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Testimony on Senate Bill 143

Co-chairs Steiner Hayward and Smith, members of the committee, my name is Peter Threlkel; I am the Director of the Corporation Division for the Secretary of State's office.

Senate Bill 143 is part of the Secretary of State's effort to improve the business climate in Oregon by creating the Office of Small Business Assistance to work with small businesses and regulatory agencies to ensure that small business has a voice on state regulatory matters.

According to a recent report from the Federal Small Business Administration Office of Advocacy, most of Oregon's small businesses are very small as 75 percent of all businesses have no employees, and most employers have fewer than 20 employees. Yet, small businesses are responsible for 1.3 million jobs in Oregon and are the greatest source of innovation and economic growth in the state.

While collectively small businesses are the backbone of Oregon's economy, individually many may lack the resources and know-how to effectively navigate and understand the state's many regulatory burdens and requirements.

Senate Bill 143 would authorize us to establish an Office of Small Business Assistance to work with business that need help managing their way through red-tape in the regulatory process.

The bill enhances the many self-service options we already have today by providing the staffing necessary to investigate and respond to issues and concerns raised by small business owners regarding rules and regulations that are interfering with business operations.

The bill is based on the successful implementation and experiences of a similar office in the State of North Carolina.

Since the Corporation Division is not a regulatory agency, and does not regulate any aspect of business we will be able to serve as a neutral third party to work with regulatory agencies and business owners.

We expect that our findings and recommendations will help illustrate areas where regulations could be improved, communicated more effectively, and increase the participation of small business in improving state rule making.

As this creates a new level of enhanced services for the business community, limitation for two new staff positions is required to facilitate the interactions between small business and state regulators.

Funding for the office will come from user fees already paid by business to register with the Corporation Division.

The bottom line of Senate Bill 143 is to help business and promote better business regulation for faster economic growth in Oregon.

Thank you for allowing my testimony. I would be happy to answer any questions.