

By Senator Benacquisto

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1                                   A bill to be entitled  
2       An act relating to microfinance; creating Part XIV of  
3       ch. 288, F.S., consisting of ss. 288.993-288.9937,  
4       relating to microfinance programs; creating s.  
5       288.993, F.S.; providing a short title; creating s.  
6       288.9931, F.S.; providing legislative findings and  
7       intent; creating s. 288.9932, F.S.; defining terms;  
8       creating s. 288.9933, F.S.; authorizing the Department  
9       of Economic Opportunity to adopt rules to implement  
10      this part; creating s. 288.9934, F.S.; establishing  
11      the Microfinance Loan Program; providing a purpose;  
12      defining the term "lender"; requiring the Department  
13      of Economic Opportunity to contract with at least one  
14      entity to administer the program; requiring the lender  
15      to contract with the department to receive an award of  
16      funds; providing other terms and conditions to  
17      receiving funds; specifying fees authorized to be  
18      charged by the department and the lender; requiring  
19      the lender to remit the microloan principal collected  
20      from all microloans made with funds awarded to the  
21      lender; providing for contract termination; providing  
22      for auditing and reporting; requiring applicants for  
23      funds from the Microfinance Loan Program to meet  
24      certain qualifications; requiring the department to be  
25      guided by the 5-year statewide strategic plan and to  
26      advertise and promote the loan program; requiring the  
27      department to perform a study on methods and best  
28      practices to increase the availability of and access  
29      to credit in this state; prohibiting the pledging of

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30 the credit of the state; authorizing the department to  
31 adopt rules; creating s. 288.9935, F.S.; establishing  
32 the Microfinance Guarantee Program; defining the term  
33 "lender"; requiring the department to contract with  
34 Enterprise Florida, Inc., to administer the program;  
35 prohibiting Enterprise Florida, Inc., from  
36 guaranteeing certain loans; requiring borrowers to  
37 meet certain conditions before receiving a loan  
38 guarantee; requiring Enterprise Florida, Inc., to  
39 submit an annual report to the department; prohibiting  
40 the pledging of the credit of the state or Enterprise  
41 Florida, Inc.; creating s. 288.9936, F.S.; requiring  
42 the department to report annually on the Microfinance  
43 Loan Program; requiring the Office of Program Policy  
44 Analysis and Government Accountability to report on  
45 the effectiveness of the State Small Business Credit  
46 Initiative; creating s. 288.9937, F.S.; requiring the  
47 Office of Program Policy Analysis and Government  
48 Accountability to evaluate and report on the  
49 Microfinance Loan Program and the Microfinance  
50 Guarantee Program by a specified date; authorizing the  
51 executive director of the Department of Economic  
52 Opportunity to adopt emergency rules; providing an  
53 effective date.

54  
55 Be It Enacted by the Legislature of the State of Florida:

56  
57 Section 1. Part XIV of ch. 288, Florida Statutes,  
58 consisting of ss. 288.993-288.9937, is created and entitled

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59 "Microfinance Programs."

60 Section 2. Section 288.993, Florida Statutes, is created to  
61 read:

62 288.993 Short title.—This part may be cited as the "Florida  
63 Microfinance Act."

64 Section 3. Section 288.9931, Florida Statutes, is created  
65 to read:

66 288.9931 Legislative findings and intent.—The Legislature  
67 finds that the ability of entrepreneurs and small businesses to  
68 access capital is vital to the overall health and growth of this  
69 state's economy; however, access to capital is limited by the  
70 lack of available credit for entrepreneurs and small businesses  
71 in this state. The Legislature further finds that entrepreneurs  
72 and small businesses could be assisted through the creation of a  
73 program that will provide an avenue for entrepreneurs and small  
74 businesses in this state to access credit. Additionally, the  
75 Legislature finds that business management training, business  
76 development training, and technical assistance are necessary to  
77 ensure that entrepreneurs and small businesses that receive  
78 credit develop the skills necessary to grow and achieve long-  
79 term financial stability. The Legislature intends to expand job  
80 opportunities for this state's workforce by expanding access to  
81 credit to entrepreneurs and small businesses. Furthermore, the  
82 Legislature intends to avoid duplicating existing programs and  
83 to coordinate, assist, augment, and improve access to those  
84 programs for entrepreneurs and small businesses in this state.

