

2025 National Association of Women Business Owners (NAWBO) Advocacy Agenda

Founded in 1975, the National Association of Women Business Owners (NAWBO) members represent more than 14 million women business owners across America. Our members are diverse in many ways, including the size of their business (roughly 40% are sole proprietors), the sectors and communities they serve, the stage of business development, their race, ethnicity, geographic business areas, and political leanings that determine policy views. The NAWBO 2025 Advocacy Agenda embodies the ever-present need to represent all our members while creating the avenue and environment to build sustainable women-owned businesses. Statistics shown below reflect findings from a 2025 NAWBO survey of more than 1,000 women business owners conducted nationwide.

Growing Our Economy

While women business owners contribute significantly to the U.S. economy, adding \$3.3 trillion in 2024, closing the revenue gap between women- and men-owned businesses could generate an additional \$10.2 trillion in economic activity, per the 2025 Wells Fargo report.

- 65% of members cite attracting new customers as their top challenge. Women entrepreneurs need social media training, fintech tools, and increased opportunities in government procurement to reach broader markets.
- Federal support for specific programs, such as the Women-Owned Small Business (WOSB) program, has helped women enter the federal procurement system and scale their businesses.

Workforce

Health care benefits, a flexible work schedule, and paid time off were the top three ways our business owners attract talent. Moreover, more than half of those businesses already offering Paid Family Medical Leave say it also helps them retain talent.

- Only 45% of the NAWBO members could offer health coverage benefits due to cost. In addition to NAWBO's support of Section 45S of the Internal Revenue Code, which gives a tax credit to employers who provide paid family and medical leave, NAWBO also urges Congress to consider legislation to help small businesses offer their employees benefits by increasing access to existing federal and state benefits portals.
- NAWBO believes Congress should look at ways to ensure that small businesses can continue to thrive by utilizing independent contractors as a critical workforce component since more than 90% of NAWBO members use up to 10 independent contractors.
- We hope Congress can work toward a bipartisan solution that gives small businesses an option to access a paid leave system that works financially for themselves and their workforce.

Women Business Owners are Using AI, Though Many Have Security Concerns

81% of NAWBO members are using AI, primarily chatbots such as ChatGPT (75%); however, 40% are concerned about security risks and fraud related to AI. For those not using AI, security concerns are a key barrier.

- Federal funding for AI literacy and security frameworks could enable broader adoption.

Diversification of Energy Sources

With rising energy costs, women-owned businesses recognize the necessity of diversifying energy sources to not only bring down the cost of energy but also relieve the burden on the electric grid. Investments in alternative forms of energy, such as natural gas and its infrastructure, can help bring down costs and emissions while having bipartisan support among members of Congress. In addition, the evolution of AI will require energy solutions, as ChatGPT requires ten times the energy as a Google search.

- We must look at alternative forms of energy like natural gas to ensure we can fully support a grid that meets our needs as we advance our technology.

Simplifying Our Tax Code and Making Certain TCJA Small Business Provisions Permanent

Nearly 50% of members did not see a benefit from the C-Corporation tax rate reductions or temporary deductions for pass-through entities.

- However, half of NAWBO members identify the 20% pass-through deduction as critical to their business.
- NAWBO also supports modernizing the FICA tax tip credit by extending it to the beauty industry.
- NAWBO believes simplified, impartial tax policies are necessary to maximize small business benefits.

Proposed Bill Language to Address the Needs of the "Microbusiness" and Encouraging Emerging Entrepreneurs

Our most recent survey shows that only 20% of women-owned businesses have over a million dollars in annual revenue. There is a steep hill for women to climb to grow and scale their businesses. One avenue is access to affordable funding, which remains the second-highest priority for women business owners today. Congress needs to codify a definition of a microbusiness to better support access to capital for all our microbusinesses.

Establishment of the definition of Microbusiness

Section 632 of title 15, United States Codes is amended—

(1) Inserting after section "ff":

“(gg) Definition of Microbusiness -

Criteria: To be considered a “microbusiness”, an independently owned and operated for-profit business entity, must meet both criteria:

Employment of not more than 50 full-time employees or full-time equivalent employees; and

Annual revenue of not more than \$5,000,000.

(hh) While microbusinesses listed in gg are the definition of microbusiness in this section, it is important to note the specific concerns of single person companies that are a significant portion of the microbusiness segment. Further, companies that employee 10 or fewer employees make up another large segment of the women owned business. These companies have specific needs that the legislature and administrative agencies should consider when making policy decisions.”

Establishment of Microbusiness Loan Pilot Program

Not later than 60 days after enactment of this Act, the Administrator shall promulgate guidance to establish a Microbusiness Loan Pilot Program utilizing the definition in (a). For purposes of this pilot, the Administrator shall set aside not less than \$100 million for purposes of awarding loans of not more than \$100,000 per entity.