Engage PRESENTS

TALK SHOP

Small business Hub for Owners & Professionals

PRACTICAL POLICY INSIGHT AND MORE FOR SMALL BUSINESS ISSUE 1 · OCTOBER 2026

Welcome to the inaugural issue of Talk SHOP. From the very beginning, America has been a nation of entrepreneurs. That spark, the one that leads so many to take a leap of faith and start a business, is still abundant today especially among women. Women outnumber, outvote, and outlive men™ in this country — and they own over 14 million businesses in the United States, creating 2.8 trillion dollars in revenue. These women-owned businesses provide over 11 million jobs in this country.

The goal of Talk SHOP is to translate what happens in Washington DC in a way that is understandable and useful to small business owners and professionals. And hopefully also give our readers not just trustworthy information, but inspiration.

Jason Kanter joins me in this venture as Editor-in-Chief. We have so much we want to share with you and hope this newsletter will become a resource and worthy of your time.

Along with being the Founder of Engage, I have been a small business owner for over twenty-five years. Looking back, I like to think my own leap of faith was many parts inspired creativity but truth is, it was also many parts necessity for survival. Luckily for me and all of us, this impulse to create a business is possible in the United States. However, it is by no means easy.

Understanding and keeping up to date on policies and regulations generated in Washington DC can be very daunting. We want to help you with that.

So, let's Talk SHOP,
Rachel Pearson
Publisher

POLICY PAYOFF

A Practical Guide to the Newly Permanent Paid Leave Tax Credit for Employers (Section 45S)

The federal tax credit for employers that offer paid family and medical leave is now permanent, and better than ever. It's one of the biggest wins for paid leave in years, backed by rare bipartisan support, and great news for small business owners and their employees.

Thanks to the leadership of **Senators Deb Fischer (R-NE)** and **Angus King (I-ME)**, the Section 45S tax credit, the only federal incentive of its kind, was enhanced and made permanent in the 2025 reconciliation law. First enacted in 2017 as a temporary pilot and extended twice, the credit helps employers, particularly small businesses, offset up to one-quarter of the cost of providing paid leave to their workers. Now that it no longer has an expiration date, employers can confidently factor it into decisions about offering or expanding paid leave.

The new law adds several welcome bells and whistles, most notably:

- Employers can claim the credit for paid leave insurance premiums.
- Employers can choose to make workers eligible after six months on the job instead of a year.
- In states with their own paid leave programs, employers can combine the state benefit with their own "top-up" payments to meet the credit's requirements, then claim the credit on the portion they pay.
- Employers are no longer disqualified from the credit for workers in states without paid leave programs solely because they also have workers in states that do.

Yet many employers still don't know how the credit works, who qualifies, or how to design a leave policy that meets its requirements amid a patchwork of state rules.

That's where Engage HQ comes in. Our first Policy Payoff breaks down the paid leave tax credit, explains what changed, and helps you figure out how to put it to work for your business. Offering paid leave just got more affordable!

Employer Paid Leave Tax Credit – Scope of Benefit



Duration:
2–12 weeks of paid leave



Wage replacement
≥ 50% of normal wages



Qualifying reasons
One or more FMLA reasons: parental, caregiving, own serious illness, military



Written policy
Applies to all eligible workers; non-interference language

Read more online →

CAPITOL LEDGER

Where Small Business Policy Gets Made

Small business policy is shaped by two branches of government: the legislative branch, where Congress writes the laws, and the executive branch, where the administration carries them out through the Small Business Administration (SBA) and other agencies.

In this first issue, we break down which committees in Congress steer small business policy – authority known as jurisdiction, derived from U.S. House and Senate rules – and who leads those committees.

Next month, we'll focus on the SBA and how it defines small businesses.

Let's dive in!

Issues ranging from taxes and workforce policy to capital access, technology, health care, and federal spending are set by a cross-section of congressional committees, not just the two devoted to small business.

> **While the U.S. House and Senate Small Business Committees play an important role, many of the policies affecting small businesses are developed in other committees.**

Understanding Congress's committee structure can help small business owners and employees identify where legislation is likely to emerge, what committees will drive its progress, and which members of Congress hold the most sway.

The upcoming midterm election on November 3, 2026, will determine which party controls the U.S. House and Senate, and with it, who leads these committees when the next Congress begins in January 2027.

Congressional Jurisdiction Over Small Business Policy

Small business issues span multiple congressional committees

Policy Area	U.S. House Committee	U.S. Senate Committee
U.S. Small Business Administration	Small Business	Small Business & Entrepreneurship
*Tax / Trade / Social Insurance**	Ways & Means	Finance
*Labor / Workforce / ERISA***	Education & Workforce	Health, Education, Labor, & Pensions
Business Capital / Credit	Financial Services	Banking, Housing, & Urban Affairs
Commerce / Technology	Energy & Commerce	Commerce, Science, & Transportation
*Health Care^*	Energy & Commerce	Health, Education, Labor, & Pensions
*Federal Funding^^*	Appropriations	Appropriations

* Social insurance refers to government programs funded by payroll taxes, such as Social Security and unemployment insurance.

** ERISA (Employee Retirement Income Security Act) is the federal law that sets rules for most retirement and health benefit plans that private employers offer their workers.

^ Health care policy often falls under overlapping jurisdiction, including House Ways & Means and Education & Workforce as well as Senate Finance.

^^ Federal funding refers to spending bills that decide how much money federal agencies and programs receive each year, including the SBA.

