Main Street Alliance has created this candidate briefing guide to orient policymakers and presidential candidates to the priorities of small business owners.
OVERVIEW

There are more than 30 million small businesses in the United States, representing over 99 percent of all U.S. businesses.¹ The owners of these businesses employ almost half of the country’s workforce.

Like their neighbors, small business owners know what it’s like to struggle to make ends meet. The median income for a self-employed person with an incorporated business was $50,347 in 2016, or $23,060 ² for those whose businesses were not incorporated.

They also vote. In fact, small business owners are significantly more likely than the public as a whole to be registered, to vote and to be civically engaged.³

Main Street small business owners and family farmers have their pulse on the local community, and their success is directly connected to the strength of their local economies. They’re rooted in their communities. They can’t and won’t simply leave to seek higher profits, bigger tax breaks, and cheaper labor.

Many reinvest in their communities through creating jobs, and keep money local, circulating in their Main Street economies.

Because of this, small business owners and working families are hit hard, and usually first, by economic policies that support businesses that extract from our communities rather than invest in them. This election season, small business owners are thinking about these values and policy priorities.
The United States has approximately 158 million voters. Among these voters, small business owners – the operators of local groceries, family farms, restaurants, accountancy firms, retail shops, light manufacturers, construction firms and more – represent an important constituency with particular needs and concerns.

Main Street businesses believe in community and continuity – they’re in it for the long haul. This commitment serves communities well. For example, compared to large retail chains, small businesses return more of their dollars to the communities in which they’re located and contribute to vibrant local economies.

As big corporations grow larger and more powerful, small businesses are feeling the squeeze. The explosion of big box stores, online commerce, and corporate agriculture shrinks the room to maneuver for small businesses and family farms. Instead of prioritizing Main Street businesses, policymakers are subsidizing large corporations like Boeing, Amazon, and numerous fossil fuel corporations.

Meanwhile, new tariffs have almost doubled the number of farmers filing for bankruptcy. Increasing prices on goods sold at local, independent retailers – including toilet paper, art supplies, dog collars, baseball mitts and ski gloves – are hurting women, low-income families, and small businesses the most.

Small businesses and farmers need investment in communities and families. Recent natural disasters – which may force many small businesses to close, such as in Iowa, Wisconsin, and Arizona – underscore how desperately the U.S. needs infrastructure improvements and capital to rebuild from sources such as the Small Business Administration. Finally, many small business owners are struggling to find affordable health care, with progress under the Affordable Care Act threatened by a lawsuit that would repeal the ACA, including its protections for people with pre-existing conditions.
For small businesses, family and loved ones are part of the bottom line. That means that Main Street small business owners want a support system that allows them and their employees to balance work and family life, which includes caring for themselves and their loved ones in times of need. They want high-quality, universal health care so they can rest assured that they, their employees and their customers can get the health care they need, without discrimination based on the size of their wallet, gender identity or where they were born.

Small businesses want economic rules that recognize the vitality and importance of Main Street and invest in the people who make our Main Streets hum, rather than prioritizing the profits of large corporations. Finally, small business owners know they thrive best in a country that values and respects all people who call the United States home. They want policies that welcome and protect all residents, including immigrants, refugees, Muslims, LGBTQ people and more.
A paid family and medical leave program that covers all businesses and employees, spreads the costs and makes it affordable for workers to care for their new babies, their loved ones and themselves.

Increased public investment to make high-quality, stable child care affordable and accessible for families, so parents, grandparents and other adults responsible for children can work.

A universal health care program that provides the high-quality care small business owners, their employees and their families need, regardless of pre-existing conditions, how much money they have, where they were born or their gender identity.

Conditions for a small business economy built on investment in people and communities, racial and gender equity, fair availability of capital and a thriving small business sector.

A welcoming community that includes support for the small businesses that know how important it is to protect the rights of LGBTQ people, immigrants, Muslims and members of other communities that have come under attack.
At some point, most of us will need time off from work to care for a new baby, an ailing family member or ourselves. Small business owners want paid family and medical leave for themselves and their employees, but the private market doesn’t offer good, affordable leave policies. It’s time for policymakers to adopt a program that takes advantage of strength in numbers and makes paid leave a reality for everyone in the country.

Businesses benefit when employees can take time to care for their families and return ready to work. Paid leave would help reduce turnover and boost employee morale and loyalty, increasing productivity for small businesses. Yet, 42 states still do not have a paid family and medical leave program like eight other states and the District of Columbia do. This hands the advantage to large corporations that wield the market power to offer paid family and medical leave.

