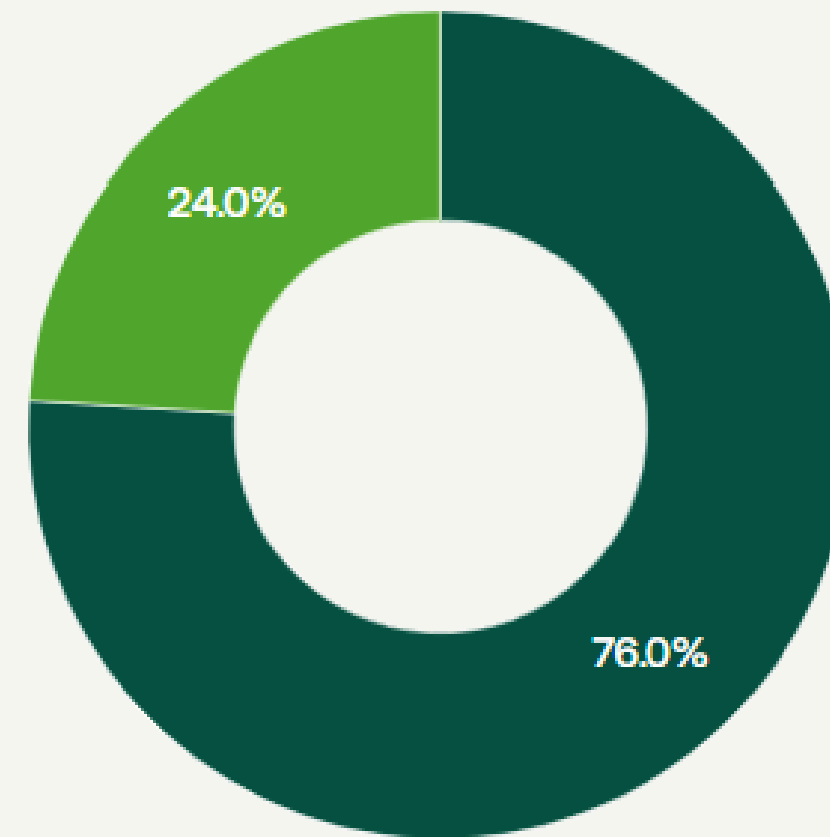
Immigrants make up 19% of owners of employer businesses and 24% of nonemployers.

Foreign-born share of businessowners by category

■ US-born ■ Immigrant



Employer



Nonemployer

IMPACT

LA County home to 3.5 million
immigrants; 35% of total population

82% of respondents

**Negatively
affected**

52% reported...

**Reduced daily
sales or customer
traffic**

44% reported...

**Decreases of more than
50%**

The Chilling Effect

“The pervasive climate of fear across impacted neighborhoods fundamentally altered consumer behavior, with customers staying home, avoiding certain areas, and reducing spending across immigrant communities. Fear-related terminology was used 298 times by business leaders when describing community impacts, far exceeding other emotional descriptors.”

Source: 2026 Economic Impacts of Federal Immigration Enforcement in Los Angeles County, LAEDC

