

Licensing

Licensing continues to be a challenging trend, with 75 percent more cases in 2015 than in 2014.

Case: Background Check Backlog

Pam owned an assisted living facility and had trouble getting required background checks for new and existing employees finished. Without the completed check, an employee couldn't be hired or retained. The Background Check Unit (BCU) responsible had exponentially more background checks to complete with less staff; and was in the midst of implementing a newly created central registry for such workers. The Small Business Advocate worked with BCU to get Pam's checks completed in record time. The BCU requested and received additional funding for staff to reduce the amount of time needed for background checks.

Case: Licensing Confusion

Pauline is just one of hundreds of business owners who called the Office of Small Business Assistance to ask if a license was necessary for her business. The Small Business Advocate worked with the Oregon Department of Transportation to clarify what licensure was necessary for Pauline's limousine service and how Pauline could get the process started.

Policy

Three percent of cases involve policy implementation issues that have a negative effect on businesses.

Case: DEQ Dilemma

Linda got a call from Oregon's Department of Environmental Quality out of the blue. Turns out, her business was located at the former site of a dry cleaner. DEQ needed to make sure the property and building were free of contaminants. The Small Business Advocate worked with DEQ to get necessary testing funded by a federal program, minimize interruptions to Linda's business, and to help improve the agency's communication with Linda and other customers during and after testing. Test results came back normal.

Jurisdiction

Jurisdiction for the Office of Small Business Assistance is limited to Executive branch state agencies, so working with our partners at the local and federal level is critical to helping businesses find solutions. In OSBA referred 11 percent of cases to these partners in 2015, an increase of 8 percent over 2014.

Oregon's small businesses are the lifeblood of its economy. But a problem with government can punch a hole in profitability. In 2015 the Office of Small Business Assistance worked with 219 businesses and nonprofit organizations to help address their challenges with state agencies and to refer the rest to local and federal resources. Two full years of operations for the Secretary of State's Office of Small Business Assistance has raised the profile of the office; both increasing the number of cases and adding perspective to data and trends first highlighted in 2014



Linda's business got the all clear from DEQ - © Shawn Vitt

Taxes

Every business has tax obligations. So it's not surprising that many cases are tax related. The challenge? There was an 81 percent increase in the number of tax cases in 2015.

Case: Employment Tax Glitch

Joan is the treasurer for a nonprofit that shed the last of their employees in late 2014. She sent a form to the Oregon Employment Department so they wouldn't expect additional payroll reports. Because her form was dated one day late, Employment's systems estimated the payroll tax "owed" and added penalties for late filing. The Small Business Advocate worked with the Employment Department to correct their records and reduce the amount "owed" to what it should have been: zero.

Procurement

In 2014, procurement related cases were barely a blip on the radar, but the state has made strategic investments in improving the procurement landscape for small business. There were 143 percent more procurement cases in 2015, demonstrating increased awareness of the Office of Small Business Assistance.

Case: Procurement Predicament

Rachel helps intellectually and developmentally disabled people by offering arts, recreational and vocational programs, paid for with federal dollars managed by Oregon's Department of Human Services (DHS) in their newly expanded eXPRS online payment system. Rachel was first underpaid, then overpaid for services, which affected her cash flow. The Small Business Advocate worked with DHS to identify problems in their online system, gaps in their provider training, and ways for Rachel to get help while technical improvements were started and functionality added. DHS also formed a quality assurance team and started making changes in client contracts. Agency leadership committed to continue crafting a system that works for all stakeholders.

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sos.oregon.gov/BusinessSOS

Looking Ahead

Data on these cases doesn't just illustrate challenges to Oregon small business. It points the way toward opportunities to improve state government - ways to make focused investments and reality-based policy changes.

Entrepreneurs tell us every day what their real challenges are, and the data is clear. There were more licensing, procurement and tax-related cases in 2015. Problems with communication are at the heart of all these cases.

But when agencies put standards in place to recognize and reward excellent customer service, are responsive to business partners, and communicate clearly, the data shows a decrease in cases.

We recommend state agencies make a small investment in outreach. Some have done so by delegating one person to proactively reach out to small businesses. These outreach personnel can also function as a single point of contact for their agency and to connect entrepreneurs to agency-specific, specialized resources.