85 Section 4. Section 288.9932, Florida Statutes, is created  
86 to read:

87 288.9932 Definitions.—As used in this part, the term:

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88       (1) "Applicant" means an entrepreneur or small business  
89 requesting the assistance of a lender for services through the  
90 microloan program.

91       (2) "Domiciled in this state" means authorized to do  
92 business in this state and located in this state.

93       (3) "Entrepreneur" means an individual residing in this  
94 state who desires to assume the risk of organizing, managing,  
95 and operating a small business in this state.

96       (4) "Network" means the Florida Small Business Development  
97 Center Network.

98       (5) "Small business" means a business, regardless of  
99 corporate structure, domiciled in this state which employs 25 or  
100 fewer people and generated average annual gross revenues of \$1.5  
101 million or less per year for the preceding 2 years. For the  
102 purposes of this part, the identity of a small business is not  
103 affected by name changes or changes in personnel.

104       Section 5. Section 288.9933, Florida Statutes, is created  
105 to read:

106       288.9933 Rulemaking authority.—The department may adopt  
107 rules to implement this part.

108       Section 6. Section 288.9934, Florida Statutes, is created  
109 to read:

110       288.9934 Microfinance Loan Program.—

111       (1) PURPOSE.—The Microfinance Loan Program is established  
112 in the department to make short-term, fixed-rate microloans in  
113 conjunction with business management training, business  
114 development training, and technical assistance to entrepreneurs  
115 and newly established or growing small businesses for start-up  
116 costs, working capital, and the acquisition of materials,

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117 supplies, furniture, fixtures, and equipment. Participation in  
118 the loan program is intended to enable entrepreneurs and small  
119 businesses to access private financing upon completing the loan  
120 program.

121 (2) DEFINITION.—As used in this section, the term “lender”  
122 means an entity that enters into a contract with the department  
123 pursuant to this section to administer the loan program.

124 (3) REQUEST FOR PROPOSAL.—

125 (a) By December 1, 2014, the department shall contract with  
126 at least one but not more than three entities to administer the  
127 loan program for a term of 3 years. The department shall award  
128 the contract in accordance with the request for proposal  
129 requirements in s. 287.057 to an entity that:

130 1. Is a corporation registered in this state;

131 2. Does not offer checking accounts or savings accounts;

132 3. Demonstrates that its board of directors and managers  
133 are experienced in microlending and small business finance and  
134 development;

135 4. Demonstrates that it has the technical skills and  
136 sufficient resources and expertise to:

137 a. Analyze and evaluate applications by entrepreneurs and  
138 small businesses applying for microloans;

139 b. Underwrite and service microloans provided pursuant to  
140 this part; and

141 c. Coordinate the provision of such business management  
142 training, business development training, and technical  
143 assistance as required by this part.

144 5. Demonstrates that it has established viable, existing  
145 partnerships with public and private, nonstate funding sources,

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146 economic development agencies, and workforce development and job  
147 referral networks; and

148 6. Demonstrates that it has a plan that includes proposed  
149 microlending activities under the loan program, including, but  
150 not limited to, the types of entrepreneurs and businesses to be  
151 assisted and the size and range of loans the lender intends to  
152 make.

153 (b) To ensure that prospective lenders meet the  
154 requirements of subparagraphs (a)2.-6., the request for proposal  
155 must require submission of the following information:

156 1. A description of the types of entrepreneurs and small  
157 businesses the lender has assisted in the past, and the average  
158 size and terms of loans made in the past to such entities;

159 2. A description of the experience of members of the board  
160 of directors and managers in the areas of microlending and small  
161 business finance and development;

162 3. A description of the lender's underwriting and credit  
163 policies and procedures, credit decisionmaking process,  
164 monitoring policies and procedures, and collection practices,  
165 and samples of any currently used loan documentation;

166 4. A description of the nonstate funding sources that will  
167 be used by the lender in conjunction with the awarded funds to  
168 make microloans pursuant to this section;

169 5. The lender's three most recent financial audits or, if  
170 no prior audits have been completed, the lender's three most  
171 recent unaudited financial statements; and

172 6. A conflict of interest statement from the lender's  
173 governing board certifying that no board member, employee,  
174 agent, or other person connected to or affiliated with the

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175 lender is receiving or will receive any type of compensation or  
176 remuneration from an entrepreneur or small business that has  
177 received or will receive funds from the loan program. The  
178 department may waive this requirement for good cause shown.

