

1 **BUSINESS RESOURCE CENTERS**

2 2006 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Peter C. Knudson**

5 House Sponsor: Fred R. Hunsaker

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7 **LONG TITLE**

8 **General Description:**

9 This bill provides for the establishment of business resource centers by the Governor's  
10 Office of Economic Development.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ enacts the Business Resource Centers Act;
- 14 ▶ provides that the Governor's Office of Economic Development may establish  
15 business resource centers in strategic geographical locations throughout the state as  
16 one-stop guidance centers to provide business support, education, sources of  
17 funding, training, and networking to Utah businesses;
- 18 ▶ provides for the composition and administration of the business resource centers,  
19 including a virtual business resource center as a web-based resource; and
- 20 ▶ provides duties and responsibilities for the centers.

21 **Monies Appropriated in this Bill:**

22 This bill appropriates:

- 23 ▶ as an ongoing appropriation subject to future budget constraints, \$875,000 from the  
24 General Fund for fiscal year 2006-07 to the Governor's Office of Economic  
25 Development.

26 **Other Special Clauses:**

27 This act takes effect July 1, 2006.



28 **Utah Code Sections Affected:**

29 ENACTS:

30 **63-38f-2101**, Utah Code Annotated 1953

31 **63-38f-2102**, Utah Code Annotated 1953

32 **63-38f-2103**, Utah Code Annotated 1953

33 **63-38f-2104**, Utah Code Annotated 1953

34 **63-38f-2105**, Utah Code Annotated 1953



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

37 Section 1. Section **63-38f-2101** is enacted to read:

38 **Part 21. Business Resource Centers Act**

39 **63-38f-2101. Purpose.**

40 The Legislature recognizes that:

41 (1) the development of and assistance to business in Utah is a state public purpose  
42 necessary to assure the growth of the state's economy and provide adequate employment  
43 opportunities for its citizens;

44 (2) many start-up businesses in the state fail for lack of support and from not knowing  
45 where to go for support services that are available to help them succeed; and

46 (3) the state's economy will be improved if these start-up businesses receive assistance  
47 and support and grow into healthy tax paying entities.

48 Section 2. Section **63-38f-2102** is enacted to read:

49 **63-38f-2102. Title.**

50 This part is known as the "Business Resource Centers Act."

51 Section 3. Section **63-38f-2103** is enacted to read:

52 **63-38f-2103. Definitions.**

53 As used in this part, "business resource center" means an entity established by the  
54 Governor's Office of Economic Development in a strategic geographical area as a one-stop  
55 guidance center to provide support, education, sources of funding, training, technical and talent  
56 access, and networking for Utah businesses.

57 Section 4. Section **63-38f-2104** is enacted to read:

58 **63-38f-2104. Establishment and administration of business resource centers --**

59 **Components.**

60 (1) The Governor's Office of Economic Development may establish business resource  
61 centers in strategic geographical locations throughout the state.

62 (2) The office shall provide administration, methodology and oversight, and set  
63 qualification standards for the centers.

64 (3) The managing director of the Governor's Office of Economic Development shall  
65 select:

66 (a) a state business resource director; and

67 (b) one director for each separate business resource center location.

68 (4) (a) Each business resource center may be composed of state, local, and federal  
69 agencies and institutions, as well as private entities:

70 (i) solicited by the office to participate in the activities of the center on a voluntary or  
71 paid basis; and

72 (ii) encouraged by the office to provide personnel or other appropriate links to the  
73 center.

74 (b) Other entities capable of providing supportive services to Utah businesses that are  
75 not directly solicited to participate under Subsection (4)(a)(i) may apply to the office to become  
76 a provider of services at one or more business resource centers.

77 (5) (a) Entities identified in Subsection (4) shall provide the office with a service plan  
78 to include:

79 (i) funding which will be made available or supplied to cover the expenses of their  
80 services offered at a business resource center;

81 (ii) quantifiable performance measures and goals related to the proposed efforts and  
82 results in providing their services through the center; and

83 (iii) a pro rata share of overhead and administrative costs for each participant within  
84 the business resource center.

85 (b) The office shall review each plan for approval as a precondition for providing the  
86 service being offered.

87 (6) As a component of the business resource centers program, the Governor's Office of  
88 Economic Development may develop and establish a virtual business resource center as a  
89 web-based resource to supply supportive services over the Internet to assist in establishing and

90 growing businesses in the state, particularly in those situations where traveling to a business  
91 resource center site is not possible or practical.

92 Section 5. Section **63-38f-2105** is enacted to read:

93 **63-38f-2105. Duties and responsibilities.**

94 (1) Business resource centers shall:

95 (a) be a focal point to provide businesses assistance in partnering with governmental  
96 entities and other business resources;

97 (b) initiate and encourage business education programs, including programs in  
98 coordination and collaboration with public, private, and governmental institutions;

99 (c) work with local business leaders and government officials to help them formulate  
100 and implement sound economic development decisions for their communities; and

101 (d) use existing physical facilities, in conjunction with local, state, or federal agencies,  
102 if appropriate, secured through leases, rentals, donations, shared facilities, or other  
103 arrangements, through which they shall provide the services described in this part.

104 (2) The centers may:

105 (a) provide research, development, or training programs for new or alternative  
106 businesses, industries, or high technology business located within the state; and

107 (b) provide needs assessment relating to new or alternative businesses, industries, or  
108 high technology business in conjunction with other public or private economic development  
109 programs or initiatives.

110 Section 6. **Appropriation.**

111 As on ongoing appropriation subject to future budget constraints, there is appropriated  
112 from the General Fund for fiscal year 2006-07, \$875,000 to the Governor's Office of Economic  
113 Development to fund the business resource centers authorized in Section 63-38f-2104.

114 Section 7. **Effective date.**

115 This act takes effect July 1, 2006.

**Legislative Review Note**

as of 2-7-06 2:11 PM

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

**Office of Legislative Research and General Counsel**

**State Impact**

Passage of this bill would appropriate \$875,000 to the Governor's Office of Economic Development to create business resource centers.

	<u>FY 2007</u> <u>Approp.</u>	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2007</u> <u>Revenue</u>	<u>FY 2008</u> <u>Revenue</u>
General Fund	\$875,000	\$875,000	\$0	\$0
<b>TOTAL</b>	<b>\$875,000</b>	<b>\$875,000</b>	<b>\$0</b>	<b>\$0</b>

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**Individual and Business Impact**

No fiscal impact.

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