About the Office

The Office of Small Business Assistance is part of the Oregon Secretary of State, and serves as an independent voice for small businesses within state government. The office was established by the Oregon Legislature with the passage of HB 3459 (2013), and works to resolve specific concerns and facilitate communication between businesses and state agencies. The office opened on Jan. 6, 2014, and finished its second year of operation with 357 cases involving businesses and nonprofit organizations with 100 or fewer employees.

About the Advocate

With 18 years of experience running small businesses to add to her nine years of service in the Legislative branch, Ruth Miles understands first-hand the challenges entrepreneurs face.



Ruth Miles

She's crisscrossed Oregon over the last two years to visit with business leaders and associations, chambers of commerce and community partners to hear their concerns about getting caught in red tape. And everywhere she goes, she runs with scissors.

About the Cases

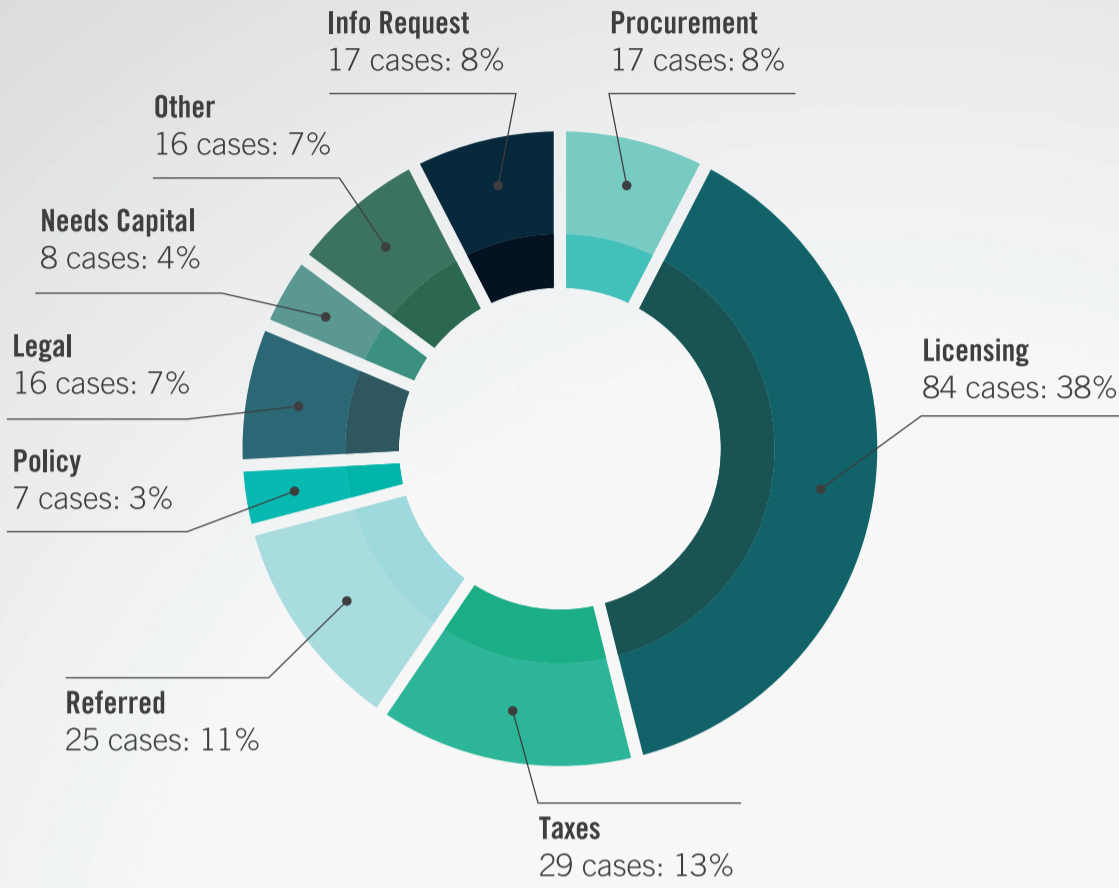
When a small business or nonprofit has a problem with an Oregon executive branch agency that they can't solve, they call the Small Business Advocate. The Advocate and staff enter all information and communications about the inquiry into a case management system, providing confidentiality for the business while keeping meticulous records and tracking data for use by policymakers.

