

CHAPTER 275
HB 1416 – FINAL VERSION

19Mar2014... 0827h

2014 SESSION

14-2158
05/04

HOUSE BILL **1416**

AN ACT establishing an economic development plan and process for the division of economic development.

SPONSORS: Rep. Cebrowski, Hills 7; Rep. Abrami, Rock 19; Rep. Borden, Rock 24; Rep. Emerick, Rock 21; Rep. Flanagan, Hills 26; Rep. Kaen, Straf 5; Rep. Rappaport, Coos 1; Rep. Tucker, Rock 23; Rep. Wazlaw, Rock 29; Rep. S. Chandley, Hills 22; Sen. Cataldo, Dist 6; Sen. Woodburn, Dist 1; Sen. Sanborn, Dist 9; Sen. Prescott, Dist 23

COMMITTEE: Commerce and Consumer Affairs

AMENDED ANALYSIS

This bill directs the division of economic development to develop and maintain an economic development operating plan and process.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears [~~in brackets and struck through~~].
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fourteen

AN ACT establishing an economic development plan and process for the division of economic development.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 275:1 Purpose. The purpose of the economic development plan and process is to stimulate both
2 economic and jobs growth through the application of sound operating practices, utilizing available
3 resources, to enhance and preserve the welfare of New Hampshire citizens, business and industry,
4 and state government. The plan will provide a blueprint that functions as a continuing process from
5 which systematic and sustainable economic development initiatives are developed and executed in
6 response to current and anticipated economic circumstances. The plan is to be used by the division
7 of economic development, and others as identified, as a guide to deliver economic development
8 services.

9 275:2 Findings. Whereas the general court finds that:

10 I. This is an opportunity to strengthen the health of the state's economy and improve
11 employment opportunities which are of primary concern to New Hampshire citizens.

12 II. This is an opportunity to embed in New Hampshire's culture a continuing process for the
13 making and maintenance of an economic development strategy and plan that responds to the needs
14 of the state and business and industry, and to the changing conditions and dynamics of the national
15 and international economy.

16 III. This is an opportunity for New Hampshire to compete more effectively with other states
17 for economic investment and development.

18 IV. This is an opportunity for the department of resources and economic development, and
19 the division of economic development, to more effectively lead the state's economic development and
20 be responsive to, and support, the needs of other public and private entities throughout the state
21 that are engaged in economic development.

22 275:3 New Subdivision; Economic Development Strategy and Plan. Amend RSA 12-A by
23 inserting after section 61 the following new subdivision:

Economic Development Strategy and Plan

24
25 12-A:62 Economic Development Strategy and Plan. The division of economic development, with
26 input and assistance from the economic development advisory council established under RSA 12-
27 A:22-a and other public and private organizations with whom it chooses to work, shall develop a
28 rolling 2-year economic development strategy and operating plan. The plan shall reflect the fact that

CHAPTER 275
HB 1416 – FINAL VERSION
- Page 2 -

1 there are local and regional entities charged with economic development in the state and shall
2 identify and work to support those efforts.

3 12-A:63 Definitions. In this subdivision:

4 I. “Plan” means an on-going management operating document that identifies strategies and
5 activities, and the progress thereof, designed to expand the state’s economic base and strengthen the
6 economic health of New Hampshire, based on the needs of the state and of business and industry.
7 The plan shall identify specific actions, and the responsibilities, rationales, timeframes, resources
8 required, barriers if any, and the tracking and reporting of outcomes associated with those actions.

9 II. “Strategy” means an overall direction or course that identifies how the division will
10 convey the state’s value to the business and industry community, how it will leverage its strengths
11 and assets, and the broad themes it will emphasize that are attractive to retaining and recruiting
12 business and industry.

13 12-A:64 Goals and Objectives. The plan shall identify both goals and objectives for the 2-year
14 period and shall track measureable results so as to be able to assess the plan. Goals and objectives
15 may be added, amended, or deleted as both existing and emerging economic conditions and
16 opportunities warrant. The plan shall also benchmark key economic indicators.

17 12-A:65 Content of the Economic Development Strategy and Plan.

18 I. The following, as a minimum, shall be considered in constructing the economic
19 development strategy and plan:

20 (a) Consideration of the entire state.

21 (b) An analysis, led by the economic development advisory council, relative to business
22 and industry, of New Hampshire strengths and advantages, and how they will be leveraged; analysis
23 of weaknesses and obstacles, and suggestions on how to remedy or mitigate them; identification of
24 opportunities and how to take advantage and benefit from them; and identification of threats and
25 how to meet and deter them. The analysis, where appropriate, should suggest ownership of its
26 various elements.

