

BUSINESS RESOURCE CENTERS AMENDMENTS

2016 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: John R. Westwood

Senate Sponsor: Ann Millner

LONG TITLE

Committee Note:

The Economic Development and Workforce Services Interim Committee recommended this bill.

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:



28 [63N-3-304](#), as renumbered and amended by Laws of Utah 2015, Chapter 283

29 [63N-3-305](#), as renumbered and amended by Laws of Utah 2015, Chapter 283

30 [63N-3-306](#), as renumbered and amended by Laws of Utah 2015, Chapter 283

31 [63N-3-307](#), as renumbered and amended by Laws of Utah 2015, Chapter 283



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

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

35 **63N-3-304. Establishment and administration of business resource centers --**

36 **Components.**

37 (1) The office shall establish business resource centers in at least four different
38 geographical regions of the state where host institutions are located and the host institutions
39 agree to enter into a business resource center partnership with the office.

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

42 (3) A host institution shall contribute 50% of a business resource center's operating
43 costs through cash or in-kind contributions, unless otherwise provided under Subsection
44 [63N-3-307](#)~~(7)~~(4).

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

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

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

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

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

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

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

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

65 (6) A business resource center may:

66 (a) partner with the office, other host institutions, and other entities to develop and
67 establish web-based access to virtual business resource center services over the Internet to
68 assist in establishing and growing businesses in the state, particularly in those situations where
69 traveling to a business resource center site is not practical;

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

71 (i) tracking clients and their progress; and

72 (ii) tracking responses and services provided by state agencies and evaluating their
73 effectiveness; and

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

76 (7) The office shall include in the annual written report described in Section
77 [63N-1-301](#), a report on measured performance of economic development programs offered by
78 or through established business resource centers.

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

80 **63N-3-305. Duties and responsibilities of a Business Resource Center.**

81 (1) A business resource center shall:

82 (a) have a director;

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

85 (c) develop programs to aid business clients in finding [the] needed resources [they
86 need];

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

89 (e) initiate and encourage business education programs, including programs in

90 collaboration with public, private, and governmental and educational institutions; and

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

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

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

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

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

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

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

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

109 **63N-3-306. Advisory group.**

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

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

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

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

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

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

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

120 [~~(3) Each board member shall have a background or expertise in any one or all of the~~

121 following:]

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

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

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

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

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

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

129 [~~(b) The board shall, at the time of appointment or reappointment, adjust the length of~~
130 ~~terms to ensure that the terms of these members are staggered so that approximately half of the~~
131 ~~members are appointed every two years.]~~

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

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

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

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

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

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

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

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

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

145 The office may convene an advisory group, as needed, to make recommendations
146 regarding:

147 (1) improvements to a Business Resource Center;

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

149 (3) the general status of a Business Resource Center's duties as described in Section
150 [63N-3-305](#).

151 Section 4. Section [63N-3-307](#) is amended to read:

152 **63N-3-307. Duties.**153 The ~~[board]~~ office shall:154 (1) ~~[assist the office in providing]~~ administer grants to business resource centers and
155 provide operational oversight, coordination, and performance review ~~[and provide advice and]~~
156 to improve the effectiveness of state-funded business assistance programs throughout the state
157 ~~[as designated by the executive director];~~158 ~~[(2) make recommendations to the office on requirements for the requisite certification~~
159 ~~of each business resource center and staff at each center by the executive director;]~~160 ~~[(3) make recommendations to the office for certification of the business plans the~~
161 ~~board is required to review under Subsection 63N-3-304(5)(c)(iii);]~~162 ~~[(4) at the direction of the executive director;]~~163 ~~[(a) assist the office in providing operational oversight to and coordination of the~~
164 ~~business resource centers established under this part; and]~~165 ~~[(b) work closely with the Governor's Office of Economic Development's Board of~~
166 ~~Business and Economic Development;]~~167 ~~[(5) identify issues and make recommendations to the office regarding programs,~~
168 ~~policies, and procedures that could be implemented by:]~~169 ~~[(a) business resource centers in fulfilling their duties and responsibilities under~~
170 ~~Section 63N-3-305; and]~~171 ~~[(b) state-funded business service providers;]~~172 ~~[(6) make budget recommendations to the office]~~173 (2) create a competitive budget allocation process regarding the operation and staffing
174 of business resource centers established under this part; and175 ~~[(7) recommend]~~ (3) in accordance with Title 63G, Chapter 3, Utah Administrative
176 Rulemaking Act, make rules establishing:177 (a) matching fund exceptions under Subsection 63N-3-304(3);178 ~~[(8) recommend certification of all non-state funded satellite business resource centers;~~
179 ~~and]~~180 (b) criteria for the approval, creation, and oversight of each business resource center
181 and its staff, including a non-state funded satellite business resource center;182 ~~[(9) establish]~~ (c) metrics to report the performance of economic development output

183 in each region serviced by a business resource center[-]; and
184 (d) criteria for approving and overseeing business plans.

Legislative Review Note
Office of Legislative Research and General Counsel