



Ohio Legislative Service Commission

Bill Analysis

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Sub. H.B. 218*

130th General Assembly

(As Reported by S. Workforce and Economic Development)

Reps. Rosenberger and Dovilla, Scherer, Reece, Smith, Baker, Fedor, Buchy, Barnes, Burkley, C. Hagan, R. Adams, Amstutz, Anielski, Antonio, Beck, Blair, Blessing, Boose, Brown, Budish, Butler, Celebrezze, Damschroder, Derickson, DeVitis, Green, Grossman, Hackett, Hall, Hayes, Henne, Hill, Johnson, Landis, Mallory, McClain, McGregor, Milkovich, O'Brien, Patterson, Perales, Pillich, Ramos, Retherford, Romanchuk, Ruhl, Sears, Sheehy, Sprague, Stebelton, Stinziano, Thompson, Wachtmann, Young, Batchelder

BILL SUMMARY

- Requires the LeanOhio Office in the Department of Administrative Services to create an "entrepreneur in residence" program to strengthen coordination, interaction, and outreach between state government and small businesses.
- Requires the Office to appoint up to five entrepreneurs in residence among individuals who are successful in their fields.
- Requires the Office to make reasonable efforts to attract participation from entrepreneurs of various backgrounds including female entrepreneurs, minority business enterprises, and owners of EDGE businesses.
- Establishes duties for entrepreneurs in residence such as assisting with lean process improvement events and other presentations, participating in strategic planning efforts for LeanOhio and other areas of state government, and facilitating meetings with businesses.
- Stipulates that entrepreneurs in residence would receive no compensation or expense reimbursements.

* This analysis was prepared before the report of the Senate Workforce and Economic Development Committee appeared in the Senate Journal. Note that the list of co-sponsors and the legislative history may be incomplete.

- Requires the LeanOhio Office to evaluate the program after one year and recommend whether it is to be continued.

CONTENT AND OPERATION

"Entrepreneur in residence" program

The bill requires the LeanOhio Office in the Department of Administrative Services 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 LeanOhio Office would appoint up to five individuals who are successful in their fields to serve as entrepreneurs in residence. The Office is required to market the program across the state and make reasonable efforts to attract participation from entrepreneurs of various backgrounds (including female entrepreneurs, minority business enterprises, and owners of EDGE business enterprises). The Office may give preference to individuals who have achieved "quantifiable improvements" using other LeanOhio tools such as "Lean Six Sigma" or "Black Belt" certification. The term of an entrepreneur in residence would last one year.²

Duties

The duties of entrepreneurs in residence would be the following:³

--Assist the LeanOhio Office in facilitating and developing the scope of lean process improvement events throughout state government.

--Assist with follow-up meetings to ensure the improvements developed at lean process improvement events are implemented.

--Participate in strategic planning efforts for the Office or other areas of state government.

--Assist with presentations on opportunities for state government to become more efficient and effective.

¹ R.C. 125.65(B).

² R.C. 125.65(B) and (C).

³ R.C. 125.65(D).



--Facilitate meetings with businesses, state agencies, and local governments that may be affected by process improvements.

Entrepreneurs in residence would report to and serve at the pleasure of the LeanOhio Office. Entrepreneurs in residence would not receive compensation or 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.⁴

Before the end of the entrepreneur's one-year tenure, the entrepreneur would be required to prepare a report about the entrepreneur's experiences in the program and submit the report to the LeanOhio Office. The report would include recommendations about the following:⁵

--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 LeanOhio Office 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 Office must prepare a report on the program recommending whether it should be abandoned, made permanent, or repeated, and any modifications. The Office'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 LeanOhio Office must provide a copy of its report to the Common Sense Initiative Office, and the Common Sense Initiative Office must transmit a copy to the

⁴ R.C. 102.02 and 125.65(E).

⁵ R.C. 125.65(F).



Governor, Lieutenant Governor, the President and Minority Leader of the Senate, and the Speaker and Minority Leader of the House of Representatives.⁶

HISTORY

ACTION	DATE
Introduced	06-19-13
Reported, H. Economic Development & Regulatory Reform	11-19-13
Passed House (93-0)	01-15-14
Reported, S. Workforce & Economic Development	---

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⁶ R.C. 125.65(G).