A paid family and medical leave social insurance program would make things simple and affordable for small businesses. The program would spread costs with minimal administration. When an employee or owner needs time from work, they draw income from the fund they’ve invested in to get by until they’re back. Small business owners can use the salary of their on-leave employees as they see fit. Most importantly, workers with paid leave are more likely to return to their jobs, significantly reducing turnover costs. This is a business friendly solution.

Main Street businesses can’t go it alone. Large corporations have the market power to offer paid leave; small businesses don’t. This gives corporate America one more leg up on small businesses and means small businesses lose valued, talented employees. Small businesses need a solution that levels the playing field.

We have a racial wealth gap that means employees and business owners of color have less financial cushion for taking time off and less access to paid leave. And women still shoulder the bulk of care giving in this country. Paid leave makes it more likely that women will return to work with the same or higher wages. With a good national paid leave program, small businesses can be part of the solution, ensuring even the smallest business can offer paid leave to those that need it most.
“On almost every issue, politicians like to talk about the needs of main street businesses like mine, but it's the rare one who puts out policies that reflect our needs and values. The issue of paid family and medical leave is case-in-point.”

— Reshonda Young, Founder of Popcorn Heaven in Waterloo, IA

A MAIN STREET SOLUTION FOR PAID FAMILY AND MEDICAL LEAVE

Solar Panel: Lets employees and business owners take 12 weeks of qualifying leave each year to care for an ailing family member, welcome a new child, or take care of one's own health needs.

Solar Panel: Increases financial security by providing wage replacement to enable employees to take time off and meet their expenses.

Solar Panel: Spreads the cost of leave through a self-sustaining national insurance fund with small employee and employer contributions (estimated at about $2 each week).

Solar Panel: Covers freelancers and the self-employed.

Solar Panel: Provides leave to care for parents, children, spouses, domestic partners, and other family.

Solar Panel: Gives security to business owners and employees alike.

Solar Panel: Is publicly administered to ensure ease of administration by small business.
FAMILY IS A PART OF THE BOTTOM LINE: CHILD CARE

The lack of a good, affordable child care system is crushing families, workers and small businesses. Depending on the state, anywhere from 22 to 75 percent of parents live in a “child care desert,” where there is little or no access to quality child care. These deserts exist primarily in rural areas and contribute to low workforce participation and a lack of economic security for families. This hurts small businesses owners and employees, and contributes to inequality when it comes to race, gender and wealth. Political leaders who care about small businesses, their employees, and our communities will support public solutions for affordable, quality child care for all.

WE CAN’T HAVE THRIVING LOCAL ECONOMIES WITHOUT A CHILD CARE INFRASTRUCTURE

Robust child care infrastructure creates regions conducive to business growth, making them more attractive to young families, especially in rural and low-income urban areas, where child care is scarce and does not meet the needs for the number of children in the area. This would help grow the employee talent pool for small businesses and foster local economic growth.

INVESTING IN CHILD CARE IS GOOD FOR EMPLOYEES – WHICH MEANS IT’S GOOD FOR BUSINESS

Access to stable, quality, affordable child care improves employee morale, reduces absenteeism and increases business productivity. It creates a more stable workforce, reducing recruiting, training and turnover costs.

CHILD CARE INVESTMENTS HELP LEVEL THE PLAYING FIELD FOR SMALL BUSINESS

Increased public investment in child care levels the playing field for small businesses so they can compete with large corporations and attract the greatest talent. Small businesses operate on thin margins, making it nearly impossible to provide child care benefits to employees. In a tight labor market, that means losing potential employees to large corporations who wield the market power to provide child care benefits. When all employers abide by the same rules, the playing field is more level.

IF WE WANT TO CARE FOR OUR SMALL BUSINESSES, WE HAVE TO CARE FOR ALL OUR FAMILIES

Small business owners are entrepreneurs, but they need a foundation of social stability to succeed, and the lack of child care can be a barrier to starting or expanding a business. Every tear in the social safety net prevents people from pursuing their dream of small business ownership, stifling innovation.

WE CAN’T HAVE RACIAL AND GENDER EQUITY WITHOUT A GOOD, AFFORDABLE CHILD CARE SYSTEM

High child care costs hit women and people of color the hardest, and expanding public investment in child care creates greater gender and racial equity. Businesses benefit when they can retain their female employees, and the economy prospers when fewer women leave the labor force because they are not able to find affordable, quality child care.

