



STATE REPRESENTATIVE
81st ASSEMBLY DISTRICT

AB 48: Testimony

Tuesday, March 4, 2014

1:00 PM

328 Northwest

Thank you Chair Weininger and members of the Assembly Committee on State Affairs and Government Operations, for allowing me to testify today on behalf of AB 48. We all know that small businesses are the backbone of our economy and contribute substantially to state job creation. According to the US Census Bureau, around one half of American workers are employed by small businesses with less than 100 employees.

This bill would require the Department of Administration and other state agencies to ensure that we are supporting small businesses when the State of Wisconsin purchases goods and services using taxpayer dollars.

Under the bill, the DOA and other state agencies would be required to develop a plan to ensure that at least 10% of the total amount expended for state purchases in each fiscal year is paid to small businesses. While it is not the explicit intent of the bill, in most cases, we expect that these small businesses will be Wisconsin-based businesses.

ASA 1 to AB 48 uses the federal Small Business Association's (SBA) definition of small business. Under the SBA definition, a business must be independently owned and operated and not dominant in its field of operations, and must meet specific industry-based criteria for number of employees, dollar volume of business, net worth, net income, and other factors.

Our state spends over \$500,000,000 each year on contractual service procurements. This bill will help stimulate our state's economy by using those purchasing dollars to support one of our greatest economic engines – our small businesses. Thank you again for your consideration and I ask for your support to help enact this proposal and support small businesses in Wisconsin.

Representative Fred Clark