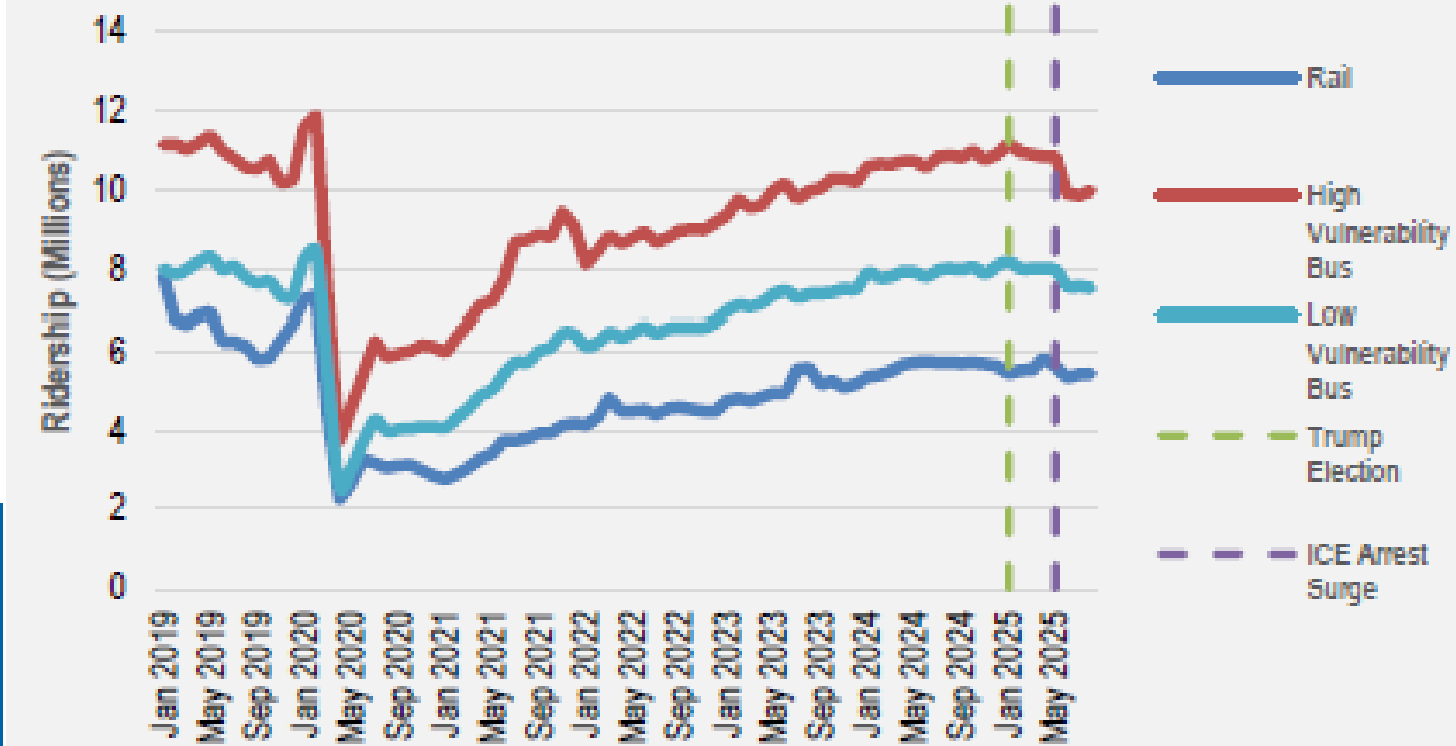
Immigrants, documented and undocumented, are gradually removing themselves from the economy as consumers of goods and services.

Drop-off in revenue for ancillary public services and industries:

- **Public transit ridership**
- **Tourism & International travel**
- Loss of funding for **Average Daily Attendance in public schools**
- Decrease in **medical visits and health interventions**
- Loss of **Taxes and fees**

