

HCS HB 2104 -- SMALL BUSINESSES

SPONSOR: Ervin

COMMITTEE ACTION: Voted "do pass" by the Committee on Small Business by a vote of 9 to 1.

This substitute requires up to \$2 from each business registration fee collected by the Secretary of State to be deposited into the newly created Small Business Technology Fund and, upon appropriation, used in support of technical assistance to small businesses to attract federal research dollars to Missouri.

Fifty cents of each fee collected must also be deposited into the newly created Small Business Regulatory Fairness Fund and, subject to appropriations, used by the Small Business Regulatory Fairness Board to hire 1.5 full-time equivalent employees to perform certain specified clerical and professional tasks and to provide additional funding for certain board-related costs.

Requests or recommendations generated by the board to any state agency, board, or commission must be responded to within 60 days of the request or recommendation.

The provisions regarding the Small Business Technology Fund become effective July 1, 2011.

FISCAL NOTE: Estimated Cost on General Revenue Fund of \$0 to \$145,913 in FY 2011, \$0 to \$728,267 in FY 2012, and \$0 to \$727,833 in FY 2013. Estimated Income on Other State Funds of \$0 in FY 2011, \$0 to \$642,716 in FY 2012, and \$0 to \$642,716 in FY 2013.

PROPOSERS: Supporters say that the bill will assist small businesses and entrepreneurs by providing funding for the Small Business and Technology Development Centers. Continued and sustainable funding of the centers is vital to economic growth in Missouri and moving technology into the 21st Century. The state funding will help get federal funding into Missouri. The centers help with preparing initial applications, market research, and preliminary research and assistance and provide counseling and assistance with business plans to small businesses across the state. Missouri has been behind other states in winning small business awards so the centers created MoFAST to help provide private seed and investment funding after the initial stages. Research grant awards submissions were almost \$200 million with almost \$22 million in grants awarded in 2007-2009. Before this funding, Missouri was in the bottom 25% of states receiving funding with a 16% rate. In 2009, the rate increased to 65%.

Testifying for the bill were Representative Ervin; Michael Orlando, Jr. and R. J. Miller, Interdisciplinary Design Collaborative, LLC; Mary Paulsell, Small Business and Technology Development Centers; Barry White; National Federation of Independent Business; and Associated Industries of Missouri.

OPPONENTS: There was no opposition voiced to the committee.