



Ohio Legislative Service Commission

Bill Analysis

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H.B. 218

130th General Assembly

(As Reported by H. Economic Development and Regulatory Reform)

Reps. Rosenberger and Dovilla, Scherer, Reece, Smith, Baker, Fedor, Buchy, Barnes, Burkley, C. Hagan

BILL SUMMARY

- Requires the Governor's Small Business Advisory Council to create an "entrepreneur in residence" program.
- Prescribes the intent of the program as to "provide for better outreach by state government to small businesses, to strengthen coordination and interaction between state government and small businesses, and to make state government programs and functions simpler, easier to access, more efficient, and more responsive to the needs of small businesses."
- Requires the Council to select between three and five state agencies that affect small businesses to participate in the program and assign an entrepreneur who is representative of small business to each of these agencies for a one-year tenure.
- Establishes duties for entrepreneurs assigned to an agency, such as educating small businesses about the state agency, holding sessions for agency employees on issues of concern to small businesses, advising the agency on how its functions can be improved, giving technical assistance to small businesses in accessing the agency's services, and making recommendations to the agency to enable it to further the mission of the entrepreneur in residence program.
- Stipulates that entrepreneurs in residence would receive expense reimbursements but no compensation.
- Requires the Small Business Advisory Council to evaluate the program and recommend whether it is to be continued.

CONTENT AND OPERATION

"Entrepreneur in residence" program

The bill requires the Small Business Advisory Council in the Governor's office to establish and operate an "entrepreneur in residence" pilot program. The stated mission of the program is to "provide for better outreach by state government to small businesses, to strengthen coordination and interaction between state government and small businesses, and to make state government programs and functions simpler, easier to access, more efficient, and more responsive to the needs of small businesses."¹

Under the program, the Council would designate between three and five state agencies to participate by having an entrepreneur in residence assigned to each agency. Only agencies with programs and functions that affect small businesses may be designated to participate in the program. Each entrepreneur in residence must be a person who is representative of small businesses and who is successful in their field. For the bill's purposes, a small business is an independently owned and operated for-profit or nonprofit business operating in Ohio with fewer than 500 full-time employees or annual gross sales of less than \$6 million.² The term of an entrepreneur in residence would last one year.

Duties

The duties of entrepreneurs in residence would be the following:

--Facilitate meetings to educate small business owners and operators of the agency's functions and programs that affect small businesses;

--Facilitate in-service sessions with agency employees on "issues of concern" to small businesses;

--Advise the agency on how its functions and programs might be improved to further the program's mission;

--Provide technical assistance or mentorships to small businesses in accessing the agency's functions and programs.

Entrepreneurs in residence would report to and serve at the pleasure of the agency director and could be discharged by the director without cause. A discharged

¹ R.C. 107.631.

² R.C. 107.63.



entrepreneur in residence could be assigned to another agency for the remainder of the entrepreneur's one-year tenure. Entrepreneurs in residence would not receive compensation but would receive expense reimbursements. Entrepreneurs in residence would be required to file the same financial disclosure statement with the Ethics Commission that state and local government officers are required to file disclosing sources of income, business and real estate holdings, investments, creditors and debtors, and gifts.³

Before the end of the entrepreneur's one-year tenure with the assigned state agency, the entrepreneur would be required to prepare a report about the agency and make recommendations to the agency that further the mission of the program. The bill requires that the report be submitted to the agency and the Small Business Advisory Council. The recommendations included in the report must address the following:

--Elimination of inefficient or duplicative programs and functions that affect small businesses;

--Methods to improve efficiency of programs and functions that affect small businesses;

--New programs or functions that could be established;

--Any other matter that furthers the program's mission.

Evaluation of program and recommendations

The Small Business Council may convene an informal working group of entrepreneurs in residence during or after the pilot program to discuss the participating entrepreneurs' recommendations and best practices, experiences, and opportunities for and obstacles to operating small businesses. After the pilot program ends, the Council must prepare a report on the program recommending whether it should be abandoned, made permanent, or repeated, and any modifications. The Council's report must include the reports of the entrepreneurs in residence. If the program is repeated or made permanent, an individual who previously was assigned as an entrepreneur in residence may not be reassigned as an entrepreneur in residence.

The Council must provide a copy of its report to the Common Sense Initiative Office, and the Office must transmit a copy to the Governor, Lieutenant Governor, the President and Minority Leader of the Senate, and the Speaker and Minority Leader of the House of Representatives.

³ R.C. 102.02.



HISTORY

ACTION	DATE
Introduced	06-19-13
Reported, H. Economic Development & Regulatory Reform	11-19-13

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