



John Nygren

WISCONSIN STATE REPRESENTATIVE ★ 89TH ASSEMBLY DISTRICT

FOR IMMEDIATE RELEASE

FEBRUARY 4, 2010

CONTACT STATE REPRESENTATIVE JOHN NYGREN, (888) 534-0089

Nygren Bill to Reduce Small Business Regulatory Burden

Proposal Would Strengthen Employers Ability to Reduce Bureaucracy and More Easily Create Jobs

Madison... Representative John Nygren (R-Marinette) is currently circulating a bill in the Wisconsin State Legislature that would give small businesses more influence over agency rulemaking. Many rules adversely impact a small business' ability to create jobs and expand in Wisconsin. The Small Business Regulatory Reform Act of 2010 would reduce the regulatory burden placed on small employers by government bureaucracy and create a more transparent regulatory framework.

The Small Business Administration estimates that 98 percent of Wisconsin's employers are small businesses. The income these employers bring into Wisconsin is over \$12 billion per year according to the U.S. Commerce Department. However, thousands of dollars in burdensome costs are added to these small businesses because of government fees, rules, and regulations. According to the Small Business Administration, federal regulations alone account for \$7,647 in added costs per small business employee.

"According to the National Federation of Independent Business 60 to 80 percent of all new jobs are created by small businesses," Nygren said. "With state unemployment at 8.7 percent we need to do all we can to assist job creators as they attempt to successfully operate in Wisconsin."

Under current law, there is a Small Business Regulatory Review Board made up of agency representatives, legislators, and small business owners. They review some proposed agency rules. However, the makeup of the board gives bureaucrats more say of how a rule will affect small businesses than the small business owners. Nygren's bill would change the makeup of the board to include 7 small business members appointed by the governor and the chairs of the Assembly and Senate small business committees. There would be no agency members on the board.

Nygren's bill would also give the board more power to change bills in a way that will accomplish the intent of the rule, but also keep the impact of the rule from increasing the cost to employ workers and operate in Wisconsin.

"As the system currently works, it seems government bureaucrats are more interested in protecting agency 'turf' than assisting employers and easing the regulatory burden on the job creators of our state," Nygren said. "Small business owners should serve on the board instead of bureaucrats with little knowledge of how to operate a business. By doing so, we will be in a better position to create rules that both accomplish legislative intent and reduce any potential negative impact on employers."

Nygren's bill would also create a new Small Business Advocate section within the Department of Commerce directed by a new Small Business Advocate. This section would exclusively work as an advocate for small businesses, assist them with complaints, and guide them through Wisconsin's regulatory framework.

"By increasing cooperation between small businesses and the government agencies that regulate them Wisconsin will be in a better position to create jobs and grow small employers," Nygren concluded.

###