

The 2025 Agenda for Illinois' Entrepreneurs

Small Business Majority's Illinois policy agenda outlines policies that advance and promote equitable pathways for entrepreneurship while ensuring small businesses are key to a thriving and inclusive economy. Illinois' 1.3 million small businesses employ 2.3 million people, representing 43.6% of the private workforce. This agenda recognizes the distinct needs of both solopreneurs, who make up 80% of all businesses, and employer firms. Importantly, it acknowledges that business owners are individuals whose personal economic security directly impacts their business's success and their ability to create quality jobs.

In 2025, small businesses continue to see both opportunities and challenges ahead, and we recognize that many small businesses, particularly those owned by entrepreneurs of color, women, immigrants and those in rural communities, continue to face systemic hurdles. Our 2025 agenda provides a framework for addressing these disparities to build an ecosystem where all small businesses can thrive and that will ensure our local economies are strong and resilient.

Expanding access to capital and resources

Access to affordable capital remains a critical challenge, particularly for underserved entrepreneurs. Increasing access to capital and expanding opportunities is key to driving more inclusive economic growth. State policymakers can address funding barriers in the financial market and strengthen lending protections by adopting these policy recommendations:

- **Advance the Small Business Lending Transparency Act (HB1921) to ensure fair lending practices and combat predatory lending through clear disclosure requirements.** While traditional lenders are required to be fair and transparent, online lenders are not subject to most state and federal regulations leaving vulnerable small business owners who are in need of capital at risk of being taken advantage of. Without transparent terms like APR, it is impossible for small business owners to know the true cost of the loan. We urge the legislature to advance HB1921 to ensure small business owners have access to safe, transparent financial products.
- **Continue to support implementation of Illinois' State Small Business Credit Initiative (SSBCI) programs and ensure SSBCI reaches under-resourced business owners.** Illinois must prioritize microbusinesses—particularly those owned by women, people of color and rural entrepreneurs—when disbursing its federal SSBCI funds to increase access to capital and technical assistance. The state must make continued investments in these programs to reach the smallest businesses and should ensure loan requirements, particularly for small-dollar loans, and outreach strategies are reaching the most underserved small businesses as the program intended.

Ensure a skilled and resourced workforce for Illinois' job creators to help close the wealth and income gap

Illinois lawmakers must address the challenges small businesses face in finding and retaining skilled workers. The struggle is especially difficult for microbusiness owners with fewer than 10 workers who have limited capacity and serve as the sole person who recruits, trains, and manages workers and their benefits. Small businesses are on an unequal playing field with larger and wealthier corporations that have the resources for additional staff to oversee employee management and to offer robust benefits that small businesses struggle to access on their own.

- **Pass the Family & Medical Leave Insurance Act (SB2413)**, which would provide partial wage replacement for small business owners who have invested their own equity and savings into starting their business without full loss of income. Additionally, this measure would help small businesses compete in an already difficult hiring market by giving employees access to a benefit that small business owners may not otherwise be able to afford.
- **Advance Clean Slate policies** to ensure small businesses can tap into an underutilized workforce comprised of justice-impacted individuals who have remained crime-free for a period for non-sexual and non-violent crimes.
- **Implement policies that help working parents afford child and dependent care and that also subsidize compensation for low- and moderate-income small business care providers (SB3329/HB4917)**. Care infrastructure policies increase both job participation and entrepreneurship among parents and family caregivers while providing small childcare providers with relief as many operate on slim profit margins. More than 1 in 3 small business owners say a lack of access to affordable childcare was a barrier to starting their business. We must invest in our care economy by: 1) boosting the supply of childcare slots by increasing state subsidies for struggling care providers, especially early childhood care providers and their workers who are in underserved areas coupled with 2) tax credits for parents and family caregivers who rely on these services to participate in the workforce.

Foster a level playing field for small businesses

Independent businesses play a vital role in creating jobs and economic opportunity in local communities throughout Illinois. Over the past several years, there has been substantial consolidation in many markets, while the tax code and other economic policies continue to further concentration of economic power into the hands of the wealthy and larger corporations, making it harder for small businesses to compete.

- **Strengthen Illinois' antitrust laws.** Illinois must develop its own robust antitrust framework, rather than relying solely on inconsistent enforcement and shifting judicial interpretation at the federal level. We urge the state to strengthen its legal framework to take on corporate consolidation to ensure our economy is operating fairly.
- **Address anti-competitive business practices.** Large, consolidated corporations are regularly using their market power to engage in unfair, dishonest practices. We urge state policymakers to ban egregious practices such as charging junk fees, engaging in price-gouging and crafting unfair, one-sided contracts. Small business owners want to compete on a level-playing field, with all companies playing by the same rules.
- **Close tax loopholes favoring large corporations.** Small business owners pay the taxes they owe, while their larger counterparts use sophisticated tax planning and legal resources to lower their tax liability, sometimes down to nothing. Policymakers should close tax loopholes that allow large corporations to pay less in taxes than most small business owners are paying.