

BILL ANALYSIS

Senate Research Center

S.B. 1711
By: Staples
S/C on Emerging Technologies & Economic Dev.
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As Filed

AUTHOR'S/SPONSOR'S STATEMENT OF INTENT

As proposed, S.B. 1711 creates the Texas Entrepreneurship Network (network). The network would be responsible for facilitating the growth and success of entrepreneurs by identifying and encouraging public-private partnerships designed to develop business plans, train entrepreneurs, and assess sources of start-up and growth capital. The Office of Rural Community Affairs will administer the network fund, and the Texas Center for Rural Entrepreneurship will be established as the advisory board responsible for guiding and advising the operations of the network. The advisory board consists of representatives from higher education, service agencies, and state agencies.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Subtitle F, Title 4, Government Code, by adding Chapter 490, as follows:

CHAPTER 490. TEXAS ENTREPRENEURSHIP NETWORK

Sec. 490.001. DEFINITIONS. Defines "fund," "network," and "entrepreneur."

Sec. 490.002. ESTABLISHMENT OF NETWORK. (a) Provides that the Texas Entrepreneurship Network is established to develop and diversify the economy of this state through the provision of programs and services to facilitate the growth and success of entrepreneurs; and the statewide, results-driven collaboration of public and private entities to create jobs and energize sustainable local economies through the development of entrepreneurs in the state.

(b) Requires the Office of Rural Community Affairs (office) to administer the Texas Entrepreneurship Network fund (fund).

(c) Provides that, by agreement with the office, the Texas Center for Rural Entrepreneurship will create and operate the Texas Entrepreneurship Network (network) according to the provisions of this Act, taking into consideration all reasonable and customary oversight measures required by the office.

(d) Requires the Texas Center for Rural Entrepreneurship to establish an advisory board to guide and advise the operations of the network. Requires the advisory board to have representation from each of the founding members of the network and at least one member from the private sector. Requires the initial board to adopt provisions to define board member term, term staggering, and other provisions necessary to administer the board. Requires the members of the board to participate without compensation other than reimbursement for reasonable and customary travel expenses for meetings related to the network.

Sec. 490.003. MEMBERS OF NETWORK. (a) Sets forth the composition of the founding members of the network.

(b) Authorizes an institution of higher education, chamber of commerce, economic development corporation, business, or organization with an interest in promoting entrepreneurship to join the network. Provides that organizations other than the founding members specified in Section 490.003(a) do not automatically have seats on the advisory board. Authorizes additional seats to be created on the board only by a 2/3 majority vote of the board.

Sec. 490.004. GENERAL DUTIES AND GOALS. (a) Requires the network to train and refocus existing state and local resources to build a more prosperous, dynamic, and sustainable economy throughout this state by setting and achieving certain goals.

(b) Requires the network, in collaboration with certain persons, to develop and support strategies to assist entrepreneurs and improve the environment for entrepreneurial development in this state.

Sec. 490.005. ENTREPRENEURSHIP SERVICES. (a) Requires the network to develop a statewide association of local individuals who are entrepreneurship developers trained to analyze, evaluate, and develop business plans and help local entrepreneurs start, grow, or develop their businesses.

(b) Authorizes the network to establish local entrepreneurship centers in every county practicable at which entrepreneurs are authorized to access necessary support and online resources and programs developed and provided by the network. Requires the network, in establishing the entrepreneurship centers, to use existing infrastructure, public and private organizations, and other resources, including chambers of commerce, universities and community colleges, County Extension offices, Texas Workforce Commission offices, and local business offices.

(c) Requires the network to adopt requirements for entrepreneurship centers. Requires an organization to meet the requirements adopted under this subsection before hosting an entrepreneurship center.

(d) Authorizes a group of individuals who have services, resources, or expertise to offer entrepreneurs to agree to provide services through the network as part of an entrepreneurship force.

Sec. 490.006. NETWORK PROGRAMS. Authorizes the network to develop certain programs, methods, policies, and collaborations relating to supporting entrepreneurship.

Sec. 490.007. TEXAS ENTREPRENEURSHIP NETWORK FUND. (a) Provides that the fund is an account in the general revenue fund.

(b) Sets forth requirements for amounts to be deposited in the fund.

(c) Authorizes the fund to be used only for network purposes, subject to Section 490.008.

(d) Authorizes the network to solicit and accept gifts and grants for the fund from public and private universities and all other public and private entities.

Sec. 490.008. USE OF FUND. (a) Sets forth requirements for use of money appropriated to the fund by the legislature.

(b) Requires the amount of money appropriated to the fund by the legislature that remains after being used as provided by Subsection (a) to be distributed as enhanced funding for existing entrepreneurship program of the universities affiliated with an entity included as network member under Section 490.003(a).

SECTION 2. Effective date: September 1, 2005.