Exhibit 2.8

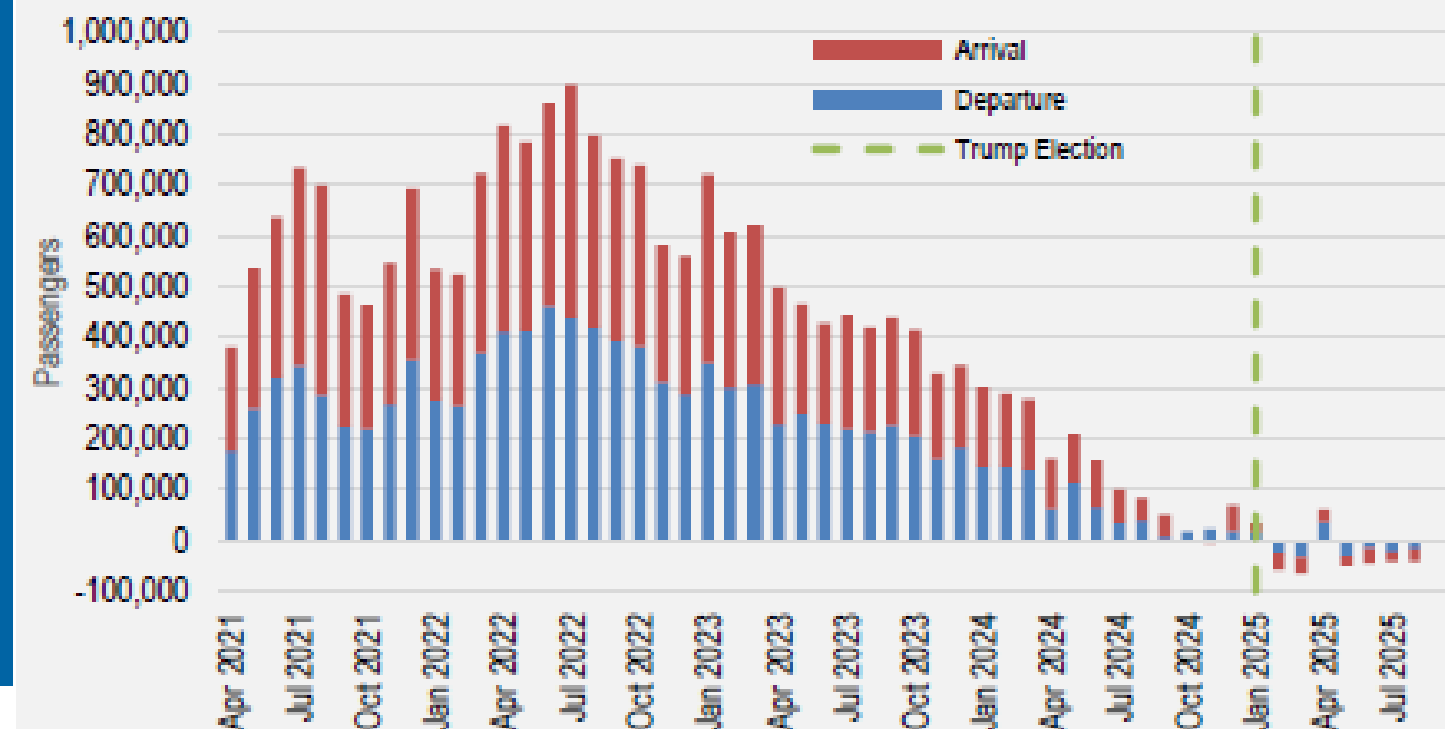
Los Angeles County METRO Ridership by Mode
Jan 2019 - Aug 2025, Seasonally Adjusted



Source: <https://opa.metro.net/MetroRidership/>

Exhibit 2.10

Year-Over-Year Change in Passengers on International Flights:
Los Angeles International Airport (LAX), Apr 2021 - Aug 2025



Source: LAWA's Volume of Air Traffic Data

SBA Policy Change: Green Card Holders Excluded from Primary Loan Programs

- Effective **March 1, 2026**, the Small Business Administration will no longer allow green card holders to own any stake in businesses applying for SBA loans
- **SBA 7(a) loans** for general business purposes
- **SBA 504 loans** for commercial real estate and heavy equipment
- **SBA disaster-related loans** – Unaffected for now
- The rule change does not impact borrowers who already have SBA loans unless future ownership changes after March 1, 2026
- Green card holders will need to explore alternative financing options





- **Let us connect you** to a trusted business advisor ready to support your dream
- **No-cost 1:1 consulting** and a pathway to funding
- **Low-cost training** for every aspect of your business

- Start here to **find a small business center** that can help your business SCALE

Don't go it alone!

