

January 24, 2022

The Honorable Joe Biden
President of the United States
1600 Pennsylvania Ave. NW, Washington, DC
20500

The Honorable Chuck Schumer
Majority Leader
United States Senate
S-221, The Capitol
Washington, DC 20510

The Honorable Joe Manchin
Chair, U.S. Senate Committee on Energy and
Natural Resources
Washington, DC 20510

Re: Small business owners support various provisions in the budget reconciliation package

Dear President Biden, Majority Leader Schumer and Chairman Manchin:

As a leading representatives of America's 30 million small businesses, Small Business Majority and the undersigned organizations strongly urge the White House and the U.S. Senate to identify a path forward for the Build Back Better plan (BBB) for the good of our nation's entrepreneurs.

There are numerous provisions in the Build Back Better package that would support the small business ecosystem and provide much needed assistance to America's diverse entrepreneurs. Small Business Majority's [recent research](#) found 37% of small businesses say their business conditions are on the decline compared to the previous month. Additionally, more than 1 in 4 reported they may not survive past the next six months without additional funding or market changes. These challenges are particularly acute for businesses in under-represented communities that have struggled to access equitable relief and resources during the pandemic.

In particular, access to affordable and quality healthcare significantly impacts small businesses because they and their employees have historically comprised a disproportionate share of the working uninsured, and [more than 1 in 3](#) small businesses have struggled to obtain health insurance for themselves or their employees during the pandemic. That's why it is critical to extend the temporary premium assistance provided by the American Rescue Plan and ensure those in the Medicaid coverage gap are able to access health coverage.

Additionally, access to affordable childcare impacts the small business ecosystem because most childcare providers are small business owners and largely minority-owned, but they are underpaid and overworked. What's more, a lack of access to affordable childcare impedes the ability of small business owners to retain a skilled workforce. [Our polling](#) finds that the childcare provisions in BBB have strong support among small businesses: 63% support ensuring that families earning 1.5 times their state median income pay no more than 7% of their income on childcare for all children under the age of 5. Sixty-eight percent support increasing tax credits to support families with childcare needs by making the Child and Dependent Care Tax Credit expansion permanent.

Similarly, small business owners and their employees are struggling to access paid family & medical leave, putting small employers at a disadvantage in attracting and retaining talent. Many small businesses want to offer paid family and medical leave benefits, but they don't have the resources to do so. It's not surprising then that roughly two-thirds of small businesses support a proposal to offer four weeks of paid family and medical leave to anyone to care for a new child or to care for a loved one's serious illness, or other covered medical leave issues.

Additionally, the Small Business Committee title would provide \$5 billion in critical investments for small businesses. The proposals include allocating dollars to underserved communities including veterans, minority serving institutions, justice-impacted entrepreneurs, and outreach to Native American small businesses. Additionally, there are bold long-term policies that help address barriers in accessing capital, for instance, \$35 million for the creation of a grant for nonprofits to operate federal procurement entrepreneurship programs for veteran small businesses. What's more, the title allocates nearly \$2 billion in funding for a direct loan product under the 7(a) lending program. A [recent survey](#) of small business owners found a vast majority (85%) support this provision.

Moreover, the tax provisions in BBB would level the playing field for small businesses by ensuring wealthy corporations pay their fair share. [Our polling](#) shows strong support for the tax provisions outlined in the reconciliation package, with nearly 7 in 10 (69%) supporting a proposal to establish a 15% minimum tax on profits for the largest corporations. BBB also provides direct investments into small businesses earmarked by the Small Business Committees' provisions.

Small business owners continue to struggle on their road to recovery, and they need access to critical benefits and funding sources that will bolster their businesses and contribute to a strong workforce. We urge you to resume negotiations and immediately pass the Build Back Better plan.

Sincerely,

John Arensmeyer
Founder and CEO
Small Business Majority

National organizations

American Booksellers Association

American Independent Business Alliance

Common Future

Gusto

Immigrants Rising

Initiative for a Competitive Inner City

Interise

Prosperity Now

State based organizations

California Association for Micro Enterprise
Opportunity

Cambridge Local First

Central Valley Immigrant Integration

Jefferson Economic Development Institute

Pacific Community Ventures