27 (c) A needs forecast, based on research from both existing and targeted business and
28 industry, that identifies issues and suggested initiatives so as to strengthen New Hampshire as a
29 business and industry destination and to reinforce retention.

30 (d) Identification of economic, demographic, and other trends which may have both
31 short-term and long-term influence on the economy of the state.

32 (e) The identification of business sectors that are of strategic importance to the state’s
33 economy and to the state’s global business image, and development of specific strategies to promote
34 the development of such sectors; and an analysis of new industries that can be targeted in
35 New Hampshire and the rationale for their identification.

36 (f) Identification of how economic development ideas, advice, and information from

CHAPTER 275
HB 1416 – FINAL VERSION
- Page 3 -

1 relevant entities throughout the state will be solicited to strengthen strategies and plans; and how
2 potential partners for the implementation of the strategies and plans, including, without limitation,
3 the United States Commerce Department, local governments, regional planning commissions,
4 regional economic development corporations, chambers of commerce, business associations, investors
5 and other relevant entities will be integrated and engaged. Other states should also be studied to
6 build an understanding of best practices that may be emulated.

7 (g) Innovative programs to position and market the state to aid business recruitment
8 and retention.

9 (h) Economic performance metrics, to include the previous 3 fiscal years and objectives
10 for the 2 years covered by the plan. Such metrics shall be contained in a state economic dashboard
11 and updated regularly.

12 (i) Inter-department agreements with selected state agencies recognizing their role in
13 economic development strategies, plans, and programs.

14 (j) Identification of how the state will petition for and receive moneys, such as grants, to
15 be used for economic development activities.

16 (k) Consideration of how workforce education and training in cooperation with the
17 university system, the community college system, private colleges and universities, and other
18 workforce training organizations will be leveraged and enhanced.

19 (l) Provisions for export growth and how relationships will be fostered with
20 New Hampshire's export-related service providers and with the Commerce Department's
21 International Trade Administration; and provisions to improve the state's image as a destination for
22 foreign business investment and location with overseas entities.

23 (m) Identification of a division liaison to communicate needs to the general court for the
24 benefit of economic development.

25 (n) Provision to identify and carry out other economic development activities that the
26 governor or the commissioner of the department of resources and economic development may
27 request.

28 II. The governor, the commissioner of the department of resources and economic
29 development, or the legislature may from time to time establish a commission or committee, as an
30 adjunct to the division of economic development, to work on exceptionally problematic needs
31 associated with economic development.

32 12-A:66 Annual Report. The division of economic development shall complete the economic
33 development strategy and plan by December 31, 2015, and submit the plan to the governor, the
34 senate president, senate majority leader, senate minority leader, the speaker of the house of
35 representatives, house majority leader, and house minority leader. On or before December 31 each
36 year thereafter the division shall similarly provide results and validation from the closing calendar

CHAPTER 275
HB 1416 – FINAL VERSION
- Page 4 -

1 year and a comprehensive update of the plan so that each annual report shall extend the time frame
2 of the plan by one year, thereby ensuring that a 2-year plan is always in effect.

3 275:4 State Development Plan; Reference Added. Amend RSA 9-A:1, III(b)(6) to read as follows:

4 (6) An economic development section which proposes actions and policies to suit the
5 state's economic goals and needs, based on the current and projected economic strengths and
6 weaknesses. ***The section shall reference the economic development operating plan and***
7 ***process developed by the division of economic development under RSA 12-A:62.***

8 275:5 Economic Development Program Plan; Reference Added. Amend RSA 12-A:22, VII to read
9 as follows:

10 VII. Prepare a written economic development [~~program~~] ***operating*** plan [~~which integrates~~
11 ~~the various development programs and responsibilities assigned to the division. The program plan~~
12 ~~shall be consistent with the policies and priorities established in the state development plan required~~
13 ~~by RSA 9-A)] ***and process as required by RSA 12-A:62.***~~

14 275:6 Economic Development Advisory Council. Amend RSA 12-A:22-a, I to read as follows:

15 I. There is established an economic development advisory council to assist the division of
16 economic development [~~to assist in establishing goals, measurements, and strategic planning efforts~~
17 ~~related to economic development. The council shall provide a mechanism for the private sector to~~
18 ~~advise the division of trends and needs and to disseminate information among public and private~~
19 ~~sector units. Council members shall act as advocates and work to educate businesses, citizens, and~~
20 ~~communities on the benefits of economic development)] ***in creating and sustaining a continuing***
21 ***state economic development operating plan and process.***~~

22 275:7 Effective Date. This act shall take effect upon its passage.

23 Approved: July 28, 2014

24 Effective Date: July 28, 2014