Ohio Legislative Service Commission

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Fiscal Note & Local Impact Statement

Bill: Sub. H.B. 218 of the 130th G.A.

Date: November 12, 2014

Status: As Reported by Senate Workforce & Economic Development

Sponsor: Reps. Rosenberger and Dovilla

Local Impact Statement Procedure Required: No

Contents: To require the LeanOhio office in the Department of Administrative Services to establish an entrepreneur in residence pilot program

State Fiscal Highlights

- The LeanOhio office, which is within the Department of Administrative Services, will likely not incur any additional expenditures due to the provisions in this bill. The bill provides that entrepreneurs in residence are not entitled to compensation or reimbursement for expenses.

Local Fiscal Highlights

- No direct fiscal effect on political subdivisions.

Detailed Fiscal Analysis

The LeanOhio office, which is within the Department of Administrative Services, must establish and operate an Entrepreneur in Residence Pilot Program. The mission of the pilot 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. The LeanOhio office will likely not incur any additional expenditures on behalf of the provisions in this bill.

Not more than five entrepreneurs in residence will be appointed by the LeanOhio office. The office must appoint individuals who are successful in their fields and must make reasonable efforts to market the entrepreneur in residence program across the state and attract participation from entrepreneurs with various backgrounds, including female entrepreneurs, minority business enterprises, and owners of EDGE[1] business enterprises. The LeanOhio office may give preference to individuals who have achieved quantifiable improvements using LeanOhio tools and strategies such as lean six sigma and individuals who have achieved a black belt or master black belt certification from the LeanOhio office or an equivalent certification from a private sector office or entity.

Entrepreneurs in residence will report directly to the LeanOhio office. The residency would be for one year, and upon completion of the residency, each of the entrepreneurs must prepare a report about the entrepreneur's experiences in the program. In the report, the entrepreneur in residence must make recommendations to the LeanOhio office that further the mission of the entrepreneur in residence program. Upon conclusion of the entrepreneur in residence pilot program, and after considering the reports of the entrepreneurs in residence and information learned from any informal working group, the LeanOhio office must prepare a report on the entrepreneur in residence pilot program. In the report, the office must recommend whether the entrepreneur in residence pilot program should be repeated with or without modifications, made permanent with or without modifications, or abandoned.

The bill states that entrepreneurs in residence are not entitled to compensation or any reimbursement from the LeanOhio office for expenses the entrepreneur in residence incurs in discharge of the entrepreneur in residence's duties.

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[1] "EDGE business enterprise" means a sole proprietorship, association, partnership, corporation, limited liability corporation, or joint venture certified as a participant in the encouraging diversity, growth, and equity program by the Director of Administrative Services.