

The agenda for New York's entrepreneurs: 2026 legislative session

New York is home to more than 2.4 million small businesses, employing 3.9 million people and accounting for 99.8% of all businesses in the state.¹ 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, New York 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 small businesses

- **Pass the Antitrust Act 21st Century.** Across the U.S., 75% of industries have experienced increases in consolidation, leading to more powerful corporate entities and threatening the vitality of local and small businesses. These largely unchecked consolidated powers often lead to higher prices, a lack of entrepreneurship opportunities and local businesses being driven out of their communities. New York lawmakers must ensure that dominant corporations don't use their power to fix prices, exploit local businesses and more.
- **Pass legislation that would mirror the Robinson-Patman Act and allow the New York Attorney General greater antitrust enforcement.** By allowing the Attorney General to take punitive action against companies that are operating in jurisdictions that have demonstrated discriminatory practices against small businesses, entrepreneurs can compete fairly and strengthen their bottom lines.
- **Ban non-compete agreements given the FTC reversal of federal policy.** Non-compete agreements are a significant impediment to entrepreneurship, creating a non-level playing field and impeding the ability of employees to maximize their skills. While the Federal Trade Commission (FTC) previously banned these agreements, the FTC recently reversed this rule, now allowing many non-competes to continue. These policies are not only a barrier to entry for entrepreneurs, but they also prevent small firms from hiring the most diverse, qualified and skilled talent.
- **Pass the Consumer Grocery Pricing Fairness Act.** Small and independent grocers and agricultural producers are critical members of the economy yet they face severe disadvantages from suppliers. This imbalance has restricted competition, raised consumer prices, created urban and rural food deserts, and limited options for farmers and food producers who rely on a competitive retail environment to thrive. The Consumer Grocery Pricing Fairness Act would address these concerns by prohibiting economic discrimination, promoting market clarity, closing discriminatory loopholes and focusing on the largest players.
- **Pass the New York Small Business Rent Stabilization Act.** Small businesses are being pushed out of the state or closing up shop because their commercial rent is unaffordable. We must protect small businesses by replicating tenant rent stabilization and creating universal rent stabilization for small businesses so they can afford to have a storefront or office where they operate.

- **Create fair procurement opportunities.** Too often, larger, urban businesses win state procurement contracts while burdensome, unnecessary barriers keep small businesses from winning these bids. New York State must remove these barriers and create a fair playing field for procurement opportunities that can uplift rural businesses.
- **Enact the New York Public Banking Act.** The New York Public Banking Act would create a regulatory framework for local public banks in New York. Through public banking, cities and counties can divest public money from big banks—which have dramatically decreased lending to small businesses—and invest in financial institutions that will intentionally support small business and other community economic development initiatives.
- **Educate small businesses on antitrust laws and develop a way to communicate violations to the Attorney General’s office.** Without understanding what antitrust laws are and how they are impacted, small businesses will not be able to identify when they are subjected to anti-competitive practices. The Attorney General should consider how to regularly educate entrepreneurs on existing regulations and offer them an easy-to-use platform to report violations.

Bolster Main Street’s workforce and the creation of quality jobs

- **Support the Fair Pricing Act.** Healthcare affordability continues to be a top issue for small business owners, and New Yorkers face some of the highest healthcare premiums in the country. Additionally, with so many hospitals consolidating and integrating with other providers, the costs of medical services are skyrocketing with no accompanying increase in value. The state must tackle high prices by capping how much a healthcare provider can charge for outpatient services, regardless of the setting in which it is provided.
- **Counteract Medicaid cuts for the most vulnerable populations.** In the wake of federal Medicaid cuts signed into law via H.R.1, policymakers should ensure that Medicaid access is protected for the most vulnerable individuals, including independent contractors, entrepreneurs and small business workers. [Nearly 7 million](#) New Yorkers rely on Medicaid for their healthcare.² According to [our research](#), two-thirds of small business owners say that increasing healthcare premiums places at least a moderate financial burden on their business, with 47% calling it a major financial burden.³ We must find ways as a state to fill the gap from the federal government’s Medicaid cuts to ensure small business owners and their employees remain insured and healthy.
- **Explore ways to improve the small group market.** From 2020 to 2024, small group health coverage enrollment dropped 24% statewide.⁴ This is incredibly concerning, and with healthcare costs on the rise, this trend will only increase the gap between small and large businesses. New York must limit alternative plans that pull good risk out of the market and take proactive steps to protect the sustainability of the small group market
- **Address childcare access and affordability.** New York’s childcare system has enough licensed capacity to serve at most [28% of our state’s children](#).⁵ Additionally, childcare workers make [less than 96%](#) of occupations in New York State.⁶ The state must create a permanent state fund to increase wages for childcare educators, which would help grow the supply and quality of childcare that small business owners and their workers rely on so they can fully participate in the workforce.
 - Sufficiently fund the Child Care Assistance Program (CCAP) to clear the waitlists and ensure eligible families throughout the state can receive assistance. These reforms would help stabilize CCAP to meet the needs of low-income workers and entrepreneurs while at the same time building a strong infrastructure for universal childcare.
- **Begin implementing models of universal childcare projects** as outlined by the [Empire State Campaign for Child Care](#) in communities around the state to be expanded to more communities until free, universal childcare is achieved statewide through community eligibility projects and capped-fees projects.⁷

