

**UTAH BUSINESS RESOURCE CENTERS ACT**

2008 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: David Clark**

Senate Sponsor: \_\_\_\_\_

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**LONG TITLE**

**Committee Note:**

The Business and Labor Interim Committee recommended this bill.

**General Description:**

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

**Highlighted Provisions:**

This bill:

- ▶ enacts the Utah Business Resource Centers Act;
- ▶ provides that the Governor's Office of Economic Development shall establish business resource centers as one-stop resource and assistance centers to provide business support, education, sources of funding, training, and networking to Utah businesses;
- ▶ provides for the composition and administration of the business resource centers;
- ▶ provides duties and responsibilities for the centers; and
- ▶ creates the Utah Business Resource Centers Executive Board and allows the executive board to appoint an advisory board.

**Monies Appropriated in this Bill:**

This bill appropriates:

- ▶ as an ongoing appropriation subject to future budget constraints, \$2,500,000 from the General Fund for fiscal year 2008-09 to the Governor's Office of Economic



28 Development.

29 **Other Special Clauses:**

30 This bill takes effect on July 1, 2008.

31 **Utah Code Sections Affected:**

32 ENACTS:

33 **63-38f-2401**, Utah Code Annotated 1953

34 **63-38f-2402**, Utah Code Annotated 1953

35 **63-38f-2403**, Utah Code Annotated 1953

36 **63-38f-2404**, Utah Code Annotated 1953

37 **63-38f-2405**, Utah Code Annotated 1953

38 **63-38f-2406**, Utah Code Annotated 1953

39 **63-38f-2407**, Utah Code Annotated 1953



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

42 Section 1. Section **63-38f-2401** is enacted to read:

43 **Part 24. Utah Business Resource Centers Act**

44 **63-38f-2401. Title.**

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

46 Section 2. Section **63-38f-2402** is enacted to read:

47 **63-38f-2402. Purpose.**

48 The Legislature recognizes that:

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

52 (2) many new and existing businesses in the state fail for lack of support and from not  
53 knowing where to go for support services that could be available to help them succeed through  
54 one-stop business resource centers;

55 (3) the state's economy will be improved if these new and existing businesses receive  
56 assistance and support and grow into healthy tax paying entities; and

57 (4) these businesses can receive needed assistance and support through the creation of  
58 business resource centers.

59 Section 3. Section **63-38f-2403** is enacted to read:

60 **63-38f-2403. Definitions.**

61 As used in this part, "business resource centers" means entities established by the  
62 Governor's Office of Economic Development as certified one-stop resource centers that  
63 provide coordination of business support, education, tracking of clients, access to sources of  
64 funding, training, technical expertise, talent, and networking for new and existing businesses  
65 located throughout the state.

66 Section 4. Section **63-38f-2404** is enacted to read:

67 **63-38f-2404. Establishment and administration of business resource centers --**  
68 **Components.**

69 (1) The Governor's Office of Economic Development shall establish business resource  
70 centers throughout the state.

71 (2) The office shall provide administrative oversight for the centers.

72 (3) The office shall work with the Business Resource Centers Executive Board,  
73 established under Section 63-38f-2406 and hereafter referred to in this part as "the board," to  
74 provide operational oversight of and coordination with the business resource centers.

75 (4) (a) A business resource center may be composed of state, local, and federal  
76 agencies and institutions, as well as private entities that:

77 (i) participate in the activities of the center; and

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

79 (b) Other entities capable of providing supportive services to Utah businesses that are  
80 not initially involved in the establishment of a business resource center may apply to the center  
81 to become a provider of services at the center.

82 (c) Each business resource center established under this section shall provide the board  
83 with a service plan, to include funding and a one-to-one match unless exempted by the board,  
84 which would be made available or supplied to cover the expenses and services offered at the  
85 center.

86 (d) The board shall review each plan referred to in Subsection (4)(c) for approval by  
87 the office as a precondition for providing the service being offered.

88 (5) As components of a business resource center program, the center may:

89 (a) partner with the Governor's Office of Economic Development and other entities to

90 develop and establish web-based access to virtual business resource center services over the  
91 Internet to assist in establishing and growing businesses in the state, and particularly in those  
92 situations where traveling to the business resource center site is not possible or practical; and

93 (b) develop programs for outreach to entrepreneurs in rural areas of the state.

94 (6) The Governor's Office of Economic Development shall make a report by November  
95 1 of each year to the Legislature's Business and Labor Interim Committee and the Workforce  
96 Services and Community and Economic Development Interim Committee on the performance  
97 of the business resource centers in carrying out their duties and responsibilities under Section  
98 63-38f-2405.

