



House of Representatives

File No. 627

General Assembly

February Session, 2010

(Reprint of File No. 332)

House Bill No. 5500
As Amended by House
Amendment Schedule "A"

Approved by the Legislative Commissioner
April 22, 2010

**AN ACT CONCERNING THE OFFICE OF SMALL BUSINESS AFFAIRS
AND ESTABLISHING THE SMALL BUSINESS ADVISORY BOARD.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 32-9n of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective from passage*):

3 (a) There is established within the Department of Economic and
4 Community Development an Office of Small Business Affairs. Such
5 office shall aid and encourage small business enterprises, particularly
6 those owned and operated by minorities and other socially or
7 economically disadvantaged individuals in Connecticut. As used in
8 this section, minority means: (1) Black Americans, including all
9 persons having origins in any of the Black African racial groups not of
10 Hispanic origin; (2) Hispanic Americans, including all persons of
11 Mexican, Puerto Rican, Cuban, Central or South American, or other
12 Spanish culture or origin, regardless of race; (3) all persons having
13 origins in the Iberian Peninsula, including Portugal, regardless of race;
14 (4) women; (5) Asian Pacific Americans and Pacific islanders; or (6)
15 American Indians and persons having origins in any of the original

16 peoples of North America and maintaining identifiable tribal
17 affiliations through membership and participation or community
18 identification.

19 (b) Said Office of Small Business Affairs shall: (1) Administer at least
20 one regional office of the small business development center program
21 [run by] within the Department of Economic and Community
22 Development; (2) coordinate, with the director of the small business
23 development center program, the flow of information within the
24 technical and management assistance program [run by] within the
25 Department of Economic and Community Development; (3) encourage
26 the Connecticut Development Authority to grant loans to small
27 businesses, particularly those owned and operated by minorities and
28 other socially or economically disadvantaged individuals; (4)
29 coordinate and serve as a liaison between all federal, state, regional
30 and municipal agencies and programs affecting small business affairs;
31 [and] (5) administer any business management training program
32 established under section 32-352 or section 32-355 as the Commissioner
33 of Economic and Community Development may determine; (6)
34 provide a single point of contact for small businesses seeking financial
35 and technical assistance from the state and quasi-public agencies; (7)
36 coordinate all state funded revolving loan funds used to assist small
37 businesses; and (8) establish, in cooperation with the Commissioner of
38 Economic and Community Development, and within available
39 appropriations, an informational web page with a list and links to all
40 small business resources available and post them in a conspicuous
41 place on the department's web site. The office shall update this
42 information on its web site on at least a quarterly basis.

43 (c) On or after February 1, 2011, the Office of Small Business Affairs
44 shall compile a summary of all small business activities and programs
45 available and incorporate such summary into the report required
46 pursuant to section 32-1m.

47 Sec. 2. (NEW) *(Effective July 1, 2010)* (a) The Department of Economic
48 and Community Development shall appoint and convene a Small

49 Business Advisory Board, which shall include, but not be limited to,
50 the Commissioner of Economic and Community Development and
51 representatives of the Connecticut Economic Resource Center, the
52 Connecticut Center for Advanced Technology, Incorporated, a
53 manufacturing association, a business association, a chamber of
54 commerce and an economic development entity. Such representatives
55 shall serve for a term of five years. The board shall meet on or before
56 December 31, 2010, and at least annually thereafter.

57 (b) The Small Business Advisory Board shall provide guidance to
58 the department with regard to resources available to small businesses.

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|---|---------------------|-------------|
| This act shall take effect as follows and shall amend the following sections: | | |
| Section 1 | <i>from passage</i> | 32-9n |
| Sec. 2 | <i>July 1, 2010</i> | New section |

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note***State Impact:*** None***Municipal Impact:*** None***Explanation***

The bill as amended, establishes a Small Business Advisory Board, expands the duties of the Department of Economic and Community Development's Small Business Affairs Office (SBAO) and requires the department to assist the SBAO establish a website, which results in no fiscal impact.

House "A" makes a technical correction which results in no fiscal impact.

The Out Years***State Impact:*** None***Municipal Impact:*** None

OLR Bill Analysis**HB 5500 (as amended by House "A")******AN ACT CONCERNING THE OFFICE OF SMALL BUSINESS AFFAIRS AND ESTABLISHING THE SMALL BUSINESS ADVISORY BOARD.*****SUMMARY:**

This bill requires the Department of Economic and Community Development (DECD) commissioner to appoint and convene a Small Business Advisory Board to advise the department about resources available to small businesses. At a minimum, the board must include seven members: the DECD commissioner and representatives of a manufacturing and business association, a chamber of commerce, an economic development entity, the Connecticut Economic Resource Center, and Connecticut Center for Advanced Technology, Inc. The board members each serve five-year terms. They must meet by December 31, 2010 and at least annually after that.

The bill also expands the duties of DECD's Small Business Affairs Office, which currently include running a small business development center and administering any business management program the commissioner establishes. The bill additionally requires the office to:

1. provide a single contact point for small businesses seeking financial and technical assistance from state and quasi-public agencies,
2. coordinate all state small business revolving loan funds, and
3. establish an informational webpage listing all small business resources with appropriate links.

The office must establish the webpage with the commissioner's

cooperation and within available appropriations. It must also post the resources and links in a conspicuous place on DECD's website and update the information quarterly.

Beginning February 1, 2011, the bill requires the office to summarize all available small business programs and activities and include the summary in DECD's comprehensive annual report.

Lastly, the bill makes a technical correction to the law specifying the Small Business Affairs Office's duties. Current law assumes that DECD runs the Small Business Development Center program and requires the office to administer it. In practice, the federal Small Business Administration administers the program, which funds regional centers that provide comprehensive technical assistance to new and existing small businesses. The program currently funds five centers in Connecticut, including one housed in DECD.

The bill changes the statute to reflect this arrangement by specifying that the office must administer at least one regional center housed within DECD. It also requires the office to coordinate with the center's director the flow of information within the program.

*House Amendment "A" makes a technical correction to the Small Business Affairs Office's statutory duties.

EFFECTIVE DATE: Upon passage, except for the provision establishing the advisory board, which is effective July 1, 2010.

COMMITTEE ACTION

Commerce Committee

Joint Favorable

Yea 19 Nay 0 (03/18/2010)