A MAIN STREET SOLUTION FOR CHILD CARE

Ensure that no family pays more than 7 percent of their income, the U.S. Department of Health and Human Services’ affordability benchmark.

Increase the availability of care for nontraditional hours, with the choice of a child care center or a home-based provider, to achieve the flexibility that small business owners and their employees need given complex work schedules.

Strengthen high-quality child care programs for infant to school age children, and for children with disabilities, by promoting quality standards and fair compensation and giving child care providers the resources and the supports to improve.

Create well-paying care jobs in the child care industry by increasing compensation for child care providers, setting a wage floor, and creating wage parity between child care educators and K-12 teachers with similar levels of education, experience and competency.

Support small business child care providers in starting and growing their businesses, particularly in child care deserts – areas with a severe undersupply of licensed child care – bolstering licensed care in underserved communities.

Ensure that small businesses also benefit from tax incentives for employer-provided child care, through tax credits and subsidies that support small business child care cooperatives and small business pooling in which small businesses collaborate with other area small businesses to provide on or near-site child care, and share the cost.

Generate a sustainable public revenue stream for child care investment by closing corporate tax loopholes and creating a more a progressive income tax structure.

VALUING CHILD CARE PROVIDERS IS VALUING SMALL BUSINESSES

Investing in higher compensation and paid training opportunities for currently underpaid child care teachers and caregivers will help attract and retain a talented, dedicated and well-trained workforce, leading to higher-quality child care.

Increasing public investment in child care would support the development of new small business child care providers and enable current providers to grow and expand their businesses. It has the potential to create millions of new well-paying jobs across the country.
HEALTH CARE FOR ALL: A MAIN STREET VALUE, A VALUE FOR MAIN STREET BUSINESSES

Small businesses need affordable, reliable health care for themselves, their employees and customers. We need to build a strong, universal health care system to level the playing field between small businesses and large corporations, freeing entrepreneurs for new ventures and allowing Main Street businesses to attract and retain talent. The ability to run a successful business should not be jeopardized by unpredictable, out-of-control health care costs.

SMALL BUSINESSES WANT SIMPLICITY, QUALITY AND AFFORDABILITY – NOT COMPLEXITY

One of the best things you could tell a small business owner is, "You’ll never have to shop for health insurance again." Small businesses don’t want to “comparison shop." They don't want “skinny plans” that drive them to bankruptcy when they get sick. They don’t want health savings schemes or other bells and whistles. These so-called options just pad insurance corporation profits. Small businesses want a simple, affordable, easy-to-use health plan that covers all their health care needs and allows them to focus on what their businesses do best.

THE INSURANCE COMPANIES HAVE HAD THEIR CHANCE – IT’S TIME FOR A PUBLIC PROGRAM

Passing the Affordable Care Act was an important step in the right direction. It set essential rules for insurance companies, like not rejecting people or charging more for a preexisting condition. Those insurance companies haven’t delivered for us. They come in and out of our insurance exchanges at their convenience, when they can make a big enough profit off us. It’s time for another approach.

HEALTH CARE FOR SMALL BUSINESS, FAMILIES, EMPLOYEES, CUSTOMERS AND EVERYONE

Healthy families and communities are part of a small business’ bottom line. There’s a business interest in making sure everyone can spend money on the goods and services small businesses provide – instead of sending it to medical debt collectors. But making sure everyone in the United States can get care is just part of being decent. There’s no good reason to deny anyone health care.
"I was declared uninsurable because of my pre-existing condition. Since I wasn't able to find coverage in the individual or small group markets, after operating my business for nearly 20 years, I was forced to close. Once the ACA was implemented, I immediately went back into entrepreneurship with my wife."

—  Mike Simmons, Fluent Business Solutions, Lancaster, PA

**MAIN STREET PRINCIPLES ON HEALTH CARE**

- **Universal.** Everyone should have access to high-quality health care — whether you run a small business or a Fortune 500 company, no matter your race, income, gender identity, or where you were born.

- **Publicly funded.** We can make health care work if everyone pitches in. Main Street small businesses believe in a shared commitment among businesses, employees and government.

- **Affordable costs.** Small businesses need affordable, predictable costs they can plan and budget for and that let small businesses compete with big corporations.

- **High quality.** Small business owners and employees need a health plan that covers all the essentials, not barebones plans worth less than the paper they’re written on.

Main Street Alliance supports proposals such as a public option and Medicare for All, that move us toward these principles.

