

## 2022 Small Business Policy Priorities

Small Business Majority is a national small business advocacy organization that empowers America's diverse entrepreneurs to build a thriving and equitable economy. We engage our network of more than 85,000 small businesses and 1,500 business and community organizations to advocate for public policy solutions and deliver resources to entrepreneurs that promote equitable small business growth. Our deep connections with the small business community, along with our scientific research, enable us to educate the public about key issues impacting America's entrepreneurs with a special focus on advancing the smallest businesses and those facing systemic inequalities.

The policy priorities outlined below will put small businesses on a robust road to recovery by improving the small business ecosystem, promoting an innovative small business economy and creating sustainable programs with a long-term impact.

### Support the small business ecosystem

Small businesses have navigated tremendous and unique obstacles throughout this pandemic, and they continue to face [new challenges](#), including new coronavirus variants, supply chain disruptions, workforce shortages and the end of many federal funding programs. Although the small business ecosystem has weathered a significant storm, it is still in need of assistance.

The Build Back Better package has [provisions that would provide critical support](#) to the small business ecosystem, including measures to increase healthcare affordability, establish a national paid family and medical leave program, and improve the nation's childcare infrastructure. Additionally, the plan includes funding to invest in small business lending and business assistance programs. Although negotiations have stalled on the package, we encourage Congress to support the small business ecosystem through measures outlined in Build Back Better.

### Access to capital and responsible alternative lending

Small business owners, particularly people of color, face significant hurdles accessing capital from traditional banking institutions, challenges that have only been exacerbated by the pandemic. To help small businesses recover, we must ensure greater access to responsible capital for entrepreneurs by enacting the following:

- Appropriate emergency funding to the Restaurant Revitalization Fund (RRF) to reach the nearly [180,000 RRF applications](#) that remain unfunded.
- Pass the Small Business Lending Disclosure Act of 2021, which would extend federal Truth in Lending Act disclosure requirements to small business loans and credit products.
- Expand the U.S. Small Business Administration's (SBA) lending capability such as a direct lending program to increase access for traditionally underserved communities and small government contracts that need working capital.
- Quadruple SBA lending guarantees, specifically by raising the maximum guaranteed annual loan amounts and loan guarantee percentages.
- Maintain the recent expansion of funding for the CDFI Fund at \$3 billion for long-term impact.
- Ensure increased funding for unbanked and underbanked small businesses via set-asides, access to smaller-dollar loans and targeted business assistance programs.
- Support flexible, patient capital products through increased government backing.
- Remove barriers on federal loan programs for previously incarcerated individuals.

## Healthcare

Despite repeated threats and pernicious obstacles, the Affordable Care Act (ACA) has significantly expanded access to quality affordable healthcare for small business owners, their employees and the self-employed. The following actions are necessary for continued thriving and equitable entrepreneurship:

- Extend provisions in the American Rescue Plan to make healthcare more affordable, specifically increasing premium assistance to those who are already eligible for premium tax credits and expanding subsidies to people making more than 400% of the federal poverty line.
- Pass the Medicaid Saves Lives Act or allow individuals, no matter where they reside, to purchase coverage through the ACA marketplace. Millions of individuals, including many small business employees and self-employed entrepreneurs, do not have access to Medicaid coverage due to political decisions in 12 states.
- Curb the rising costs of prescription drugs that are [hurting small businesses' bottom lines](#). Solutions include allowing Medicare to negotiate prices directly with pharmaceutical companies.
- Limit out-of-pocket costs to ensure entrepreneurs and their workers with coverage can afford to use it.
- Make significant investments towards educating the public about the annual open enrollment period. This must include multi-year funding for consumer assistance in navigating the program.
- Expand Medicare coverage to include individuals age 55 and older. Our research has found that closing this gap in access to care is [strongly supported](#) by small businesses.

## Paid leave, retirement, and other benefits

Today's entrepreneurs and small business employees need a modernized benefits system that is responsive to 21<sup>st</sup> century realities and promotes quality jobs for all.

- Pass a national paid leave program, as proposed in Build Back Better and the FAMILY Act, which would provide access to parental leave or medical leave to handle serious health conditions for themselves and family members.
- Support federal efforts to establish publicly administered retirement savings programs (like "Secure Choice" auto-IRA programs), which [small businesses support](#). It's essential that any program ensures open access to all businesses, allows businesses to easily participate at minimal or no cost with no liability risk, and provides adequate funding for outreach.
- Implement national and state policies to help working parents afford childcare and to support childcare providers, understanding this is essential to building and retaining a skilled small business workforce and sustaining childcare providers in under-represented communities.

## Other provisions essential to small business success

- Enact and enforce antitrust and other laws promoting equitable competition to ensure small businesses compete on a level playing field. Pass the America COMPETES Act with provisions that could increase global and domestic competition and support the small business ecosystem.
- Young immigrants are the lifeblood of entrepreneurship. We must find a long-term solution for recipients of Deferred Action for Child Arrivals (DACA). We must similarly find a long-term solution for recipients of Temporary Protected Status (TPS).
- Create a student debt relief program for entrepreneurs.
- Ensure that funding allocated from the Bipartisan Infrastructure Law for investing in broadband access is allocated equitably to all communities, especially to rural and tribal communities.