

SECOND REGULAR SESSION

HOUSE BILL NO. 1707

92ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE ST. ONGE.

Read 1st time April 1, 2004, and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

4733L.011

AN ACT

To amend chapter 620, RSMo, by adding thereto seven new sections relating to developing small businesses.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 620, RSMo, is amended by adding thereto seven new sections, to be
2 known as sections 620.1800, 620.1803, 620.1805, 620.1808, 620.1810, 620.1813, and 620.1815
3 to read as follows:

**620.1800. As used in sections 620.1800 to 620.1813, unless the context clearly
2 requires otherwise, the following terms mean:**

3 (1) "Department", the Missouri department of economic development;

4 (2) "Division", division of workforce development of the department of economic
5 development;

6 (3) "Employee", any full- or part-time employee of a small business;

7 (4) "Fund", the Missouri small business employee training fund established under
8 section 620.1808;

9 (5) "Program", the small business employee training program established under
10 section 620.1803;

11 (6) "Small business", an entity having its principal place of business in Missouri
12 whose objective is to supply a service or the commercial production and sale of an article
13 of trade or commerce and that on the date it is selected for participation in the program
14 employs not less than one but not more than fifty employees and has been in existence for
15 not less than five consecutive years;

16 (7) "Training institution", any state of Missouri community college.

620.1803. 1. There is hereby established the "Small Business Employee Training

2 Program" that shall be administered by the division. The purpose of the program is to
3 provide assistance for expanding small businesses for the training or retraining of
4 employees. Such program shall be operated with appropriations made by the general
5 assembly from the fund.

6 2. Each participating training institution shall determine the means of training of
7 employees under the program. Training may include classroom training, nontraditional
8 training, electronically delivered training, and cluster specific consultation.

9 3. Each participating training institution shall be responsible for recruiting and
10 selecting small businesses to participate in the program. Factors to be considered in
11 recruitment and selection include whether the small business is part of a naturally
12 occurring administratively efficient cluster such as industry type, involvement in a
13 chamber of commerce or professional organization, the small business's geographic
14 location, and whether it is a female or minority owned business.

620.1805. Activities eligible for reimbursement by funds administered through the
2 program shall include: training materials and supplies, including the purchase of
3 packaged training programs when appropriate; travel directly related to the training
4 program; tuition payments to training institutions; teaching and assistance provided by
5 training institutions; and the leasing but not the purchase of training equipment and space.

620.1808. 1. There is hereby established in the state treasury a special fund to be
2 known as the "Missouri Small Business Employee Training Fund". The fund shall consist
3 of all moneys that may be appropriated to it by the general assembly and also any gifts,
4 contributions, grants, or bequests received from federal, private, or other sources.
5 Appropriations made from the fund shall be for the purpose of reimbursing small
6 businesses participating in the program. Such businesses shall receive reimbursement for
7 seventy-five percent of their costs for the activities listed in section 620.1805. In addition,
8 moneys to operate the program shall be obtained from appropriations made by the general
9 assembly from the fund. No funds shall be awarded or reimbursed to any small business
10 for the training, retraining, or upgrading of skills of potential employees with the purpose
11 of replacing or supplanting employees engaged in an authorized work stoppage.

12 2. The Missouri small business job development fund shall be able to receive any
13 block grant or other sources of funding relating to job training, school-to-work transition,
14 welfare reform, vocational and technical training, housing, infrastructure development,
15 and human resource investment programs that may be provided by the federal government
16 or other sources.

17 3. The department shall issue rules governing the awarding of reimbursement from
18 the fund. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo,

19 that is created under the authority delegated in this section shall become effective only if
20 it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if
21 applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable
22 and if any of the powers vested with the general assembly under chapter 536, RSMo, to
23 review, to delay the effective date, or to disapprove and annul a rule are subsequently held
24 unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted
25 after August 28, 2004, shall be invalid and void.

620.1810. The department is authorized to contract with other entities, including
2 businesses, industries, other state agencies, and the political subdivisions of the state, for
3 the purpose of carrying out the provisions of sections 620.1800 to 620.1813.

620.1813. The division shall submit to the general assembly prior to January 1,
2 2006, a report on the degree of participation by small businesses during the first year of
3 the program. The division shall submit to the general assembly prior to January 1, 2007,
4 a report on the retention and growth of participation of small businesses during the second
5 year of the program. The division shall submit to the general assembly prior to January
6 1, 2008, a report on the aggregate financial growth of the participating small businesses
7 during the third year of the program. The division shall submit to the general assembly
8 prior to January 1, 2009, a research-based review of the effectiveness of the program
9 during its fourth year.

620.1815. Under section 23.253, RSMo, of the Missouri Sunset Act:

2 (1) The provisions of the new program authorized under sections 620.1800 to
3 620.1813 shall automatically sunset four years after the effective date of sections 620.1800
4 to 620.1813 unless reauthorized by an act of the general assembly; and

5 (2) If such program is reauthorized, the program authorized under sections
6 620.1800 to 620.1813 shall automatically sunset four years after the effective date of the
7 reauthorization of sections 620.1800 to 620.1813; and

8 (3) This section shall terminate on September first of the calendar year immediately
9 following the calendar year in which the program authorized under sections 620.1800 to
10 620.1813 is sunset.