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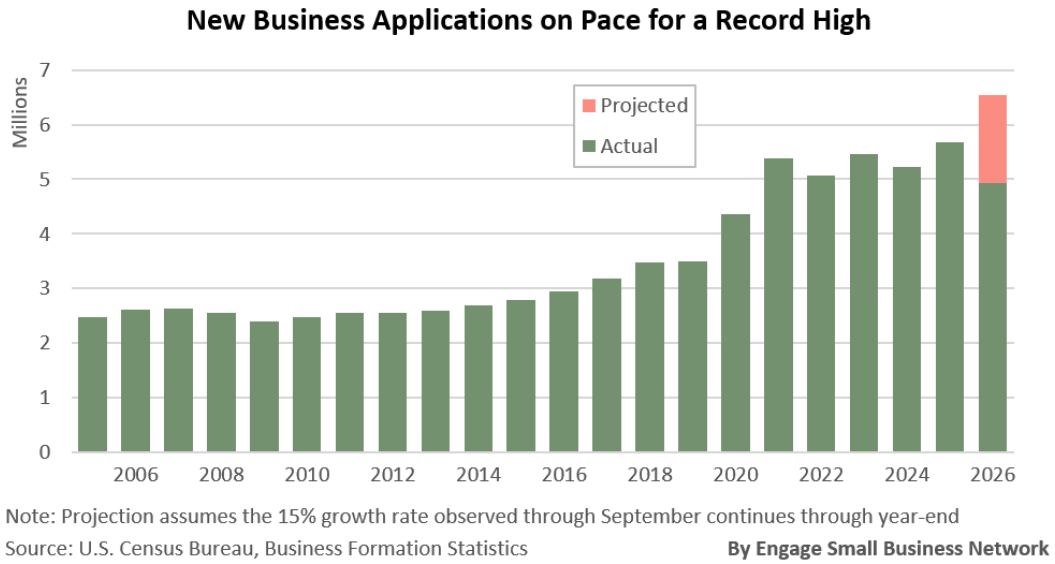
POWER TOOLS

PRESENTED BY intuit

Could AI Be Fueling America's Business Boom?

Americans continue to start new businesses at record-setting rates according to the U.S. Census Bureau. New business applications have remained at historically elevated levels since rising sharply in 2020.



Note: Projection assumes the 15% growth rate observed through September continues through year-end

Source: U.S. Census Bureau, Business Formation Statistics

By Engage Small Business Network

Americans filed nearly 5.7 million applications to start new businesses in 2025. Activity has remained strong in 2026, with applications through September running at a pace projected to surpass last year's record total and reach 6.5 million.

Economists and business leaders have offered a number of explanations for the sustained increase in entrepreneurship, including remote work, changing labor market dynamics, and lower barriers to starting and operating a business.

One increasingly important factor is the rapid adoption of artificial intelligence. The SBA's Office of Advocacy found that small businesses are increasingly adopting AI and that the gap between small- and large-business AI use has narrowed in recent years.

Read more online →

AMERICAN ENGINE

Powering Small Business and Economic Opportunity

By Talk SHOP contributor **Linda Shim**, Senior Vice President, Government Affairs, Comcast

Small businesses help to power America, and reliable broadband helps millions of entrepreneurs reach customers, access new markets, manage operations, adopt new technologies, and turn an idea into a livelihood. From a home office to a Main Street storefront, connectivity increasingly shapes how businesses can start, compete, and grow.

But access is only the starting point. The larger opportunity is turning connectivity into economic capacity. Small businesses need both reliable broadband and the digital skills to put it to work, whether that means reaching customers through e-commerce, improving productivity, or adopting emerging technologies.

That is why communities across the country are bringing together schools, libraries, nonprofits, workforce organizations, local leaders, and the private sector to expand digital skills, support entrepreneurs, and help small businesses take advantage of new technologies. We're helping to lead that effort, investing in our state-of-the-art network and digital opportunity programs designed to help more people and businesses across the country participate in today's digital economy. Comcast Business proudly serves more than two million small businesses, connecting the entrepreneurs who make America work.

The takeaway is clear: **broadband is essential infrastructure for economic opportunity**, but connectivity alone is not the finish line. Success is measured by what people and businesses can do with it: build thriving businesses, develop new skills, and strengthen the competitiveness of their communities.

GUIDING VOICES

Meet the small business leaders who are advising Talk SHOP.



Shirley Boubert-Rumble
CHAIR
Owner and CEO,
Usource Construction
Washington, DC



Tracy Chadwell
Founding Partner,
1843 Capital
Washington, DC



Gina Hadley
Co-Founder,
The Second Shift
New York, NY



Sue Malone
Founder and CEO,
Strategies for Small Business
Nashville, TN



Emily Morris
Founder and CEO,
Emrgy
Atlanta, GA

Additional Reading

- Social Security Administration – 2027 Cost-of-Living Adjustment: 3.6% COLA and a $192,300 Taxable Wage Base (October 14, 2026) Read more
- U.S. Census Bureau – Does Using Artificial Intelligence Save Time at Work? (August 11, 2026) Read more
- The New York Times – Heat, Fire, Smoke and Storms Are Wreaking Havoc on the Economy (August 11, 2026) Read more
- The Washington Post – AI Isn't Replacing Workers. It's Creating Bosses (July 25, 2026) Read more

Talk SHOP is published by Engage, a nonprofit dedicated to women's economic security and bipartisan, commonsense solutions. Rachel Pearson is Founder and Publisher, and Jason Kanter is Editor-in-Chief.

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