99 Section 5. Section **63-38f-2405** is enacted to read:

100 **63-38f-2405. Duties and responsibilities.**

101 (1) A business resource center shall:

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

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

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

109 (2) A business resource center may:

110 (a) provide research, development, or training programs for new businesses;

111 (b) provide needs assessment relating to new or existing businesses in conjunction with  
112 other public or private economic development programs or initiatives;

113 (c) provide business incubator space or services, or both, to businesses based on  
114 criteria established by the office in consultation with the board; and

115 (d) work with local business leaders and government officials to help them formulate  
116 and implement sound economic development decisions for their communities.

117 Section 6. Section **63-38f-2406** is enacted to read:

118 **63-38f-2406. Utah Business Resource Centers Executive Board -- Creation --**  
119 **Membership -- Vacancies -- Chairs.**

120 (1) There is created the Utah Business Resource Centers Executive Board, composed

121 of seven members appointed by the executive director of the Governor's Office of Economic  
122 Development.

123 (2) The executive director:

124 (a) may appoint up to five members from urban areas in the state; and

125 (b) shall appoint at least two members from rural areas in the state.

126 (3) Each board member shall have a background or expertise in any one or all of the  
127 following:

128 (a) state or local economic development;

129 (b) business networking, growth, or development;

130 (c) entrepreneurship;

131 (d) business management or administration; or

132 (e) the establishment of partnerships or collaborative efforts with state, local, and  
133 federal agencies and institutions, as well as private entities.

134 (4) (a) Except as required by Subsection (2)(b), the executive director shall appoint  
135 board members for four-year terms.

136 (b) Notwithstanding the requirements of Subsection (4)(a), the board shall, at the time  
137 of appointment or reappointment, adjust the length of terms to ensure that the terms of these  
138 members are staggered so that approximately half of the seven members are appointed every  
139 two years.

140 (c) When a vacancy occurs in the membership for any reason, the replacement shall be  
141 appointed by the executive director for the unexpired term in the same manner as the vacated  
142 member was chosen.

143 (5) The board shall elect one of its members as a chair of the board for a two-year term.

144 (6) The board shall meet at the call of the chair, but at least quarterly.

145 (7) (a) A majority of the members of the board constitute a quorum.

146 (b) The action of a majority of a quorum constitutes the action of the board.

147 (8) (a) A board member may not receive compensation or benefits for the member's  
148 service, but may receive per diem and expenses incurred in the performance of the member's  
149 official duties at the rates established by the Division of Finance under Sections 63A-3-106 and  
150 63A-3-107.

151 (b) A member may decline to receive per diem and expenses authorized under Section

152 (8)(a).

153 Section 7. Section 63-38f-2407 is enacted to read:

154 **63-38f-2407. Duties.**

155 The board shall:

156 (1) make recommendations to the office on requirements for the requisite certification  
157 of each business resource center and director;

158 (2) make recommendations to the office for approval of certified business resource  
159 centers and ongoing certification status of the centers;

160 (3) make recommendations to the office for certification of the business plans the  
161 board is required to review under Subsection 63-38f-2404(4)(d);

162 (4) if requested by the executive director, assist the office in providing operational  
163 oversight to and coordination of the business resource centers established under this part;

164 (5) identify issues and make recommendations to the office regarding programs,  
165 policies, and procedures that could be implemented by business resource centers in fulfilling  
166 their duties and responsibilities under Section 63-38f-2405;

167 (6) make budget recommendations to the office regarding the operation and staffing of  
168 business resource centers established under this part; and

169 (7) appoint an advisory board that shall include:

170 (a) at least one representative from each business resource center; and

171 (b) other individuals as determined by the executive board.

172 **Section 8. Appropriation.**

173 As an ongoing appropriation subject to future budget constraints, there is appropriated  
174 from the General Fund for fiscal year 2008-09, \$2,500,000 to the Governor's Office of  
175 Economic Development to fund the Utah Business Resource Centers Act.

176 **Section 9. Effective date.**

177 This bill takes effect on July 1, 2008.

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**Legislative Review Note**  
**as of 11-14-07 1:05 PM**

**Office of Legislative Research and General Counsel**

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**H.B. 37 - Utah Business Resource Centers Act**

**Fiscal Note**

2008 General Session  
State of Utah

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**State Impact**

Enactment of this bill appropriates \$2,500,000 in ongoing General Fund for the establishment of Business Resource Centers throughout the state.

	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2009</u> <u>Approp.</u>	<u>FY 2010</u> <u>Approp.</u>	<u>FY 2008</u> <u>Revenue</u>	<u>FY 2009</u> <u>Revenue</u>	<u>FY 2010</u> <u>Revenue</u>
General Fund	\$0	\$2,500,000	\$2,500,000	\$0	\$0	\$0
<b>Total</b>	<b>\$0</b>	<b>\$2,500,000</b>	<b>\$2,500,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

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**Individual, Business and/or Local Impact**

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals or local governments. Businesses may directly benefit from resources provided by Business Resource Centers established in this bill.