

# 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. To do so, small businesses require access to affordable benefit plans, including paid family and medical leave, childcare, and retirement, 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 these benefits, which ultimately restricts their ability to hire and retain workers. 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.

- Strengthen federal support and funding to states and local providers through grants and technical assistance awards to provide for increased investments in local childcare infrastructure. Increased federal funding for childcare is essential for building provider capacity and expanding available childcare slots to meet the growing demand for affordable childcare nationwide.
- Strengthen and expand the Child Care and Dependent Tax Credit (CDCTC), which remains the only tax credit specifically created to help working families offset the cost of childcare. While modest improvements have been made to the CDCTC, Congress must guarantee full refundability for low-income families to expand access to the full credit.
- Enact legislation to drive investment into childcare businesses through efforts like the Small Business Child Care Investment Act (S. 273), which would allow non-profit childcare providers to participate in SBA loan programs, such as the 7(a) and 504 loan programs. Congress should also enact legislation that requires the SBA and its resource partners to equip childcare businesses with the business development services and tools they need to remain sustainable and grow.
- Enact the FAMILY Act (S. 2823/H.R. 5390), which would establish a national paid family and medical leave program to provide partial wage replacement for small business owners, self-employed entrepreneurs, and small business employees for up to 12 weeks of family and medical leave. Nearly 8 in 10 (79%) small business owners support enacting a national paid family and medical leave program.
- Implement a federally sponsored retirement program to complement successful state programs covering those who cannot access employer-sponsored plans. Congress should consider proposals like the Automatic IRA Act of 2024 (H.R. 7293), which would provide a mechanism for 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 (S. 1840), 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.