

# THE AGENDA FOR AMERICA'S ENTREPRENEURS

## Workforce & Benefits

Small businesses rely on their ability to attract and retain qualified employees to compete with their larger competitors while continuing to innovate and grow. To do so, small businesses require access to affordable benefit plans, including retirement, paid family and medical leave, and childcare options, alongside healthcare, to ensure that Main Street jobs are quality jobs. Given the cost and administrative requirements of providing attractive and robust employee benefit plans, many small businesses simply do not have the capital or resources to offer competitive benefits which ultimately restricts their ability to hire a qualified workforce. Small Business Majority advocates across a host of policy priorities to expand access to benefits for small business owners and their employees, along with proposals to boost workforce opportunities and ensure that entrepreneurship is an accessible pathway for all individuals.

- Provide additional federal subsidies for childcare providers, which allow them to build their capacity and increase employee wages to meet our nation's growing demand for affordable childcare. Congress should consider a framework like that of the American Rescue Plan's Childcare Stabilization Grant program in which funding was provided to states to support childcare providers with operational costs.
- Implement policies that make childcare more affordable for working parents by enhancing tax credits for childcare expenses. This includes expanding the Child Care and Dependent Tax Credit to raise the maximum credit amount and guarantee full refundability for low-income families.
- Enact legislation to drive investment into childcare businesses through efforts like the Small Business Child Care Investment Act, which would allow non-profit childcare providers to participate in SBA loan programs, such as the 7(a) and 504 loan programs.
- Establish a national program that would provide partial wage replacement for small business owners, employees and the self-employed for up to 12 weeks of family and medical leave. Congress should consider this framework as outlined in the Family and Medical Insurance Leave (FAMILY) Act (H.R.3481/ S.1714).
- Implement a federally sponsored retirement program to complement successful state programs covering those who are not able to access employer-sponsored plans. Examples include creating a federal auto-IRA enrollment program where individuals choose to opt out as opposed to opting in. Congress should consider proposals like the Automatic IRA Act of 2024 (H.R. 7293) which would require employers that do not sponsor a retirement plan to automatically enroll their employees in IRAs or other automatic contribution plans or arrangements, like 401(k) plans.
- Improve SECURE 2.0's enhanced retirement plan startup tax credit by passing the Retirement Investment in Small Employers (RISE) Act (H.R. 6007/S. 4398) which would ensure that small businesses with 10 or fewer employees can claim a tax credit of no less than \$2,500 for the costs associated with setting up retirement accounts for their employees.