

The Agenda for Wisconsin's Entrepreneurs

Small Business Majority has created a comprehensive state policy agenda to ensure entrepreneurship is at the center of a thriving and inclusive economy in Wisconsin. The state's nearly 440,000 small businesses employ 1.2 million people (about half of the private workforce) and created more than 68,000 jobs in 2016. This is why it's critical that state lawmakers enact policies that support and empower these entrepreneurs, guaranteeing they have access to capital to start and grow their business, affordable and quality healthcare and benefits programs that will make it easier for them to attract and retain talented employees. To achieve these goals, legislators should consider the policy proposals outlined below.

Expand access to capital and business support services for Wisconsin's entrepreneurs

Entrepreneurs—particularly women, people of color and other underserved populations—face significant hurdles accessing capital. Wisconsin can pursue policies to ensure greater access and more options for entrepreneurs to obtain responsible capital by considering the following policies to advance equity:

- **Pass truth-in-lending legislation** that promotes fair online lending for small business. In 2018, California became the first state to enact guidelines for online lending to small business owners that limits predatory practices and increases transparency. Wisconsin should enact similar legislation to protect small business borrowers, while at the same time addressing predatory practices by some small business loan brokers.
- **Increase funding for Small Business Development Centers (SBDCs)**. These centers provide low and no-cost critical counseling and assistance by professionally certified staff to all entrepreneurs, helping small business owners create positive economic impact, especially for entrepreneurs in underserved communities and for owners of color.
- **Require state-funded programs that support personal financial capacity trainings at agencies and intermediary grantees to incorporate entrepreneurship as part of their educational programming**. Personal financial literacy is a significant barrier in small business start-up and sustainability, especially in the ability to access capital and credit.

Expand healthcare access and affordability

Wisconsin has made significant strides when it comes to expanding access to healthcare, yet thousands remain uninsured, including many entrepreneurs and small business employees. Wisconsin can address its remaining uninsured rate and promote more affordability for the small business community through commonsense policies to strengthen healthcare markets and expand coverage. Specific proposals include:

- **Conduct a feasibility study on and create a Medicaid buy-in option for BadgerCare**. Allowing individuals to buy in to public health plans such as the state Medicaid program will make great strides in ensuring freelancers and solo entrepreneurs have access to affordable healthcare.
- **Address the rising costs of prescription drugs**, as these costs are [hurting small business owners' bottom lines](#).¹
- **Enact an individual mandate at the state level to encourage more Wisconsin self-employed individuals and small business owners in the Badger State to enroll in health insurance** in order to maintain balanced risk pools and keep costs down, particularly in light of the repeal of the federal individual mandate penalty.

Ensure a skilled workforce for Wisconsin's job creators

Wisconsin lawmakers must address the particular challenges small businesses face in finding and retaining skilled workers. Small employers face barriers to offering benefits that are crucial to attracting top talent, which puts them on an unequal playing field with larger businesses that have the resources to provide robust benefits. We encourage policymakers to consider the following:

- **Pass legislation to create a Secure Choice Retirement Savings Program in Wisconsin.** This would establish a publicly-administered retirement savings program that would allow workers to automatically enroll in a state-run Roth Individual Retirement Account (Roth IRA), funded by modest employee contributions. This would help small business owners and their employees access a retirement savings program without taking on the expense or administrative burden of an employer-sponsored plan. This would particularly benefit microbusiness owners in Wisconsin (those with fewer than 10 employees) who are most likely to struggle to access retirement saving options.
- **Implement policies that help more working parents afford child and dependent care,** understanding this is essential to retaining a skilled workforce. More than 1 in 3 small business owners say a lack of access to affordable child care was a barrier to starting their business, and 3 in 10 small employers report that employees' child care issues have affected productivity. Inclusive policies for child and dependent care, such as state tax credits, would support an ecosystem of sustainable entrepreneurship in Wisconsin while promoting workforce participation among parents and those caring for elderly family members.

Invest in infrastructure and economic development

Small businesses are the drivers of our economy, and investments in economic development and infrastructure should reflect their importance. This means ensuring that inclusive community development and infrastructure initiatives, including access to broadband and an open internet, benefit small businesses and their local communities, rather than large corporations. Moreover, these investments must be targeted to meet the needs of traditionally underserved business owners like women and entrepreneurs of color. Specific proposals include:

- **Pass state legislation to ensure net neutrality,** which would ensure an open internet in Wisconsin by requiring all Internet service providers (ISPs) that do business with state agencies and organizations to commit to honoring net neutrality principles for all customers in Wisconsin, and to disclose practices and commercial terms relating to blocking, throttling or paid prioritization.
- **Invest in the state's broadband infrastructure, roads, bridges and public transportation,** as adequate infrastructure is imperative to ensuring small businesses can operate efficiently and customers can access the services that entrepreneurs provide through regional interstate and intrastate commerce that benefits Wisconsin's economy.
- **Raise revenue by closing inefficient corporate loopholes** that put small businesses at a competitive disadvantage and add to the deficit.

¹ Scientific Opinion Poll: Small Business Owners Say Drug Prices Are Impacting Their Bottom Lines, Small Business Majority, December 6, 2016, <https://smallbusinessmajority.org/press-release/scientific-opinion-poll-small-business-owners-say-drug-prices-are-impacting-their-bottom-lines>