



2025 NAWBO Advocacy Agenda Talking Points

GENERAL BACKGROUND

The National Association of Women Business Owners (NAWBO) members are diverse in many ways, including the size of their business, the sector, the stage of business development, and political affiliation.

- NAWBO advocates for women business owners regardless of political affiliation, encouraging and supporting bipartisan legislation focused on building and strengthening a sustainable business economy.
- For NAWBO to endorse specific legislation, the legislation must go through a litmus test. NAWBO generally endorses bipartisan legislation that builds coalitions, is supported by data, and advances the women's business community.
- The NAWBO Advocacy agenda embodies the ever-present need to create both the avenue and environment to build sustainable women-owned businesses.
- Women business owners must remain at the top of everyone's minds to keep our economy vibrant.
- Our statistics reflect findings from a 2025 NAWBO survey of more than 1,000 women business owners conducted nationwide.

GROWING OUR ECONOMY

BACKGROUND DATA: *While women business owners contribute significantly to the U.S. economy, adding \$3.3 trillion in 2024 and 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*

- **Congress must make access to technology and digital tools available on the federal level and publicized to help women business owners expand their market share.**
 - *65% of members cite attracting new customers as their top challenge.*
- **Congress must continue to support specific programs, such as the Women-Owned Small Business (WOSB) program, which has helped women enter the federal procurement system and scale their businesses.**
 - *Nearly 30% of members say access to local, state, and/or federal government procurement opportunities would allow them to grow their businesses.*

WORKFORCE

BACKGROUND DATA: *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.*

ASK OF CONGRESS

- **NAWBO supports the permanency of Section 45S of the Internal Revenue Code.**
 - Only 45% of the NAWBO members could offer health coverage benefits due to cost.
 - Section 45S would give a tax credit to employers who provide paid family and medical leave, and permanency would give them the consistency they need to make long-term business plans.

- **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.**
 - More than 90% of NAWBO members use up to 10 independent contractors in their workforce.
- **NAWBO urges Congress to consider legislation that can help small businesses offer their employees benefits by increasing access to existing federal and state benefits portals.**
 - Small businesses lack the resources to offer extensive benefits packages, leaving them unprepared to compete for talent in a tight labor market.
- **NAWBO hopes 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.**
 - Policies that include support for self-employed individuals and working families through programs like paid family leave help address the economic needs of our business owners and workforce while at the same time helping ensure small business owners can compete against their larger counterparts.
 - Yet the ability to offer paid leave remains out of reach for most small business owners, with over 45% of those surveyed reporting the costs of providing benefits are too high. Indeed, according to our most recent survey, only 20% of women business owners offer paid family leave.
 - However, there is support for an opt-in, national Paid Family Leave policy.

WOMEN BUSINESS OWNERS ARE USING AI, THOUGH MANY HAVE SECURITY CONCERNS

BACKGROUND DATA:

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.

ASK OF CONGRESS

- **NAWBO encourages Congress to support federal funding for AI literacy and security frameworks, which could enable broader adoption.**

DIVERSIFICATION OF ENERGY SOURCES

BACKGROUND DATA:

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. In addition, the evolution of AI will require energy solutions, as ChatGPT requires 10 times the energy as a Google search.

ASK OF CONGRESS

- **Congress must understand investments in alternative forms of energy, such as natural gas, can help bring down costs and have bipartisan support.**
- **As a nation, 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

BACKGROUND DATA:

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.

ASK OF CONGRESS

- **NAWBO encourages Congress to support the 20% pass-through deduction.**
- **As we stated previously, NAWBO supports Section 45S of the Internal Revenue Code, which gives a tax credit to employers who provide paid family and medical leave.**
 - Only 45% of the NAWBO members could offer health coverage benefits due to cost.
- **NAWBO supports modernizing the FICA tax tip credit by extending it to the beauty industry.**
 - Beauty industry establishments are predominantly owned by women (60%). They provide entry-level jobs and employ a workforce of roughly 1.2 million professionals.
 - Thirty years ago, Congress gave tax relief to restaurants to promote job growth. This important tax credit has encouraged tipping and boosted the bottom lines of restaurants and tipped employees alike
 - Beauty salon employees, such as stylists and barbers, are just as dependent on tips as waiters and waitresses. Yet Congress has not given them a tax break.
 - This discrepancy between one set of tipped workers and another makes no sense, and it is time for Congress to fix it.

ADDRESSING THE NEEDS OF THE "MICROBUSINESS" AND ENCOURAGING EMERGING ENTREPRENEURS

BACKGROUND DATA: *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.*

ASK OF CONGRESS

- **Congress needs to codify a definition of a microbusiness.**
 - NAWBO believes that any business with 50 or fewer employees and less than 5 million dollars in annual revenue should qualify as a microbusiness.
 - All federal agencies will utilize this definition, and SBA will be able to better support access to capital by establishing the Microbusiness Loan Pilot Program. The SBA Administrator would set aside not less than \$100 million to award loans of not more than \$100,000 per microbusiness entity.