

# Wisconsin's Small Business Regulatory Review Board

## Background/Purpose

The executive branch and its agencies are charged with implementing laws. New laws often direct agencies to create rules that allow the law to function. For example, the legislature could pass a law that directs the Department of Natural Resources to monitor drinking water. DNR then promulgates a rule describing how the agency will enact that law. These rules have the effect of law.

In 2011, Governor Walker issued an executive order reforming the Small Business Regulatory Review Board. The Board existed before the Governor's executive order, but few rules ever went to the Board and a majority of its members were agency staff. The reformed Board consists of seven small business owners or representatives that serve 3-year terms. There is also one state representative and one senator.

The purpose of the revamped Board is to give small business owners a seat at the table when discussing state regulations. In the past, agencies haven't always considered the heavy burden that certain regulations place on small businesses. The Small Business Regulatory Review Board will help get buy-in for rules and regulations from employers, assist state agencies in promulgating rules that are realistic, and ultimately grow jobs in Wisconsin.

## Duties of the Board

Members are charged with reviewing rules that have an impact on small businesses. The Board then determines whether the rule has a significant economic impact on a substantial number of small businesses. If a rule fits this criterion, the Board may make recommendations to the agency to improve the rule for small businesses.

## Approaching the Solution

The Governor has directed agencies to review standing and newly promulgated rules. If an agency finds a rule that impacts small businesses, that agency refers the rule to the Board. The Board can also hear rules at its own behest or the suggestion of others.

Wisconsinites are encouraged to submit rules for the Board to review. To that end, the Governor's office has developed a suggestion form. The form is available online at <http://bestpractices.wi.gov/Contact-Us?Type=SmallBusiness>.

Please keep in mind that the Board can only review rules, not laws. The complete Wisconsin Administrative Code can be found online at <https://docs.legis.wisconsin.gov/code/prefaces/toc>.

Also keep in mind that the Board will only act on a rule if it has a significant economic impact on a substantial number of small businesses. A small business is defined by law as an independently owned business entity that has fewer than 25 fulltime employees or gross annual sales of less than \$5,000,000.

## Laws

The executive order establishing the Board can be found at <http://165.189.60.210/Images/News/EO%2061.pdf>. The relevant law can be found at <http://docs.legis.wisconsin.gov/2011/related/acts/46>.

## Contact

For more information, please contact the Chairwoman Rep. Michelle Litjens at (920) 266-7500 or Office of Business Development Deputy Director Jessie Augustyn at (608) 267-7873.