MAIN
Coastside
BAKING CO.
ARTISAN BREAD

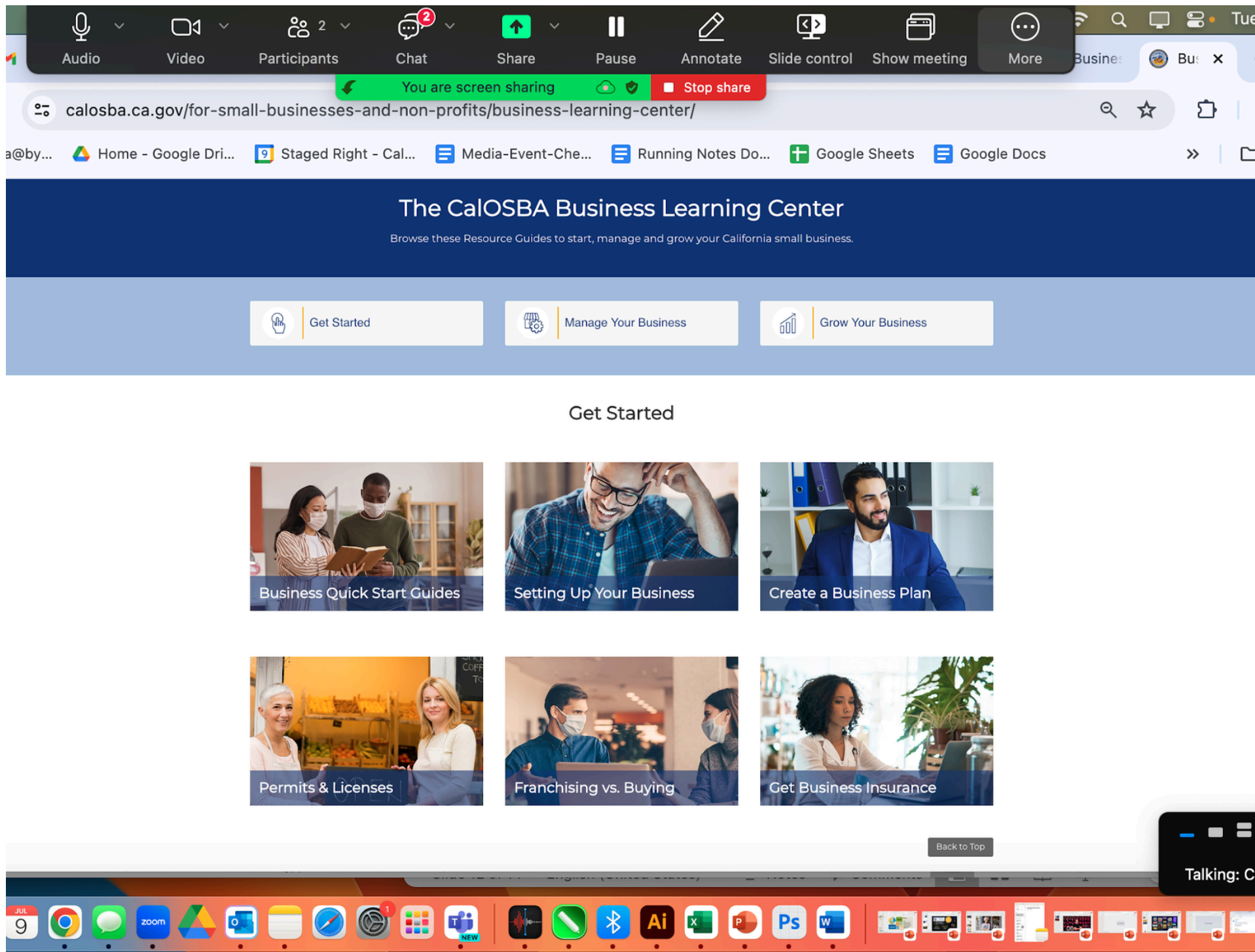
Success Stories At Risk



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- Tips on how to Outsmart Disaster
- Other useful **information to help you Start, Manage & Scale your business**

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Welcome to the May edition of the California Office of Small Business Advocate newsletter. We're excited to bring you important updates, helpful resources, and opportunities to support the growth and success of small businesses across California. In this issue, you'll find:

- Celebrate Small Business Month with CalOSBA
- Register for May's Labor & Employment Training Webinar
- Visit the NEW Outsmart Disaster Website Launch
- Small Business Success Stories with SCALE
- Upcoming Events

CalOSBA Celebrates
SMALL BUSINESS MONTH

DID YOU KNOW?

- Small businesses make up **99.8%** of all businesses in California.
- Small businesses are the backbone of California's economy, providing **7 million jobs**. That's nearly half of all private sector jobs and 2/3 of all net new jobs.
- CA is home to more small businesses than any other state, with **4.2 million**.

It's Small Business Month in California

From food trucks to fashion boutiques, small businesses make our state vibrant and strong. With over 4 million small businesses in California, there's so much to celebrate! Celebrate #SmallBusiness with us this May. #SupportingSmallStrengthensUsAll

[Read CA Small Business Facts Here](#)



Let's Celebrate Our Small Business Champion

🎉 Congratulations to CalOSBA Director, [Dr. Tara Lynn Gray](#), on being named Small Business Champion of the Year by the [Greater Los Angeles African American Chamber of Commerce](#) for the 31st Annual Economic Awards Dinner.

Thank you!



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