

FIRST REGULAR SESSION

HOUSE BILL NO. 237

102ND GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE SMITH (155).

0597H.011

DANA RADEMAN MILLER, Chief Clerk

AN ACT

To amend chapters 34, 37, and 620, RSMo, by adding thereto six new sections relating to supporting new businesses.

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

Section A. Chapters 34, 37, and 620, RSMo, are amended by adding thereto six new sections, to be known as sections 34.195, 37.1100, 620.514, 620.3800, 620.3801, and 620.3802, to read as follows:

34.195. Beginning January 1, 2024, five percent of all state contracts shall be awarded to businesses that have been in operation for less than five years.

37.1100. 1. This section may be cited and shall be known as the "Right to Start Act".

2. No later than January 1, 2025, and annually thereafter, the commissioner of the office of administration shall file a report with the general assembly.

3. The report shall address contracts awarded to businesses that have been in operation for less than five years and include information regarding, but not limited to:

(1) The number and total dollar amount of state contracts awarded to businesses that have been in operation for less than five years, including a breakdown by demographic segments and geographical areas throughout this state;

(2) The percentage of the number of state contracts awarded to businesses that have been in operation for less than five years compared to the total number of contracts awarded; and

EXPLANATION — Matter enclosed in bold-faced brackets **[thus]** in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

13 **(3) The percentage of the total dollar amount of state contracts awarded to**
14 **businesses that have been in operation for less than five years compared to the total**
15 **dollar amount of contracts awarded.**

16 **4. The report shall make recommendations on improving access to state**
17 **contracts for businesses in this state that have been in operation for less than five years,**
18 **including businesses in statistically underrepresented demographic segments and**
19 **geographic areas of this state. This portion of the report shall be made in**
20 **conjunction with the office of entrepreneurship.**

21 **5. The report shall address workforce development and include information**
22 **regarding, but not limited to, the percentage and total dollar amount of workforce**
23 **development funding, including funding allocated by office of workforce development**
24 **within the department of higher education and workforce development across this state,**
25 **that supports programs for individuals starting a new business or that supports**
26 **programs that provide services to businesses established within the previous five years**
27 **and whose principal place of business is in this state.**

28 **6. The report shall address community development block grants and include**
29 **information regarding, but not limited to, the percentage and total dollar amount of**
30 **economic development funding, including community development block grants, that**
31 **supports organizations or programs for individuals starting a new business or that**
32 **supports organizations or programs that provide services to businesses established**
33 **within the previous five years and whose principal place of business is in this state.**

620.514. Beginning January 1, 2024, five percent of all workforce development
2 **funding, including funding allocated by the Missouri workforce development board,**
3 **shall be awarded to organizations or programs for individuals starting a new business**
4 **or to organizations or programs that provide services to businesses that have been in**
5 **operation for less than five years and whose principal place of business is in this state.**

620.3800. 1. There is hereby created within the department of economic
2 **development the "Office of Entrepreneurship".**

3 **2. The office of entrepreneurship shall employ at least one full-time equivalent**
4 **employee to strengthen policies and programs that support the growth of**
5 **entrepreneurship in this state including, but not limited to, across demographic**
6 **segments and geographic areas. The office shall work with stakeholders and**
7 **organizations that support entrepreneurship to enhance learning and skills, provide**
8 **technical support, and expand access to resources for entrepreneurs across this state.**
9 **The office shall serve as a point of contact to assist businesses operating for five years or**
10 **less in their interactions with state government.**

11 **3. No later than January 1, 2025, and annually thereafter, the office of**
12 **entrepreneurship shall prepare an annual report titled "The Entrepreneur Impact**
13 **Statement" that details the extent to which state legislation enacted in the prior year**
14 **supports, hinders, or otherwise affects businesses that have been operating for less than**
15 **five years.**

16 **4. The office shall support and advise the commissioner of the office of**
17 **administration with preparing a report under section 37.1100.**

620.3801. 1. No later than January 1, 2025, and annually thereafter, the state
2 **community development block grant manager within the department of economic**
3 **development, or successor position, shall file a report with the general assembly that**
4 **includes, but is not limited to, the percentage and total dollar amount of economic**
5 **development funding, including community development block grants, that supports**
6 **organizations or programs for individuals starting new businesses or that supports**
7 **organizations or programs that provide services to businesses established within the**
8 **previous five years and whose principal place of business is in this state.**

9 **2. Beginning January 1, 2024, the state community development block grant**
10 **manager within the department of economic development, or successor position, shall**
11 **encourage five percent of funding budgeted for economic development programs,**
12 **including community development block grants, be allocated to supporting**
13 **organizations or programs for individuals starting new businesses or to supporting**
14 **organizations or programs that provide services to businesses established within the**
15 **previous five years and whose principal place of business is in this state.**

620.3802. Beginning January 1, 2024, the department of economic development
2 **and division of professional registration within the department of commerce and**
3 **insurance shall encourage the elimination of all first-year business fees relating to any**
4 **license or registration for any new business or a person establishing a new business,**
5 **including home-based businesses, whose principal place of business is in this state.**

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