2015: Small Business by the Numbers

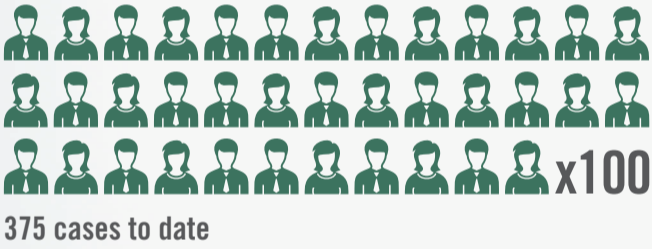
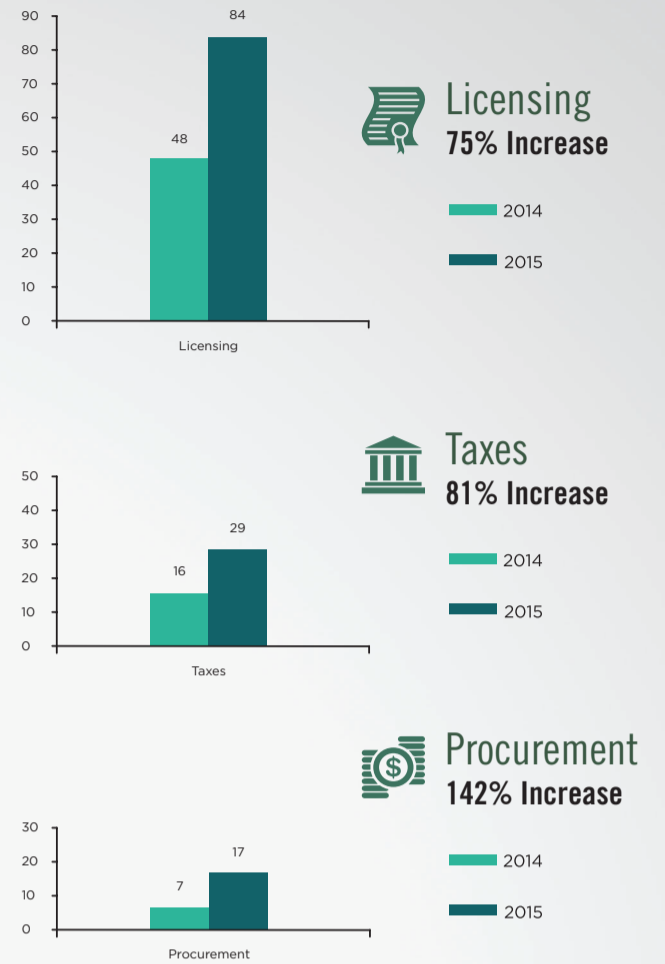
Oregon Secretary of State's Office of Small Business Assistance Annual Report



Cases By Issue 2015



Major Challenges



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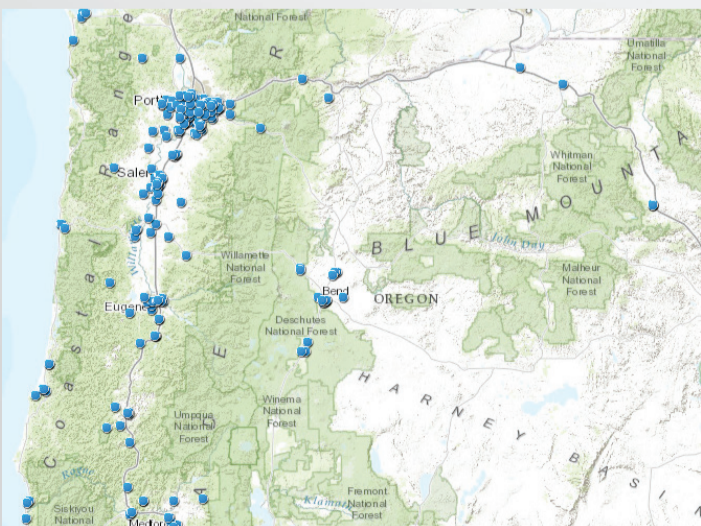
Cases Opened/Closed



Caseload



Case Locations



Oregon Secretary of State
 Office of Small Business Assistance
 Public Service Building
 255 Capitol St NE, Suite 151
 Salem, OR 97310-1327