



## How Hillary Clinton's new Small Biz Proposal Aims to Protect Main Street

*Clinton's new plan is all about small business. But are the proposed solutions what the owners need?*

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Small business owners have been practically shouting from the rooftops that candidates aren't paying enough attention to their issues this election. To that end, Hillary Clinton finally answered the call—but not everyone's sold on her approach.

The presumptive Democratic nominee unveiled a new small business plan on July 7 that would include provisions such as increasing incentives for corporations to pay small businesses in a timely manner, expanding small business' access to capital, and prosecuting big businesses that “develop a habit of deceptive trade practices,” Vox reported.

Clinton's plan aims to provide advanced legal protections for small businesses against larger firms. In doing so, she wants to give the Federal Trade Commission and the Department of Justice authority to “investigate patterns of misconduct,” TIME reported.

The proposal would also enhance a small business owner's ability to recoup legal funds through “increased damages for small business' attorney's fees or a new private right to sue under federal law,” according to TIME.

The federal government would incentivize big businesses to play fairly with small business owners under Clinton's plan, leveraging the \$400 billion in federal contracts to ensure big businesses pay small businesses on time.

Additionally, Clinton's plan would increase the Small Business Administration's lending amount to give owners more access to capital. Currently, the agency backs \$20 billion in loans for small businesses each year; Clinton's proposal would boost that by an unspecified amount, according to Vox.

But her plan isn't without critics.

Thaya Brook Knight, associate director of financial regulation studies at the Cato Institute, argues that there are significant bureaucratic and legal hurdles to punishing firms that are late on payments. Using federal contracts as leverage against big businesses might end up costing taxpayers, too, Vox reported.

Repealing regulations on the banking sector would be a more effective way to spur small business growth instead of expanding loan programs, Brook Knight told Vox.

Clinton released her proposal in conjunction with a new ad that features a small business owner who alleges Donald Trump did not follow through with his payments after doing business with him.