179 (4) CONTRACT AND AWARD OF FUNDS.—

180 (a) The selected lender must enter into a contract with the  
181 department for a term of 3 years to receive loan program funds.  
182 The amount of state funds used in any microloan made pursuant to  
183 this part may not exceed 50 percent of the total microloan  
184 amount. The department shall establish financial performance  
185 measures and objectives for the loan program and for the lender  
186 in order to maximize state funds.

187 (b) Funds awarded may be used only to provide direct  
188 microloans to entrepreneurs and small businesses according to  
189 the limitations, terms, and conditions provided in this part.  
190 Except as provided in subsection (5), funds awarded may not be  
191 used to pay administrative costs, underwriting costs, servicing  
192 costs, or any other costs associated with providing microloans,  
193 business management training, business development training, or  
194 technical assistance.

195 (c) The lender shall reserve 10 percent of the total award  
196 amount from the department to provide microloans pursuant to  
197 this part to entrepreneurs and small businesses that employ no  
198 more than five people and generate annual gross revenues  
199 averaging no more than \$250,000 per year for the last 2 years.

200 (d)1. If the loan program is appropriated funding in a  
201 fiscal year, the department shall distribute such funds to the  
202 lender within 30 days of the execution of the contract by the  
203 department and the lender.

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204       2. The total amount of funding allocated to the lender in a  
205 fiscal year may not exceed the amount appropriated for the loan  
206 program in the same fiscal year. If the funds appropriated to  
207 the loan program in a fiscal year exceed the amount of funds  
208 awarded to the lender, such excess funds shall revert to the  
209 General Revenue Fund.

210       (e) Within 30 days of executing its contract with the  
211 department, the lender must enter into a memorandum of  
212 understanding with the network:

213       1. For the provision of business management training,  
214 business development training, and technical assistance to  
215 entrepreneurs and small businesses that receive microloans under  
216 this part; and

217       2. To promote the program to underserved entrepreneurs and  
218 small businesses.

219       (f) By September 1, 2014, the department shall review  
220 industry best practices and determine the minimum business  
221 management training, business development training, and  
222 technical assistance that must be provided by the network to  
223 achieve the goals of this part.

224       (g) The lender must meet the requirements of this section,  
225 the terms of its contract with the department, and any other  
226 applicable state or federal laws to be eligible to receive funds  
227 in any fiscal year. The contract with the lender must specify  
228 any sanctions for the lender's failure to comply with the  
229 contract or this part.

230       (5) FEES.—

231       (a) Except as provided in this section, the department may  
232 not charge fees or interest or require collateral from the



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233 lender. The department may charge a fee or interest of no  
234 greater than 80 percent of the Federal Funds Rate as of the date  
235 specified in the contract for funds awarded under the loan  
236 program. The department shall require as collateral an  
237 assignment of the notes receivable of the microloans made by the  
238 lender under the loan program.

239 (b) The lender is entitled to retain a one-time  
240 administrative servicing fee of 1 percent of the total award  
241 amount to offset the administrative costs of underwriting and  
242 servicing microloans made pursuant to this part. This fee may  
243 not be charged to or paid by microloan borrowers participating  
244 in the loan program. Except as provided in subsection (7) (c),  
245 the lender may not be required to return this fee to the  
246 department. The lender may not charge fees or costs except as  
247 authorized in this paragraph.

248 (6) REPAYMENT OF AWARD FUNDS.—

249 (a) After collecting interest and any fees or costs  
250 permitted under this part in satisfaction of all microloans made  
251 pursuant to this part, the lender shall remit to the department  
252 the microloan principal collected from all microloans made with  
253 funds awarded under this part. Repayment of microloan principal  
254 to the department may be deferred by the department for a period  
255 not to exceed 6 months; however, the lender may not provide a  
256 microloan under this part after the contract with the department  
257 expires.

258 (b) If for any reason the lender is unable to make  
259 repayments to the department in accordance with the contract,  
260 the department may accelerate maturity of the awarded funds and  
261 demand repayment in full. In this event, or if a lender violates

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262 this part or the terms of its contract, the lender shall  
263 surrender to the department possession of all collateral  
264 required pursuant to subsection (5). Any loss or deficiency  
265 greater than the value of the collateral may be recovered by the  
266 department from the lender.

267 (c) In the event of a default as specified in the contract,  
268 termination of the contract, or violation of this section, the  
269 state may, in addition to any other remedy provided by law,  
270 bring suit to enforce its interest.

