

**BUSINESS RESOURCE CENTERS AMENDMENTS**

2016 GENERAL SESSION

STATE OF UTAH

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**LONG TITLE****General Description:**

This bill modifies economic development programs under the Governor's Office of Economic Development (GOED) by amending the Utah Business Resource Centers Act.

**Highlighted Provisions:**

This bill:

- ▶ repeals the Utah Business Assistance Advisory Board;
- ▶ allows GOED to convene an advisory group as needed to make recommendations for business resource center improvements;
- ▶ provides certain rulemaking authority to GOED; and
- ▶ makes technical changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**63N-3-304**, as renumbered and amended by Laws of Utah 2015, Chapter 283

**63N-3-305**, as renumbered and amended by Laws of Utah 2015, Chapter 283

**63N-3-306**, as renumbered and amended by Laws of Utah 2015, Chapter 283

**63N-3-307**, as renumbered and amended by Laws of Utah 2015, Chapter 283

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*Be it enacted by the Legislature of the state of Utah:*

Section 1. Section **63N-3-304** is amended to read:

**63N-3-304. Establishment and administration of business resource centers --**

**Components.**

(1) The office shall establish business resource centers in at least four different

33 geographical regions of the state where host institutions are located and the host institutions  
34 agree to enter into a business resource center partnership with the office.

35 (2) The office, in partnership with a host institution, shall provide methodology and  
36 oversight for a business resource center.

37 (3) A host institution shall contribute 50% of a business resource center's operating  
38 costs through cash or in-kind contributions, unless otherwise provided under Subsection  
39 63N-3-307[~~(7)~~] (4).

40 (4) The office shall [~~work with the Utah Business Assistance Advisory Board~~  
41 ~~established under Section 63N-3-306, hereafter referred to in this part as "the board," to]~~  
42 provide operational oversight and coordination of the business resource centers established  
43 under this part.

44 (5) (a) A business resource center shall work with state agencies in creating methods to  
45 coordinate functions and measure the impact of the efforts provided by the state agencies and  
46 the center.

47 (b) The host institution, state, local and federal governmental entities,  
48 quasi-governmental entities, and private entities may:

49 (i) participate in the activities offered by or through a business resource center; and

50 (ii) provide personnel or other appropriate links to the center.

51 (c) (i) Other entities that are not initially involved in the establishment of a business  
52 resource center and that are capable of providing supportive services to Utah businesses may  
53 apply to the center to become a provider of services at the center.

54 (ii) Entities identified in Subsections (5)(a) and (b) shall provide the [~~board~~] office  
55 with a service plan, to include funding, which would be made available or supplied to cover the  
56 expenses of their services offered at a business resource center.

57 [~~(iii) The board shall review each application made under Subsection (5)(c)(i) and~~  
58 ~~make a recommendation for approval by the office as a precondition for providing the service~~  
59 ~~being offered.]~~

60 (6) A business resource center may:

61 (a) partner with the office, other host institutions, and other entities to develop and  
62 establish web-based access to virtual business resource center services over the Internet to  
63 assist in establishing and growing businesses in the state, particularly in those situations where

64 traveling to a business resource center site is not practical;

65 (b) develop a data base and software for:

66 (i) tracking clients and their progress; and

67 (ii) tracking responses and services provided by state agencies and evaluating their  
68 effectiveness; and

69 (c) develop outreach programs and services targeted to business clients in rural areas of  
70 the state.

71 (7) The office shall include in the annual written report described in Section  
72 63N-1-301, a report on measured performance of economic development programs offered by  
73 or through established business resource centers.

74 Section 2. Section **63N-3-305** is amended to read:

75 **63N-3-305. Duties and responsibilities of a Business Resource Center.**

76 (1) A business resource center shall:

77 (a) have a director;

78 (b) be the organization responsible for identifying, tracking, coordinating, and  
79 measuring output of assisted business clients in its region;

80 (c) develop programs to aid business clients in finding [~~the~~] needed resources [~~they~~  
81 need];

82 (d) recruit state-funded agencies to locate and establish their programs in the business  
83 center's region;

84 (e) initiate and encourage business education programs, including programs in  
85 collaboration with public, private, and governmental and educational institutions; and

86 (f) work with the host institution in providing academic resources, including faculty  
87 and student assistance.

88 (2) A business resource center shall collaborate with the host institution and state  
89 agencies to:

90 (a) provide research, development, or training programs for new or existing businesses,  
91 industries, or high technology business located in its region;

92 (b) assist in providing needs assessment relating to new or existing businesses,  
93 industries, or high technology business in conjunction with other public or private economic  
94 development programs or initiatives;

95 (c) assist in providing business incubator space or services, or both, if considered  
96 feasible and practical, to clients based on criteria established by the office [~~in consultation with~~  
97 ~~the board~~];

98 (d) work with local business leaders and government officials to help them formulate  
99 and implement sound, coordinated, and measurable economic development programs for their  
100 communities; and

101 (e) work with local government and other entities in its region in developing and  
102 certifying non-state funded satellite business resource centers.

