

Obama adds cabinet seat for SBA administrator, proposes merging commerce agencies

By [J.D. Harrison](#)

President Obama elevated the head of the Small Business Administration to cabinet-level status on Friday as part of a broader proposal to restructure the federal government's business and trade functions.



SBA Administrator Karen Mills will now serve as a member of the president's cabinet. (Joshua Roberts - BLOOMBERG) SBA Administrator Karen Mills will now represent the agency alongside the president's most senior appointed officers and advisers. However, Obama did not specify which if any additional responsibilities would accompany the elevation of her position.

During his remarks, the president applauded the "outstanding job" Mills has done leading the agency for the past two and a half years. Previously, she founded a venture capital firm named Solera Capital and later served as president of private equity firm MMP Group.

The announcement came as part of the president's request for increased power to shrink the federal government — authority he says he would first use to combine several agencies with overlapping trade and commerce responsibilities. Specifically, should Congress grant him the authority, Obama plans to merge the Commerce Department, the Small Business Administration, the Office of the United States Trade Representative, the Export-Import Bank, the Overseas Private Investment Corporation and the Trade and Development Agency.

"We'd have one department where entrepreneurs can go from the day they come up with an idea and need a patent, to the day they start building a product and need financing for a warehouse, to the day they're ready to export and need help breaking into new markets overseas," Obama told small businesses leaders at the White House.

The merger, which is meant to reduce regulatory burdens on businesses and save money by eliminating duplicative government functions, would cut more than 1,000 jobs while saving an estimated \$3 billion over the next decade. Obama said he would initially focus on the agencies

that support business and trade interests, but ultimately, he hopes to eliminate similar inefficiencies throughout the federal government.