271 (d) A microloan borrower's default does not relieve the  
272 lender of its obligation to repay an award to the department.

273 (7) CONTRACT TERMINATION.—

274 (a) The lender's contract with the department may be  
275 terminated by the department, and the lender required to  
276 immediately return all state funds, including any fees it would  
277 otherwise be entitled to retain pursuant to subsection (5) for  
278 that fiscal year, upon a finding by the department that:

279 1. The lender has, within the previous 5 years,  
280 participated in a state-funded economic development program in  
281 this or any other state and was found to have failed to comply  
282 with the requirements of that program;

283 2. The lender is currently in material noncompliance with  
284 any statute, rule, or program administered by the department;

285 3. The lender or any member of its board of directors,  
286 officers, partners, managers, or shareholders has pled no  
287 contest or been found guilty, regardless of whether adjudication  
288 was withheld, of any felony or any misdemeanor involving fraud,  
289 misrepresentation, or dishonesty;

290 4. The lender failed to meet or agree to the terms of the

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291 contract with the department or failed to meet this part; or

292 5. The department finds that the lender provided fraudulent  
293 or misleading information to the department.

294 (b) The lender's contract with the department may be  
295 terminated by the department at any time for any reason upon 30  
296 days' notice by the department. In such a circumstance, the  
297 lender shall return all awarded funds to the department within  
298 60 days of the termination. However, the lender may retain any  
299 fees it has collected pursuant to subsection (5).

300 (c) The lender's contract with the department may be  
301 terminated by the lender at any time for any reason upon 30  
302 days' notice by the lender. In such a circumstance, the lender  
303 shall return all awarded funds to the department, including any  
304 fees it has retained or would otherwise be entitled to retain  
305 pursuant to subsection (5), within 30 days of the termination.

306 (8) AUDITS AND REPORTING.—

307 (a) The lender shall annually submit to the department a  
308 financial audit performed by an independent certified public  
309 accountant and an operational performance audit for the most  
310 recently completed fiscal year. Both audits must indicate  
311 whether any material weakness or instances of material  
312 noncompliance are indicated in the audit.

313 (b) The lender shall submit quarterly reports to the  
314 department as required by s. 288.9935(3).

315 (c) The lender shall make its books and records related to  
316 the loan program available to the department or its designee for  
317 inspection upon reasonable notice.

318 (9) ELIGIBILITY AND APPLICATION.—

319 (a) To be eligible for a microloan, an applicant must, at a

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320 minimum, be an entrepreneur or small business located in this  
321 state.

322 (b) Microloans may not be made if the direct or indirect  
323 purpose or result of granting the microloan would be to:

324 1. Pay off any creditors of the applicant, including the  
325 refund of a debt owed to a small business investment company  
326 organized pursuant to 15 U.S.C. s. 681;

327 2. Provide funds, directly or indirectly, for payment,  
328 distribution, or as a microloan to owners, partners, or  
329 shareholders of the applicant's business, except as ordinary  
330 compensation for services rendered;

331 3. Finance the acquisition, construction, improvement, or  
332 operation of real property which is, or will be, held primarily  
333 for sale or investment;

334 4. Pay for lobbying activities; or

335 5. Replenish funds used for any of the purposes specified  
336 in subparagraphs 1.-4.

337 (c) A microloan applicant shall submit a written  
338 application in the format prescribed by the lender and shall pay  
339 an application fee not to exceed \$50 to the lender.

340 (d) The following minimum terms apply to a microloan made  
341 by the lender:

342 1. The amount of a microloan may not exceed \$50,000;

343 2. A borrower may not receive more than \$75,000 per year in  
344 total microloans;

345 3. A borrower may not receive more than two microloans per  
346 year and may not receive more than five microloans in any 3-year  
347 period;

348 4. The proceeds of the microloan may be used only for

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349 startup costs, working capital, and the acquisition of  
350 materials, supplies, furniture, fixtures, and equipment;

351 5. The period of any microloan may not exceed 1 year;

352 6. The interest rate may not exceed the prime rate  
353 published in the Wall Street Journal as of the date specified in  
354 the microloan, plus 1000 basis points;

355 7. All microloans must be personally guaranteed;

356 8. The borrower must participate in business management  
357 training, business development training, and technical  
358 assistance as determined by the lender in the microloan  
359 agreement;

360 9. The borrower shall provide such information as required  
361 by the lender, including monthly job creation and financial  
362 data, in the manner prescribed by the lender; and

363 10. The lender may collect fees for late payments which are  
364 consistent with standard business lending practices and may  
365 recover costs and fees incurred for any collection efforts  
366 necessitated by a borrower's default.