- **Modernize Temporary Disability Insurance (TDI).** New York passed legislation establishing a paid family leave policy in 2016, which ensures small business owners and workers are able to take paid time off to care for a new baby or a sick family member. However, lawmakers did not update the state’s Temporary Disability Insurance policy, which enables owners and employees to take time off when they themselves are unable to work due to a medical issue. Now, small business owners and their workers are left to navigate two very different systems with inconsistent benefits. For example, a worker who takes time off to care for someone else’s medical needs may receive pay that is up to six times larger than if that same worker took time off to care for their own medical needs. Modernizing the TDI program will help retain top talent at small businesses who might otherwise seek employment from a large business that can offer more robust medical leave benefits. According to [our polling](#) the vast majority of small business owners (86%) support access to paid leave as an employer, but many cannot afford to pay an employee who is on extended leave out of pocket.⁸
- **Simplify paid family leave.** New York’s current Paid Family Leave law requires employers to purchase their own private paid leave insurance plan. This can be expensive, confusing and time-consuming. New York instead should create a state-run paid leave insurance program, as many other states have done, to auto-enroll employees and to take contributions through payroll deductions. This would decrease overhead costs and the burden for small business owners who struggle to research, purchase and administer their own private plan.
- **Protect small business owner data, particularly for immigrant-owned businesses.** New York small business owners rely on different state-run programs, including New York Secure Choice and other programs. With a rise in aggressive immigration enforcement, it is more essential than ever that the state passes protections that would ensure business owner data from any state program is not misused to target immigrant-entrepreneurs.
- **Create the Worker Ownership Center.** Establishing a Worker Ownership Center would support the development of worker-owned businesses across New York. The Center would assist small businesses in the state that are at risk of either closing or being sold to private equity and big out-of-state corporations, helping to preserve the small business community, creating more opportunities for entrepreneurship and giving small business owners an additional option for succession planning.
- **Support vast workforce expansion, particularly in rural communities.** Many municipalities and towns across New York are facing aging and shrinking populations. To ensure there is a robust workforce that can support our rural small businesses, the state must fund workforce development and city planning efforts.

Increase access to capital and opportunity for all small business owners

- **Create a short-term grant program or tax incentive to cover the cost of tariffs on equipment and materials during this transition period.** The rate at which tariffs are being created and the unpredictability of when they will be enforced has put business owners in a uneasy position over the last year. When purchasing new equipment and materials, small business owners are caught off guard by changing fees, making it impossible to budget appropriately. A grant program would alleviate some of these burdens and protect the state’s small businesses.
- **Consider reallocating dollars to small business lending or grant programs to offset federal restrictions.** Recently promulgated rules 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 (LPRs). Businesses that have partial ownership by a non-U.S. citizen can no longer access SBA loans. Additionally, business owners who employ a “key employee,” such as a manager, who is of immigrant status may also be ineligible for SBA financing under 7(a) and 504 loan programs. Without support from state governments in the form of additional lending or grant funding, small businesses will continue to feel the credit crunch. State governments should consider allocating additional funding to their small business programs or creating new ones, as these changes will have long-term effects.

- **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 street vending, fellowships and independent contracting roles are easily accessible, despite immigration status.

¹ “2025 New York Small Business Profile,” U.S. Small Business Administration, https://advocacy.sba.gov/wp-content/uploads/2025/06/New_York_2025-State-Profile.pdf

² “Medicaid in New York”, KFF, May 2025, <https://files.kff.org/attachment/fact-sheet-medicaid-state-NY>

³ “Voice of Main Street: Small businesses support healthcare premium relief, immigration reform,” Small Business Majority, November 2025, <https://smallbusinessmajority.org/our-research/voice-of-main-street/small-businesses-support-healthcare-premium-relief-immigration-reform>

⁴ “Troubling trends in New York’s small group market,” Fiscal Policy Institute, July 2025, <https://fiscalpolicy.org/troubling-trends-in-new-yorks-small-group-market>

⁵ “New York State Child Care for All,” Empire State Campaign for Child Care, November 2025, <https://empirestatechildcare.org/new-york-state-child-care-for-all>

⁶ “How are New York’s Children Faring in 2024?,” Schuyler Center, <https://scaany.org/how-are-new-yorks-children-faring/>

⁷ “New York State Child Care for All,” Empire State Campaign for Child Care, November 2025, <https://empirestatechildcare.org/new-york-state-child-care-for-all>

⁸ “Small businesses support a national paid family & medical leave program,” Small Business Majority, October 2025, <https://smallbusinessmajority.org/our-research/workforce/small-businesses-support-national-paid-family-medical-leave-program>