LEGISLATIVE SERVICES AGENCY
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FISCAL IMPACT STATEMENT

LS 7056 | **NOTE PREPARED:** Mar 18, 2009
BILL NUMBER: HB 1697 | **BILL AMENDED:** Mar 17, 2009

SUBJECT: Office of Small Business Advancement.

FIRST AUTHOR: Rep. Michael | **BILL STATUS:** CR Adopted - 2nd House
FIRST SPONSOR: Sen. Lawson

FUNDS AFFECTED: X **GENERAL** | **IMPACT:** State
DEDICATED
FEDERAL

Summary of Legislation: (Amended) This bill requires the Economic Development Corporation (IEDC) to maintain a Small Business Division to carry out the IEDC's duties concerning the development of small businesses. It specifies information that must be contained in the IEDC's annual report. It requires the IEDC to assist small businesses in obtaining state and federal tax incentives. The bill also requires the IEDC to maintain a statewide network of public, private, and educational resources to inform small businesses of the state and federal programs under which they may obtain financial assistance or realize reduced costs.

Effective Date: July 1, 2009.

Explanation of State Expenditures: (Revised) *Summary* - The provisions of this bill are not expected to have a significant fiscal impact, and any increases in administrative expenditures are expected to be minimal.

This bill requires the IEDC to maintain the Small Business Development Center Lead Center to carry out the IEDC's duties under IC 5-28-17 and to staff the center with employees of IEDC. According to the IEDC, this provision reflects current procedure.

The Indiana Small Business Development Center (ISBDC) of the provides the services that are mentioned in this bill. They have 11 offices statewide, and they work with small businesses to determine sources of funding and provide business counseling. The ISBDC has their own web site, as well as a toll-free telephone number.

The bill requires the following additional information to be included in the IEDC's annual report to the General Assembly: information on the IEDC's efforts to support the development of small businesses; and

an evaluation of the results of the IEDC's efforts to encourage small business development. These provisions could increase administrative expenditures for the IEDC, but any increases are expected to be minimal. As of March 16, 2009, the IEDC had four vacant staff positions.

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: IEDC.

Local Agencies Affected:

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