

## The agenda for Minnesota's entrepreneurs: 2026 legislative session

Minnesota is home to more than [560,000 small businesses](#), employing 1.3 million people and accounting for 99.5 % of all businesses in the state.<sup>1</sup> They play a significant role in our state economy and workforce. However, national economic uncertainty coupled with an especially fast-changing business landscape has required small businesses to adapt, yet again. As such, the state must implement policies that address the new burdens that businesses are now facing. That is why Small Business Majority has created a comprehensive state policy agenda to ensure small business ownership and entrepreneurship are at the center of a robust, equitable and competitive economy for the state. It is critical that state lawmakers enact both short- and long-term policies to empower entrepreneurs, remove barriers and strengthen the small business ecosystem. To achieve these goals, policymakers should consider the following policy proposals.

### Promote a level playing field for Minnesota small businesses

- **Strengthen protections against price discrimination that harms independent businesses and workers.** Minnesota small businesses are seeing costs rise because of the actions of big corporations. We must strengthen Minnesota's price discrimination statute that prohibits larger companies from receiving preferential pricing from manufacturers by adopting language from the federal Robinson-Patman Act. We should also explore ways to strengthen price gouging and price fixing laws to ensure small businesses aren't being taken advantage of. Passing the Fair Competition Act would stop price discrimination and other unfair pricing schemes.
- **Pass the Consumer Grocery Pricing Fairness Act.** Small grocers are struggling to compete with big box retailers across the state. Many face anti-competitive practices like price discrimination, making it more difficult to operate their stores. This bill would help small grocers compete by banning discriminatory practices, requiring equal terms for sale and putting necessary limits on dominant retailers.
- **Ensure strong funding for the Antitrust Division in the Attorney General's office.** The Attorney General's office is central to the oversight and review of antitrust work across the state. Without proper funding to support communities, the small business ecosystem will suffer from unchecked corporate consolidation. Legislators made key investments in antitrust enforcement in recent years and must build on that progress to ensure a level playing field for small businesses.
- **Modernize antitrust laws by increasing fines and providing clear, enforceable standards.** The penalties for violating Minnesota's antitrust laws have been unchanged since 1971 and do not reflect the size and power of today's multi-billion-dollar, multi-national corporate monopolies. Increasing these penalties and tying them to the size of the companies involved in violations will serve as a stronger deterrent. Further changes to update and clarify terms will establish clearer guidance while also making the law easier to enforce.

### Bolster a Main Street-friendly workforce and the creation of quality jobs

- **Counteract Medicaid cuts for the most vulnerable populations.** In the wake of federal Medicaid cuts signed into law in H.R.1, policymakers should ensure that Medicaid access is protected for the most vulnerable individuals in Minnesota, including independent contractors, entrepreneurs and small business workers.
- **As small businesses search for healthcare plans in the wake of the Affordable Care Act's (ACA) enhanced premium tax credits (EPTCs) expiring at the end of 2025,** MNsure should communicate to enrollees about plans that are and are not compliant with ACA standards. For instance, MNsure should clearly stipulate that limited benefit plans do not meet the requirements of the ACA. These can include short-term plans, limited benefit plans, trade association plans and discount plans.

- **Block hospital mergers that undermine the affordability and long-term healthcare access for rural communities and their entrepreneurs.** Consolidation is a key driver of the high cost of healthcare that small businesses face in Minnesota, particularly those in rural areas. Legislators took the first step in addressing this problem by passing legislation cracking down on massive healthcare mergers. To build on that progress we should require greater transparency for private equity firms that own healthcare entities, strengthen corporate practice of medicine laws that protect medical professionals' ownership over certain medical practices and address the growing power of pharmacy benefit managers that threaten independent pharmacies.
- **Protect small business owner data,** particularly for immigrant-owned businesses. Minnesota small business owners rely on different state-run programs like Medicaid, which is why the state must pass protections that would ensure business owner data from any state program is not misused to target immigrant entrepreneurs.

## Increase access to capital and opportunity for entrepreneurs

- **Consider reallocating dollars to small business lending or grant programs to offset federal restrictions.** Recently promulgated rules now require that any SBA-backed financing be limited to businesses with 100% beneficial ownership by citizens of the U.S., U.S. Nationals, or Lawful Permanent Residents. Businesses that have partial ownership by a non-U.S. citizen can no longer access SBA loans, regardless of their immigration status. This also applies to designated "key employees" at a small business. Without support from state government in the form of more lending dollars or grant program dollars, small businesses will continue to feel the credit crunch. State policymakers should consider allocating dollars to small business programs or creating new ones as this will have long-term effects.
- **Strengthen education and outreach dollars for small business programs, particularly as federal resources for small businesses face budget cuts and scrutiny.** Reductions in staff and budget for vital agencies and programs will continue to harm small businesses by dramatically decreasing access to advising and technical assistance. Minnesota must support state agencies in offering multi-lingual resources for small businesses across the state, including Somali small business owners who are being targeted across Minneapolis.
- **Remove barriers for immigrants to access entrepreneurship and workforce development opportunities.** Immigrant entrepreneurs and workers face disproportionate barriers to obtaining licenses, contracts, and workforce development opportunities. We urge lawmakers to pass legislation that ensures that opportunities like fellowships and independent contracting roles are easily accessible, despite immigration status.
- **Promote responsible lending practices by lenders and brokers to protect small businesses from irresponsible or predatory lending practices.** As outlined in the [Small Business Borrowers' Bill of Rights](#), small businesses need annual percentage rate disclosures (APR) so they can accurately compare financial products.<sup>2</sup> Minnesota should amend its commercial financing laws to include important disclosures like APR for all small business financing products so that small businesses can access fair, transparent and safe capital.
- **Ensure that the Minnesota Employment and Economic Development Department Small Business Financing Authority** is engaging key stakeholders to effectively disburse funding from the State Small Business Credit Initiative (SSBCI) in small-dollar loans, particularly to reach under-resourced communities in the state.
- **Create a short-term grant program or tax incentive to cover the cost of tariffs for equipment and materials during a transition period.** The status and rate of tariffs are now always changing and unpredictable, taking businesses by surprise when purchasing new equipment and materials. A grant program would alleviate some of the burden and protect the state's small businesses.

<sup>1</sup> "2025 Minnesota Small Business Profile," U.S. Small Business Administration, [https://advocacy.sba.gov/wp-content/uploads/2025/06/Minnesota\\_2025-State-Profile.pdf](https://advocacy.sba.gov/wp-content/uploads/2025/06/Minnesota_2025-State-Profile.pdf)

<sup>2</sup> "Small Business Bill of Rights," Responsible Business Lending Coalition, <https://www.borrowersbillofrights.org/setting-the-standards>