WEST VIRGINIA LEGISLATURE

REGULAR SESSION, 1990

ENROLLED

Com. Sub. for
HOUSE BILL No. 4693

(By Mr. Speaker, Mr. Chamber & Del. R. Bink)
[By Request of the Executive]

Passed .................................. March 10, 1990

In Effect ........................................ Passage
AN ACT to amend chapter five-b of the code of West Virginia, one thousand nine hundred thirty-one, as amended, by adding thereto a new article, designated article six, relating to the small business expansion assistance program; and providing that a qualified small business may be partially reimbursed by the governor's office of community and industrial development for the total cost of obtaining consulting services from a qualified consultant for the purpose of implementing a qualified plan.

Be it enacted by the Legislature of West Virginia:

That chapter five-b of the code of West Virginia, one thousand nine hundred thirty-one, as amended, be amended by adding thereto a new article, designated article six, to read as follows:

ARTICLE 6. SMALL BUSINESS EXPANSION ASSISTANCE PROGRAM.

§5B-6-1. Legislative purpose.

1 Small businesses operating within this state, due to the rapidly changing economic environment, must
Enr. Com. Sub. for H. B. 4693] 2

compete not only with large in-state and national firms, but also with international firms with greater access to the tools and resources of modern-day businesses. Small businesses serve vital functions of enhancing competition, breeding innovation, and providing much-needed jobs in West Virginia's communities. Therefore, small businesses must be encouraged and offered the opportunity to improve the manner in which they operate so that they may continue to serve these vital functions.

The purpose of this article is to assist and encourage small businesses within this state to increase both their level and efficiency of production, and to expand the market for their products both within and without this state.

§5B-6-2. Definitions.

As used in this article:

(1) "Small business" means any business or enterprise of any type, whether sole proprietorship, partnership, corporation, or otherwise, which meets the following criteria:

(A) Employs at least ten but not more than one hundred persons;

(B) Has been engaged in the same business in the state for a minimum of one year;

(C) Is in good standing with the department of tax and revenue; and

(D) Can demonstrate that a significant portion of their product is exported out of state or that the opportunity exists for a significant portion of their product to be exported out of state;

(2) "Total cost" means any and all fees actually charged to a qualified small business by a qualified consultant as presented in the application for the small business expansion assistance program;

(3) "Qualified consultant" means any persons engaged in the business of providing consulting services in areas of expertise needed by a certified small business, who
is registered with the governor's office of community and industrial development as a provider of services to small business and who possesses at least the following credentials:

(A) Has been established as a consulting business for at least five years, three years of which they must have been established in business in West Virginia; and

(B) Is in good standing with the department of tax and revenue;

(4) "Plan" means a plan by which a small business seeks to increase their level of productivity or efficiency, expand into a new product area, develop new markets or in general to overcome barriers to growth; and

(5) "Consultant's report" means a written report by the consultant containing recommendations on how the small business may proceed to overcome barriers they have identified in their plan. A duplicate copy of the consultant's report must also be submitted to the governor's office of community and industrial development for their review.

§5B-6-3. Small business expansion assistance program.

There is hereby created within the governor's office of community and industrial development a program for small business expansion assistance. The director of the governor's office of community and industrial development shall establish a voucher program to be utilized by qualified small businesses to defray certain costs that may be incurred by these small businesses in an effort to expand the market for their products, increase both their level and efficiency of production and address other areas that may be a hindrance to the growth of small business in this state: Provided, That the total expenditures for this program shall not exceed one hundred thousand dollars.

§5B-6-4. Application.

The director of the governor's office of community and industrial development shall establish criteria and an
application process to be used to determine approval or
denial for participation in the voucher program. The
application from the qualified small business shall
contain at least the following information: The number
of persons employed by the applicant; the total capital-
ization of the small business; an explanation of the need
for the service to be obtained and how that service will
impact the small business; an estimate of the cost of the
services to be obtained; information on product market
area; and the number of years in business.

The governor's office of community and industrial
development shall accept applications for this program
on the first day of each month and shall notify the
applicant of their decision for approval or denial within
thirty days of the day of receipt.

§5B-6-5. Certification; reimbursement.

Any small business which satisfies the requirements
for proper application as set forth in section four of this
article shall be approved by the governor's office of
community and industrial development as a certified
small business and is eligible for reimbursement for up
to fifty percent of the total cost of obtaining consulting
services from a qualified consultant, or one thousand
five hundred dollars, whichever is less: Provided, That
in order for an applicant to be approved as a certified
small business said applicant may not have been so
certified at any time previously.

Upon certification, the governor's office of community
and industrial development shall issue to said certified
small business a voucher on which shall be stated either
the percentage, not to exceed fifty percent or a certain
dollar amount, not to exceed one thousand five hundred
dollars of the amount which the certified small business
may expect to be reimbursed for services delivered by
their consultant.

Upon presentation to the governor's office of commu-
ity and industrial development of a paid invoice or other
satisfactory proof of payment to a company registered
with the governor's office of community and industrial
24 development in the voucher program, the office shall
25 issue reimbursement in the amount previously certified
26 on the voucher, to the certified small business.
The Joint Committee on Enrolled Bills hereby certifies that the foregoing bill is correctly enrolled.

Chairman Senate Committee

Chairman House Committee

Originating in the House.

Takes effect from passage.

Clerk of the Senate

Clerk of the House of Delegates

President of the Senate

Speaker of the House of Delegates

The within is approved this the day of March, 1990.

Governor
PRESENTED TO THE
GOVERNOR
Date 3/23/40
Time 110 PM