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1 **AN ACT** *to amend* 560.01 (2) (am) (intro.); and *to create* 15.153 (5) and 560.038 of
2 the statutes; **relating to:** a division of small business in the department of commerce.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

JOINT LEGISLATIVE COUNCIL PREFATORY NOTE: This bill draft was prepared for the Joint Legislative Council's Special Committee on Strategic Job Creation.

This bill draft creates a division of small business in the department of commerce to assist small businesses in accessing and applying for loans or grants under the department's programs and in locating sources of capital.

3 **SECTION 1.** 15.153 (5) of the statutes is created to read:

4 15.153 (5) **DIVISION OF SMALL BUSINESS.** There is created in the department of commerce
5 a division of small business. The administrator of this division shall be appointed outside the
6 classified service by the secretary and shall serve at the pleasure of the secretary.

NOTE: This SECTION creates a division of small business in the department of commerce (Commerce) and provides that the division administrator is appointed outside the classified service by the secretary.

7 **SECTION 2.** 560.01 (2) (am) (intro.) of the statutes is amended to read:

8 560.01 (2) (am) *Economic development assistance reporting.* (intro.) Annually, no
9 later than October 1, the department shall submit to the joint legislative audit committee and
10 to the appropriate standing committees of the legislature under s. 13.172 (3) a comprehensive
11 report assessing economic development programs administered by the department and
12 assessing the assistance provided to small businesses by the division of small business under
13 s. 560.038. The department shall make readily accessible to the public on an Internet-based

1 system the information required under this paragraph. The report shall include all of the
2 following information:

NOTE: Under current law, Commerce must submit an annual report to the joint committee on audit and to the appropriate standing committees of the legislature that assesses economic development programs administered by the department. This SECTION requires that the department, in its annual report, also assess the assistance provided to small businesses by the division of small business.

3 **SECTION 3.** 560.038 of the statutes is created to read:

4 **560.038 Division of small business.** (1) In this section, “small business” means a
5 business with fewer than 100 employees, including employees of any subsidiary or affiliated
6 organization.

7 (2) The division of small business shall assist small businesses in accessing and
8 applying for loans and grants under programs administered by the department under this
9 chapter and in locating sources of capital. For matters not within the jurisdiction of the
10 department, the division shall refer small businesses to other appropriate state agencies for
11 assistance.

12 (3) The division of small business shall maintain a toll-free telephone number with
13 voice mail to receive requests for assistance by small businesses. The division of small
14 business shall publicize the toll-free telephone number on the department’s website.

NOTE: Current law requires that Commerce assist small businesses in certain circumstances. For example, the department must assist small businesses receiving certain economic development loans or the assistance of the wisconsin housing and economic development authority in locating sources of venture capital and in obtaining the state and federal licenses and permits necessary for business operations. [s. 560.03 (17), stats.] In addition, the department must encourage small businesses to apply for grants and loans under the forward innovation fund by ensuring that there are no undue impediments to the participation of small businesses and by actively encouraging small businesses to apply for grants and loans. [s. 560.305 (1), stats.]

This SECTION requires that the division of small business assist small businesses in accessing and applying for loans and grants under the department's programs and in locating sources of capital. The division of small business must refer small businesses to other state agencies for assistance if a matter is not within the jurisdiction of Commerce. Further, this SECTION requires that the division of small business maintain and publicize a toll-free telephone number to receive requests for assistance by small businesses.