

Senate Bill 402

In The Senate

February 7, 1981	Introduced and referred to Committee on State Administration.
February 9, 1981	Fiscal note requested.
February 12, 1981	Fiscal note returned.
February 18, 1981	Committee recommend bill do pass as amended.
February 14, 1981	Bill printed and placed on members' desks.
February 20, 1981	Motion pass consideration.
February 21, 1981	Second reading indefinitely postponed.

1 INTRODUCTION BY SENATE BILL NO. 402
2 Sen. Blaylock Rep. Berg

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO CREATE AN ECONOMIC
5 DEVELOPMENT DIVISION WITHIN THE DEPARTMENT OF [COMMERCE] AND
6 TO SET FORTH THE PURPOSE AND DUTIES OF THE DIVISION, WHICH
7 INCLUDE THE PROMOTION OF GROWTH OF SMALL BUSINESSES AND
8 EXISTING INDUSTRIES AND ESTABLISHMENT OF NEW ECONOMIC
9 ENTERPRISES."

10
11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

12 Section 1. Economic development division --
13 administrator. There is an economic development division
14 within the department of [commerce]. The division head is an
15 administrator appointed by the director of the department.

16 Section 2. Purpose -- economic development division --
17 definition. (1) The purpose of the division is to promote
18 the growth of small businesses and existing state
19 industries, to assist new economic enterprises, and to
20 promote increased diversification of the economy and
21 intensified manufacturing and processing of raw materials
22 before export in order to stabilize the economy and promote
23 the growth necessary to maintain employment at a level
24 sufficient to provide jobs for all those who desire them.

25 (2) For purposes of [sections 2 through 5], "division"

1 means the economic development division provided for in
2 [section 1].

3 Section 3. Functions -- economic development division.
4 The division shall:

5 (1) compile data from information collected by the
6 division, other state agencies, and the private sector
7 concerning common industrial and business location factors,
8 including transportation availability and costs, labor
9 availability and costs, taxation, and utility rates, and
10 determine the kinds of industry and business with high
11 potential for expansion or location in Montana;

12 (2) develop and implement a comprehensive state
13 development marketing program for markets in-state,
14 out-of-state, and overseas, in order to convey to existing
15 and potential new industry and business Montana's location
16 factors favoring their industry or business. Any advertising
17 done for this purpose must be a line item in the budget.

18 (3) study the state's regulatory laws affecting a
19 class of industry or business in order to effectively assist
20 an expanding or new industry or business in complying with
21 the requirements imposed by state regulatory agencies and
22 laws. The division may not intervene on behalf of any
23 industry or business in the obtaining of licenses or
24 permits.

25 (4) locate sources of capital to finance expansion of

1 existing industry and business and to provide venture
2 capital for new enterprises and disseminate information
3 relating thereto;

4 (5) assist industry and business in developing
5 information necessary to present an effective financial
6 package to financial institutions or other lenders; and

7 (6) locate and make available lists of practicing
8 professionals in Montana, including engineers, economists,
9 market and finance specialists, and environmentalists.

10 Section 4. Staff -- assistance. (1) The administrator
11 shall employ and provide continued training for industrial
12 development, marketing, financing, state planning, and
13 research specialists.

14 (2) The division may request assistance from the
15 manpower employment and training specialists of the
16 department of labor and industry and from geologists and
17 water and other natural resource specialists of the
18 department of natural resources and conservation.

19 Section 5. Input to other agencies. The division shall
20 provide input to:

21 (1) the department of administration and political
22 subdivisions of the state concerning the effect of
23 procurement policies and location of state and local
24 facilities on economic development;

25 (2) the board of regents and trustees of community

1 colleges concerning the need for technical and management
2 information including marketing, finance, and business
3 administration;

4 (3) the board of investments concerning the use of
5 state investment funds to promote economic development in
6 the state; and

7 (4) other state agencies as necessary to effect the
8 purposes of [this act].

9 Section 6. Codification and coordination instructions.

10 (1) Section 1 is intended to be codified as an integral part
11 of Title 2, chapter 15, and the provisions of Title 2,
12 chapter 15, apply to section 1. Section 1 is intended to be
13 codified in the part in Title 2, chapter 15, containing the
14 department of [commerce].

15 (2) If ___ Bill No. ___ [LC 1350] is not passed,
16 reference to "department of commerce" is changed to
17 "department of community affairs" or the department that has
18 transferred to it the economic development function in Title
19 90, chapter 1.

-End-

STATE OF MONTANA

REQUEST NO. 331-81

FISCAL NOTE

Form BD-15

In compliance with a written request received February 10, 19 81, there is hereby submitted a Fiscal Note for Senate Bill 402 pursuant to Chapter 53, Laws of Montana, 1965 - Thirty-Ninth Legislative Assembly. Background information used in developing this Fiscal Note is available from the Office of Budget and Program Planning, to members of the Legislature upon request.

Description of Proposed Legislation

Senate Bill 402 will create an Economic Development Division and sets forth its purposes and duties.

Assumptions

1. Economic Development Administration funds of \$130,000 per year will be available. The balance will come from the General Fund.
2. A line-item request of \$20,000 per year for advertising is included.
3. Personal Services are budgeted at FY 1981 level.

Fiscal Impact

	<u>FY1982</u>	<u>FY1983</u>
<u>Revenues:</u>		
EDA Funds	\$130,000	\$130,000
General Funds	<u>151,387</u>	<u>229,867</u>
Total	<u>\$281,387</u>	<u>\$359,867</u>
<u>Expenditures:</u>		
Personal Services	\$162,805	\$162,805
Operating Expenses	98,582	177,062
Advertising	<u>20,000</u>	<u>20,000</u>
Total	<u>\$281,387</u>	<u>\$359,867</u>

Cost to the General Fund over the biennium will be \$381,254.

David M Lewis

BUDGET DIRECTOR

Office of Budget and Program Planning

Date: 2-12-81

Approved by Committee
on State Administration

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 18 ~~++(C)~~ study the state's regulatory laws affecting a
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4 (5)(E) assist industry and business in developing
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