The Affordable Care Act (ACA) was a step in right direction — the starting point for a strong universal health care system. Policymakers’ undermining of the ACA has led to skyrocketing premiums, worse coverage and threats to every small business’ bottom line. Instead of going backwards, we need to build a strong, universal health care system.
SMALL BUSINESS ECONOMY:
A FOUNDATION OF EQUITY, STABILITY AND FAIRNESS FOR MAIN STREET BUSINESSES AND COMMUNITIES

Main Street businesses can’t thrive when communities are whipsawed by big corporations, trade wars, and a taxation system that funnels wealth to the richest among us. Small businesses need a foundation of stability and equity, built on fair taxation, a banking system for Main Street, investment in Main Street, people and communities, and trade policy that reflects small business needs. That’s just common sense.

INVESTING IN PEOPLE AND COMMUNITIES IS AN INVESTMENT IN MAIN STREET BUSINESSES

Main Street shops, farms and offices depend on customers and clients having enough income to circulate in local businesses and local economies, and in feeling security for the future. Businesses grow in places where people can live, work, and prosper. And our communities must have the schools, health care facilities, roads, bridges, safe drinking water systems and clean environment to sustain business activity and a thriving workforce.

PUBLIC ECONOMIC DEVELOPMENT DOLLARS SHOULD SUPPORT MAIN STREET BUSINESSES AND COMMUNITIES

Our government should stop subsidizing the profits of large corporations through tax incentives and other subsidies. Public economic development funds should be used to support small businesses that apply high-road employment standards, contribute to local economies, and promote economic and racial equity.

BANKING FOR MAIN STREET, NOT WALL STREET

Banks and other financial institutions should serve the needs of the public – including Main Street businesses, family farms and communities – not the other way around. And any small business owner applying for a loan or other financing should know they’ll be treated fairly, without racial or gender discrimination, and protected from abusive products.

MAIN STREET NEEDS PREDICTABILITY, STABILITY AND FAIRNESS IN TRADE

In a trade war, there’s no guarantee that Main Street will come out a winner. Recent evidence tells us the opposite. New tariffs have sent a ripple effect through small businesses from family farms to retail outlets to car washes. We need a trade policy that sets a foundation of stability for small businesses and farms instead of exposing us to unpredictability and letting big corporations call the shots.
POLICIES TO SUPPORT A SMALL BUSINESS ECONOMY

Tax fairness:

☉ Repeal the regressive 2017 tax legislation and create a progressive tax structure, end incentives for off-shoring profits and close corporate loopholes.

Banking for small business:

☉ Extend consumer protections – including truth in lending – to small business borrowers, and protect small business borrowers from predatory financing practices, such as the use of confessions of judgment.

☉ Promote equity in lending by implementing section 1071 of the Dodd-Frank Act, requiring financial institutions to report on lending to women-owned businesses, businesses owned by people of color, and small businesses.

☉ Create public banking opportunities to boost the local economy and small business lending.

☉ Increase funding for and access to small-scale loans and strengthen Small Business Administration support for micro-financing.

Main Street-scale economic development:

☉ Reverse subsidization of large corporations, and increase public investment by and for local communities that protect small businesses from displacement and create high-quality, living-wage jobs with common sense standards.

☉ Renew and update anti-trust enforcement, including protecting farmers from further corporate consolidation in agriculture through a moratorium on mergers and acquisitions and by reversing anti-competitive mergers.

Trade policy:

☉ Curb multinational corporations’ tax avoidance, incorporating taxation measures into trade agreements and ending banking secrecy.

☉ Protect Main Street from the big corporate race-to-the-bottom by revising current trade deals to include the following protections, and ensuring that any new deals:

  > Contain strong health, safety, environmental, and workplace protections that are equally enforceable and binding as other parts of the deal.

  > Protect the ability of local, state, and federal policymakers to support local and regional economies and invest in research, development and training.

  > Prevent large corporations from suing to overturn common-sense local, state, and federal laws that protect our communities, job quality, health and environment.

  > Support the efforts of local, state, and federal governments to purchase from locally or regionally based businesses.

  > Allow state and federal lawmakers to establish farm safety net programs that provide small, independent farmers the strongest protection from volatility and downturns.

“You need to show what’s going on out there in the real world, on the street. That’s why I as a small business owner have stories to tell about my lack of being able to get capital.”

