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FISCAL IMPACT REPORT

SPONSOR: Coll DATE TYPED: 1/29/03 HB 134

SHORT TITLE: Encourage Business Development SB _____

ANALYST: Collard

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY03	FY04	FY03	FY04		
	\$1,500.0		\$50.0	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

Relates to House Bill 133 and Senate Bill 271
 Duplicates Senate Bill 270

SOURCES OF INFORMATION

Responses Received From
 Economic Development Department

SUMMARY

Synopsis of Bill

House Bill 134 appropriates \$1,500.0 from the general fund to the Economic Development Department for the purpose of initiating and administering a statewide business incubator program.

Significant Issues

The statewide business incubator program includes:

- ? Developing and implementing a pilot program to identify five projects in FY04;
- ? Providing professional services contracts for operating business incubators to support program activities and operations; and
- ? Working with existing incubators, proponents, and interested communities statewide

FISCAL IMPLICATIONS

The appropriation of \$1,500.0 contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY04 shall revert to the general fund.

The Economic Development Department is concerned that there are not monies attached to the bill for administrative costs. The administration of this work could require one additional FTE at a cost of \$50.0.

ADMINISTRATIVE IMPLICATIONS

The Economic Development Department indicates it does not have the staff to administer this program and an additional FTE will be needed for administration and evaluation of the contracts.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

House Bill 134 relates to House Bill 133 and Senate Bill 271 because the bills all promote business incubators in the state. House Bill 134 duplicates Senate Bill 270.

POSSIBLE QUESTIONS

1. Is the additional FTE necessary, or can an existing department employee administer the program?

KBC/prr