

State of South Dakota

SEVENTY-EIGHTH SESSION
LEGISLATIVE ASSEMBLY, 2003

474I0794

HOUSE CONCURRENT RESOLUTION NO. 1016

Introduced by: Representatives Adelstein, Dykstra, McCaulley, and Putnam and Senators Knudson and Ham

1 A CONCURRENT RESOLUTION, Requesting that the South Dakota Legislature explore ways
2 by which the State of South Dakota can support and enable new business ventures through
3 formation of venture capital and risk financing in an effort to create better paying jobs and
4 additional tax revenues for our state.

5 WHEREAS, innovation in science, technology, and process delivery have driven productivity
6 gains and initiated new enterprises in the United States economy over the last fifty years,
7 accounting for as much as fifty percent of all United States economic growth; and

8 WHEREAS, South Dakota has limited statewide mechanisms to foster new business ideas
9 and entrepreneurs; and

10 WHEREAS, the Governor's Office of Economic Development and other county, municipal,
11 or private business development professionals are unable to offer more than limited low cost
12 loans, advice, and introductions to debt financiers when providing aid to new businesses seeking
13 assistance. The state and other professional resources have more tools for recruiting out-of-state
14 businesses than supporting home grown new businesses; and

15 WHEREAS, South Dakota has ample revolving loan funds and other sources of debt



1 financing; and

2 WHEREAS, South Dakota is the only one of the fifty states that has no state supported
3 sources of venture capital or other risk capital for such purpose:

4 NOW, THEREFORE, BE IT RESOLVED, by the House of Representatives of the Seventy-
5 eighth Legislature of the State of South Dakota, the Senate concurring therein, that the
6 Legislature appoint an interim committee to study the issue of capital formation and methods for
7 participation in venture capital funds, fostering innovation, helping South Dakota startup
8 businesses succeed, creating better paying jobs, and increasing tax revenues for the state; and

9 BE IT FURTHER RESOLVED, that the interim committee study methods for reorganizing
10 and directing the Governor's Office of Economic Development and other economic development
11 organizations within the state to be more effective in developing South Dakota's entrepreneurial
12 businesses.