— Deb Field, Owner of Paper Jam Press, Portland, OR

Portland business owner joins lawsuit against the Consumer Financial Protection Bureau — Portland Business Journal
A WELCOMING AMERICA IS A PROSPEROUS AMERICA

Across the U.S., Main Street entrepreneurs – no matter their race, religion, or where they were born – have declared that hate has no business in their establishments. They don’t close their doors to immigrants, Muslims, LGBTQ people or others based on their race, their gender or their ability. Our leaders – and our laws – shouldn’t either. We need to reverse hateful policies and replace them with policies that protect all who are creating the future for Main Street.

IMMIGRANT SMALL BUSINESS OWNERS ARE HELPING CHART A FUTURE FOR AMERICA’S MAIN STREETS

Immigrant business owners have helped bring hope and new life to many communities facing an uncertain future. Across our country, Main Streets that would otherwise be boarded up and lonely have been revived by immigrant business owners and their customers – they’ve seen promise in places that others have written off or big corporations have abandoned.

IMMIGRANT BUSINESS OWNERS ARE HELPING BUILD PROSPERITY FOR MAIN STREET

We can’t count on large corporations to create a foundation of prosperity. We need people who see a future in our country. In the U.S., more than 7.9 million people work at businesses owned by immigrants. Immigrant spending power, in turn, generates $1.1 trillion in annual sales. With establishments ranging from grocery stores and medical practices to farms, tortilla factories and accounting firms, immigrant small business owners – and their families, employees, and customers – are helping build stronger local economies and investment in our communities.

PUNITIVE IMMIGRATION POLICIES THREATEN OUR REBOUNDING MAIN STREETS

Every time federal immigration officials descend on our Main Streets – removing loved ones, friends, employees, and business owners – our towns face yet another blow just as we’re rebuilding our future. These raids tear apart our social fabric, remove breadwinners from our communities, and make people afraid to go outside for everyday needs. As people, Main Street business owners see the devastation in human terms. As business owners, Main Street business owners feel the financial hit.

On top of that, every year deportation agents and immigration detention camps get more and more of our federal dollars – money that should go to our schools, clinics, flood prevention, and small businesses that want to get off the ground and invest in our communities.

17. https://www.newamericaneconomy.org/locations/
18. https://www.newamericaneconomy.org/locations/
ALL BUSINESS OWNERS HAVE A STAKE IN A JUST AND WELCOMING AMERICA

For Main Street businesses, trust is currency, and success counts on everyone walking through the doors knowing they’re welcomed and respected — no matter their race, national origin, religion or gender. Main Street businesses are also esteemed community institutions — places where people not only buy what they need or earn a living, but also gather and build connections to one another. Policies that create fear undermine the trust that Main Street businesses depend on. That’s why Main Street businesses stand for freedom and hope for all.

MAIN STREET BUSINESS OWNERS WANT POLICIES THAT SUPPORT WELCOMING BUSINESSES

We need policies that embrace and support the importance of small businesses as welcoming places, recognizing that the United States is made up of people of many walks of life, genders, birthplaces and races. As leaders in our communities, Main Street businesses oppose policies that take rights away from Muslims, immigrants, women and trans and other LGBTQ people. These policies hurt all of us who want a good future for our businesses, families and Main Street communities. Our policies should create the foundation for welcoming communities and thriving small businesses.

MAIN STREET PRINCIPLES FOR A WELCOMING AMERICA

- Provide an accessible, equitable, and efficient road map to full citizenship
- Promote family reunification by making visas available without restrictive family definitions and visa caps; allow deported family members to reunite with their loved ones
- Prevent the federal government from requiring small businesses to participate in immigration enforcement through mandatory e-verify; protect hospitals, schools, and courthouses from federal immigration agents
- Divest from immigration detention and enforcement, and invest those dollars in Main Street; let immigrants stay at home and at work (instead of detention) while seeking asylum and/or citizenship
- Provide equitable access to education, health care, housing, and other basic needs
- Protect Main Street small businesses from race-to-the-bottom competition by ensuring that future immigrant workers have access to citizenship and workplace rights
- Repeal the 1996 laws that created new obstacles for people to become full citizens
- Protect immigrants’ right to seek asylum or other relief and have a fair day in court
- End the Muslim ban, which has kept families separated and harmed communities
- Extend civil right protections to LGBTQ people
- Protect the Census from a new citizenship question that undermines democracy and government by the people
The Main Street Alliance works to provide small businesses a voice on the most pressing public policy issues. Our advocacy promotes vibrant businesses and healthy communities, and fosters leadership development of socially responsible business leaders.