

# **2017** The State of Small Business

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

# **1,125** businesses busted through barriers in 2017 with our assistance

43%

**Small Business Owners** 

and Nonprofit Organizations

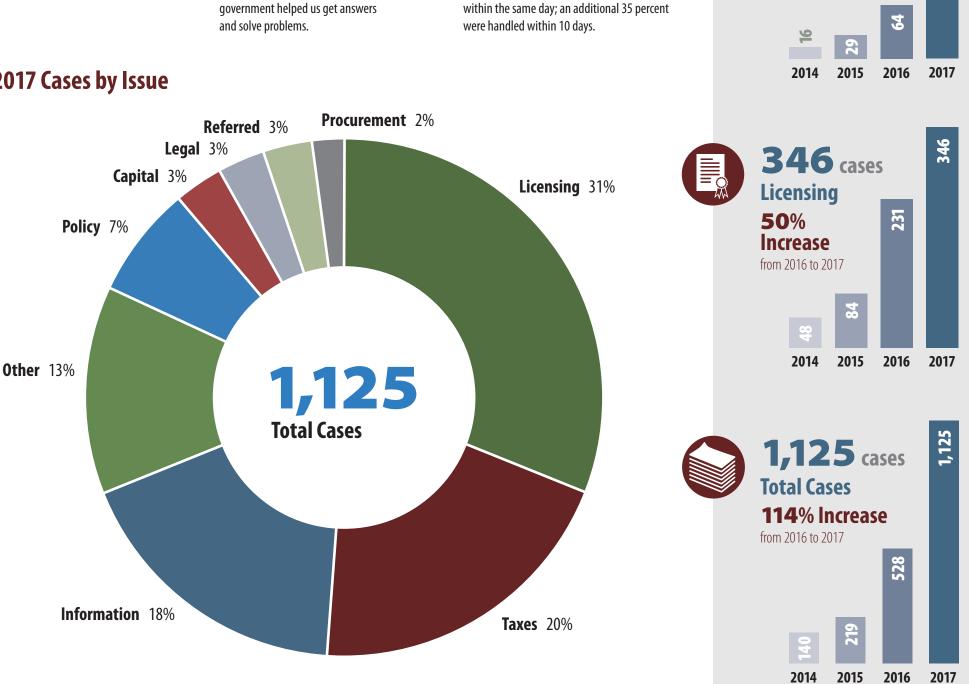
got their complaints and questions addressed





State Agencies, **Boards, and Commissions** 42 cities, 20 counties, and 1 regional government helped us get answers

### 2017 Cases by Issue



255 Capitol St NE, Suite 757 office of Small Business Assertance Οregon Secretary of State

Salem, OR 97310-1327

2017 Challenges

221

**221** cases

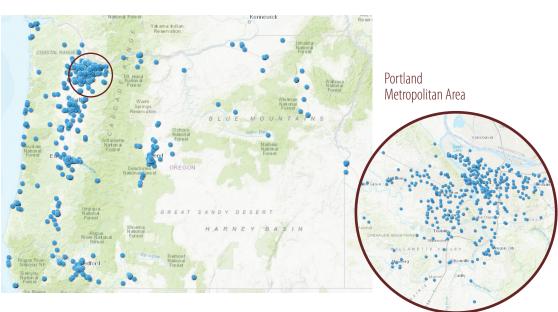
245% Increase

Taxes

from 2016 to 2017



2017 Small Business Cases by Location



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Small businesses are critical to Oregon's economy, but a problem with government can stop a small business in its tracks.

In 2017, Small Business Advocates helped 1,125 businesses and nonprofit organizations address their challenges with state and local government.

Four 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.



#### Taxes

Every business has tax obligations, but 2017 brought a whopping 245 percent increase in the number of taxrelated cases. Many of these cases were related to withholding taxes.

#### **CASE** System Error

MM did his last payroll in August 2010. He closed his business in 2013 and moved to another state. In April 2017, he received a withholding payroll assessment from the Revenue Department. The advocate worked with Revenue to confirm that MM had no employees and was no longer in business. They reduced the amount "owed" to zero and closed the account for good.

#### Licensing

Licensing cases decreased as a percentage of cases for the first time since the inception of the office in 2014. That said, these cases still represent 31 percent of the total casework for the office.

#### **CASE** Complicated Continuing Ed

GA called in a panic. A licensed contractor for many years, she'd just received notice that her Construction Contractors Board (CCB) license was suspended. CCB clarified that one additional continuing education class was required. GA finished the online class over the weekend. Her license was reinstated within three days of her original complaint, allowing her to stick to tight construction schedules.

#### **CASE** Kitchen Cash

JT makes scrumptious chocolate in his home's licensed kitchen. He needed to ramp-up production and start saving to move to an institutional kitchen. Were there limitations on the total amount of gross sales for JT's licensed home kitchen? The advocate confirmed with the Department of Agriculture and JT's local inspector that there are no limitations to gross sales—great news for JT and his expansion plans.



#### Policy

Policy implementation issues increased to 7 percent of all 2017 casework.

#### **CASE** Day Care Dilemma

MH bought a house with plans to expand her day care business. After a neighbor complained, the city told MH she couldn't do business in a residential zone. The advocate worked with the city to identify state statute and clarify city code, allowing MH to move forward with her business. Win-win-win for kids, families, and the city!

#### Procurement

The state continues to move toward making government contracting more accessible for small business. Strategic investment in demystifying government contracting has paid off in the form of fewer procurementrelated cases in 2017.

### **Looking Ahead**

Oregon is small business. More than half of our workforce is employed in small businesses and an additional 12 percent is employed by nonprofit organizations.

For the first time since the inception of the Office of Small Business Assistance, licensing-related cases decreased as a percentage of our overall caseload. Also for the first time, tax-related cases increased by 245 percent. We see this as an opportunity to improve both systems and communication.

### **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 business within government. The office was established in 2013 and expanded in 2016. The advocates help entrepreneurs find answers, address concerns, and facilitate communication between business and government.

Entrepreneurs crave quick and transparent information and clear, responsive pathways to get questions answered. Agencies that invest in proactive outreach to Oregon's business community achieve greater compliance and enjoy better relationships with those they regulate.

We recommend that state and local government invest in strategic, coordinated outreach to the small business community. And, to the extent possible within limited resources, we recommend that state and local government work to continuously improve websites and other communication channels to be more responsive to small business needs.

#### About the Advocates

During 2017, Small Business Advocate Ruth Miles was joined by two additional advocates. With more than 27 years of collective experience running and/or owning small businesses and more than 26 years of state service, the advocates understand the challenges entrepreneurs face and how to address them. They continuously reach out to Oregon business leaders and associations, chambers of



commerce, and community partners to hear their concerns about getting caught in red tape. And everywhere they go, they run with scissors.

Need Help? Trouble with state or local government? **Contact the Small Business Advocate** Get Help

#### About the Help Button

When you need help, you need it right away. That's why you'll see **this button** on state agency websites. Click and tell us who you are, your question or concern, and how to get in touch with you. That's our cue to get to work.

#### Contact Us | sos.oregon.gov/BusinessSOS | 1-844-469-5512 toll free | Business.SOS@oregon.gov