

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 7715**

**BILL NUMBER: SB 369**

**NOTE PREPARED: Jan 8, 2003**

**BILL AMENDED:**

**SUBJECT:** Definitions of Trade Mission and Trade Show.

**FIRST AUTHOR:** Sen. Broden

**FIRST SPONSOR:**

**BILL STATUS:** As Introduced

**FUNDS AFFECTED:  GENERAL  
 DEDICATED  
 FEDERAL**

**IMPACT:** State

**Summary of Legislation:** The bill amends the definition of "trade mission" in the law concerning the Department of Commerce to include a planned tour of business locations inside the United States. The bill also amends the definition of "trade show" to include an exhibition, an exposition, or a fair located inside the United States.

**Effective Date:** July 1, 2003.

**Explanation of State Expenditures:** This bill will expand the pool of applicants for financial assistance under the Trade Show Assistance Program and could potentially increase financial assistance expenditures under the Program. However, the Indiana Department of Commerce (IDOC) is not seeking an increase in the current \$200,000 annual appropriation level for Trade Show Assistance. The IDOC expects to have sufficient funding in the Trade Promotion Fund (the fund holding financial assistance money) to satisfy the expected increase in demand for Trade Show Assistance grants. This is because financial assistance expenditures under the Program have exceeded the \$200,000 annual appropriation only once since FY 2000. In addition, since the Trade Promotion Fund is a non-reverting fund, it had a balance of \$300,955 at the end of FY 2002. The FY 2003 appropriation to the Trade Promotion Fund is \$200,000. The table below summarizes the activity in the Trade Promotion Fund from FY 2000 to FY 2002.

	<b>Appropriation</b>	<b>Expenditures</b>	<b>Year-End Balance</b>
<b>FY 2000</b>	\$200,000	\$195,068	\$267,734
<b>FY 2001</b>	200,000	212,196	255,538
<b>FY 2002</b>	200,000	154,583	300,955

*Background:* Under current law, the IDOC may reimburse from the Trade Promotion Fund booth rental fees incurred by a small business concern participating in a trade show or trade mission outside of the United States. The maximum reimbursement for a trade show or trade mission is \$5,000. Under the bill, such reimbursement could be made by the IDOC for booth rental fees related to participation in a trade show or trade mission inside the United States. According to the IDOC, some small business concerns can't afford to travel abroad, but nevertheless can participate in trade shows and trade missions inside the United States. The bill would authorize the IDOC to assist these types of small businesses as they participate in trade shows or trade missions in the United States that are recommended by the IDOC, the U.S. Department of Commerce, or the U.S. Department of Agriculture.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:**

**Explanation of Local Revenues:**

**State Agencies Affected:** Indiana Department of Commerce.

**Local Agencies Affected:**

**Information Sources:** Richard Rowley, Indiana Department of Commerce, (317) 232-8780; Indiana Auditor of State, *Agency Object Trial Balance*, 6/30/2000, 6/30/2001, 6/30/2002.

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