



To: The Senate Committee on Economic Development, General and Military Affairs  
From: Lindsay DesLauriers, State Director, Main Street Alliance  
Date: January 31, 2018

Testimony on S. 85, an act relating to simplifying government for small businesses.

Main Street Alliance of Vermont supports S.85.

There is a need for simplification and streamlined support for small businesses in VT.

This is an issue that MSA-VT businesses have been talking about for some time. We engaged with Senator Pearson on this issue last year and are really pleased to see this bill under consideration now.

We support each of the four central pieces of this bill:

1. An informational website with clearly articulated permitting rules
2. Simplified, streamlined payment mechanism
3. Simplified filing requirements
4. Small business support position

Specifically, with regard to the first – there is a real need for clarity around permitting and compliance issues relating to starting and operating a business.

We have a member who noted that in their experience with ANR's permit specialists during a business expansion project – their contact there didn't know what permits were necessary for them and they were hard to get ahold of.

This is one example and we also can cite stories where ANR specialists have been extremely knowledgeable and supportive, but the point is that under the current system – one has to rely on those specialists and on the knowledge and attention of the individual in that role – or perhaps hire an attorney (or several attorneys) to take you through the process, but we know that's not often a viable financial option for small business owners or entrepreneurs and – finding the right attorney who has expertise in that area can be a challenge.

What our members are interested in is a centralized database: one ideally would move you through a simple step by step process where you could select the business type you are

opening or expanding, describe the uses and then provide a list of the permits you will need, the taxes you will be responsible for, your reporting requirements – etc. with information and links to make the process simple. The idea being a) that there is a single place to go to get the info you need and to link through to everything and b) that the information is accessible and available – that you can know what you need to do without relying totally on a state employee or an expensive attorney. That the regulations and requirements are on-line, accessible, and clearly delineated for each different type of business.

As an example - Mass.gov has a step by step guide to starting a business that is pretty user friendly – Step 11 is: obtain business licenses and permits and you can then sort by business type – state permit assistance – etc.

With the regard to the streamlined payment system and filing requirements:

It sounds like the Sec. of State has made much headway with the filing, but the payments continue to be a need. We have a member in Middlebury who expressed that an ongoing headache for small business is that after getting through the registration process, there are a series of monthly, quarterly, and annual reports (and payments) due. Because they are from a multitude of different agencies of state government, they have different deadlines, different websites to access and enter the info, different login information, etc. Any effort to streamline these would ease the reporting burden.

To be clear, we are not proposing eliminating any of the requirements. Streamlining in this context would mean bringing them under one common website, aligning due dates, etc.

With regard to the small business staff person:

One of the big hurdles is that it is such a broad system – it's easy to get lost in the process. We think that a staffed position could help point a business owner in the right direction, help them navigate the process, and connect them to the right people. Even with a highly efficient website, you will always still need to engage with different parts of state government or avail yourself of services that are out there to support small businesses, but getting to know this landscape is a challenge. Having a single centralized person whose business it is to know the landscape and serve as a kind of resource and referral to small businesses would serve as a great connection point. And we know that some other states have done this with success.

Finally- we would just add two last points: that it will be important that local business owners themselves be involved in the system design and help to articulate and define what would be helpful; and second, that “small” business be broadly defined. There are plenty of businesses with 50 or 100 employees that are having these same challenges - and everything contemplated in this bill isn't just good for starting and running a very small business, though the title specifies support for small businesses – it's also an enormous support for the business that wants to grow, which should be a key part of our thinking around how we want to support small and growing businesses here in VT.

Thank you for your time.