103 Section 3. Section **63N-3-306** is amended to read:

104 **63N-3-306. Advisory group.**

105 [~~(1) There is created the Utah Business Assistance Advisory Board, composed of at~~  
106 ~~least 13 members appointed by the executive director of the office.~~]

107 [~~(2)(a) The executive director shall appoint:~~]

108 [~~(i) one member from three host institutions of business resource centers on a rotating~~  
109 ~~basis;~~]

110 [~~(ii) three members from urban areas in the state;~~]

111 [~~(iii) two members from rural areas in the state; and~~]

112 [~~(iv) one member from each host institution of a statewide business service provider.~~]

113 [~~(b) The executive director may appoint ex officio board members who are sponsors of~~  
114 ~~or partners with statewide business server providers.~~]

115 [~~(3) Each board member shall have a background or expertise in any one or all of the~~  
116 ~~following:~~]

117 [~~(a) state or local economic development;~~]

118 [~~(b) business networking, growth, or development;~~]

119 [~~(c) entrepreneurship;~~]

120 [~~(d) business management or administration; or~~]

121 [~~(e) the establishment of partnerships or collaborative efforts with state, local, and~~  
122 ~~federal agencies and institutions, as well as private entities.~~]

123 [~~(4)(a) The executive director shall appoint board members for four-year terms.~~]

124 [~~(b) The board shall, at the time of appointment or reappointment, adjust the length of~~  
125 ~~terms to ensure that the terms of these members are staggered so that approximately half of the~~

126 ~~members are appointed every two years.]~~

127 ~~[(c) When a vacancy occurs in the membership for any reason, the replacement shall be~~  
 128 ~~appointed by the executive director for the unexpired term in the same manner as the vacated~~  
 129 ~~member was chosen.]~~

130 ~~[(5) The board shall elect one of its members as a chair of the board for a two-year~~  
 131 ~~term.]~~

132 ~~[(6) The board shall meet at the call of the chair, but at least quarterly.]~~

133 ~~[(7) (a) A majority of the members of the board constitute a quorum.]~~

134 ~~[(b) The action of a majority of a quorum constitutes the action of the board.]~~

135 ~~[(8) A member may not receive compensation or benefits for the member's service, but~~  
 136 ~~may receive per diem and travel expenses in accordance with:]~~

137 ~~[(a) Section 63A-3-106;]~~

138 ~~[(b) Section 63A-3-107; and]~~

139 ~~[(c) rules made by the Division of Finance under Sections 63A-3-106 and 63A-3-107.]~~

140 The office may convene an advisory group, as needed, to make recommendations  
 141 regarding:

142 (1) improvements to a Business Resource Center;

143 (2) the selection of a business-service provider; or

144 (3) the general status of a Business Resource Center's duties as described in Section  
 145 63N-3-305.

146 Section 4. Section **63N-3-307** is amended to read:

147 **63N-3-307. Duties.**

148 The [board] office shall:

149 (1) ~~[assist the office in providing]~~ administer grants to business resource centers and  
 150 provide operational oversight, coordination, and performance review ~~[and provide advice and]~~  
 151 to improve the effectiveness of state-funded business assistance programs throughout the state  
 152 ~~[as designated by the executive director];~~

153 ~~[(2) make recommendations to the office on requirements for the requisite certification~~  
 154 ~~of each business resource center and staff at each center by the executive director;]~~

155 ~~[(3) make recommendations to the office for certification of the business plans the~~  
 156 ~~board is required to review under Subsection 63N-3-304(5)(c)(iii);]~~

157 ~~[(4) at the direction of the executive director:]~~  
158 ~~[(a) assist the office in providing operational oversight to and coordination of the~~  
159 ~~business resource centers established under this part; and]~~  
160 ~~[(b) work closely with the Governor's Office of Economic Development's Board of~~  
161 ~~Business and Economic Development;]~~  
162 ~~[(5) identify issues and make recommendations to the office regarding programs,~~  
163 ~~policies, and procedures that could be implemented by:]~~  
164 ~~[(a) business resource centers in fulfilling their duties and responsibilities under~~  
165 ~~Section 63N-3-305; and]~~  
166 ~~[(b) state-funded business service providers;]~~  
167 ~~[(6) make budget recommendations to the office]~~  
168 (2) create a competitive budget allocation process regarding the operation and staffing  
169 of business resource centers established under this part; and  
170 ~~[(7) recommend] (3) in accordance with Title 63G, Chapter 3, Utah Administrative~~  
171 Rulemaking Act, make rules establishing:  
172 (a) matching fund exceptions under Subsection 63N-3-304(3);  
173 ~~[(8) recommend certification of all non-state funded satellite business resource centers;~~  
174 ~~and]~~  
175 (b) criteria for the approval, creation, and oversight of each business resource center  
176 and its staff, including a non-state funded satellite business resource center;  
177 ~~[(9) establish] (c) metrics to report the performance of economic development output~~  
178 ~~in each region serviced by a business resource center[-]; and~~  
179 (d) criteria for approving and overseeing business plans.