

The Detroit News OPINION

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Scrap Plans for Small Business Bureaucracy in Michigan

Charlie Owens Published 10:21 p.m. ET Sept. 16 | Updated 8:30 a.m. ET Sept. 17, 2019

Nothing strikes more fear into the heart of a citizen or small business owner than the words, "I'm from the government and I'm here to help."

The latest variation on this theme comes in the form of legislation being proposed in Lansing to create a position of "small business director" and a new "small business growth acceleration board" that would include a "small business administrator." Apparently, small business in Michigan needs plenty of direction and administering from state government to succeed.

The small business director position would be created within the Department of Labor and Economic Opportunity and would be appointed by the governor. Included in the laundry list of goals this new position is intended to accomplish are such things as to "facilitate the creation and retention of small business jobs in this state," and "assist in connecting and communicating small business concerns with the proper state departments or state agencies."

All good and fine, except one must consider the irony of the current governor appointing a new small business director to "help small business" when she has proposed creating a new tax on small business to raise the current rate from 4.25% to 6% and proposed a gas tax of 45 cents per gallon. Perhaps one of the first tasks for the new small business director would be to explain to small business owners in Michigan how these tax proposals would "facilitate the creation and retention of small business jobs in this state."

Creating more government bureaucracy complete with the cost of new government employee salaries and benefits to "help" small business is a bad idea regardless of who sits in the governor's office or which party controls the Legislature.

Michigan already has an Office of Small Business Ombudsman that is already charged with many of the same tasks included in these proposed positions.

The idea of a small business czar has been floated by both political parties over the last two decades. Thankfully, it never went anywhere. These government-created positions will likely end up being nothing more than taxpayer-supported advocates for policies being pushed by the current political party that occupies the governor's office or controls the Legislature.

As for the idea that these government-created positions will "assist in connecting and communicating small business concerns with the proper state departments or state agencies," the hundreds of private trade associations and membership-based organizations that monitor state and local government on behalf of small business are already doing an admirable job without costing taxpayers a penny.

Hiring more government bureaucrats and creating new bureaucracies will not "facilitate the creation and retention of small business jobs in this state." If you need evidence of this, look no further than the National Federation of Independent Business Small Business Optimism Index, where job creation among small business has reached the highest recorded levels in its 45 years of record keeping, and small business optimism has been off the charts. In fact, the biggest problem for small business is finding anyone to fill jobs.

This surge in small business growth and success is not because of any government agency or program, it is because of the positive economic environment created at both the state and federal level through sound tax, fiscal, regulatory and labor policy — and that is where our lawmakers should be focusing their attention.

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