

HB 237 -- RIGHT TO START ACT

SPONSOR: Smith (155)

This bill amends Chapters 34, 37, and 620 RSMo, to establish the "Right To Start Act".

Beginning January 1, 2024, 5% of all state contracts shall be awarded to businesses that have been in operation for less than five years. Additionally, 5% of all workforce development funding shall be awarded to organizations or programs that provide services to businesses that have been in operation for less than five years. The state community development block grant manager shall also encourage 5% of the funding for budgeted economic development programs to be allocated to businesses established within the previous five years. The Department of Economic Development and the Division of Professional Registration shall also encourage the elimination of license and registration fees for new businesses.

The bill also creates the Office of Entrepreneurship within the Department of Economic Development to serve as a point of contact to assist businesses operating for five years or less in their interactions with the state government.

No later than January 1, 2025, the Commissioner of the Office of Administration shall file an annual report with the General Assembly that:

- 1) Provides demographic and geographic breakdowns of state contracts to businesses that have been in operation for less than five years;
- 2) Provides a comparison between the number of contracts awarded to certain businesses; and
- 3) Provides recommendations as to how contracts might be awarded in the future to underrepresented areas, workforce development, and community development.

No later than January 1, 2025, the Office of Economic Development shall prepare an annual report titled "The Entrepreneur Impact Statement" that details how legislation enacted the prior year affected businesses in operation for less than five years. The State Community Development Block Grant Manager, within the Department of Economic Development, shall also file a report that includes information on economic development funding, block grants, and services to businesses established within the previous five years.

This bill is similar to HB 1202 (2021).