367 (e) The department may not review microloans made by the  
368 lender pursuant to this part prior to approval by the lender.

369 (10) STATEWIDE STRATEGIC PLAN.—In implementing this  
370 section, the department shall be guided by the 5-year statewide  
371 strategic plan adopted pursuant to s. 20.60(5). The department  
372 shall promote and advertise the loan program by, among other  
373 things, cooperating with government, nonprofit, and private  
374 industry to organize, host, or participate in seminars and other  
375 forums for entrepreneurs and small businesses.

376 (11) STUDY.—By December 31, 2014, the department shall  
377 commence or commission a study to identify methods and best

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378 practices that will increase access to credit to entrepreneurs  
379 and small businesses in this state. The study must also explore  
380 the ability of, and limitations on, Florida nonprofit  
381 organizations and private financial institutions to expand  
382 access to credit to entrepreneurs and small businesses in this  
383 state.

384 (12) CREDIT OF THE STATE.—With the exception of funds  
385 appropriated to the loan program by the Legislature, the credit  
386 of the state may not be pledged. The state is not liable or  
387 obligated in any way for claims on the loan program or against  
388 the lender or the department.

389 Section 7. Section 288.9935, Florida Statutes, is created  
390 to read:

391 288.9935 Microfinance Guarantee Program.—

392 (1) The Microfinance Guarantee Program is established in  
393 the department. The purpose of the program is to stimulate  
394 access to credit for entrepreneurs and small businesses in this  
395 state by providing targeted guarantees to loans made to such  
396 entrepreneurs and small businesses. Funds appropriated to the  
397 program must be reinvested and maintained as a long-term and  
398 stable source of funding for the program.

399 (2) As used in this section, the term "lender" means a  
400 financial institution as defined in s. 655.005.

401 (3) The department must enter into a contract with  
402 Enterprise Florida, Inc., to administer the Microfinance  
403 Guarantee Program. In administering the program, Enterprise  
404 Florida, Inc., must, at a minimum:

405 (a) Establish lender and borrower eligibility requirements  
406 in addition to those provided in this section;

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407 (b) Determine a reasonable leverage ratio of loan amounts  
408 guaranteed to state funds; however, the leverage ratio may not  
409 exceed 3 to 1;

410 (c) Establish reasonable fees and interest;

411 (d) Promote the program to financial institutions that  
412 provide loans to entrepreneurs and small businesses in order to  
413 maximize the number of lenders throughout the state which  
414 participate in the program;

415 (e) Enter into a memorandum of understanding with the  
416 network to promote the program to underserved entrepreneurs and  
417 small businesses;

418 (f) Establish limits on the total amount of loan guarantees  
419 a single lender can receive;

420 (g) Establish an average loan guarantee amount for loans  
421 guaranteed under this section;

422 (h) Establish a risk-sharing strategy to be employed in the  
423 event of a loan failure; and

424 (i) Establish financial performance measures and objectives  
425 for the program in order to maximize state funds.

426 (4) Enterprise Florida, Inc., is limited to providing loan  
427 guarantees for loans with total loan amounts of at least \$50,000  
428 and not more than \$250,000. A loan guarantee may not exceed 50  
429 percent of the total loan amount.

430 (5) Enterprise Florida, Inc., may not guarantee a loan if  
431 the direct or indirect purpose or result of the loan would be  
432 to:

433 (a) Pay off any creditors of the applicant, including the  
434 refund of a debt owed to a small business investment company  
435 organized pursuant to 15 U.S.C. s. 681;

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436 (b) Provide funds, directly or indirectly, for payment,  
437 distribution, or as a loan to owners, partners, or shareholders  
438 of the applicant's business, except as ordinary compensation for  
439 services rendered;

440 (c) Finance the acquisition, construction, improvement, or  
441 operation of real property which is, or will be, held primarily  
442 for sale or investment;

443 (d) Pay for lobbying activities; or

444 (e) Replenish funds used for any of the purposes specified  
445 in paragraphs (a) through (d).

446 (6) To be eligible to receive a loan guarantee under the  
447 Microfinance Guarantee Program, a borrower must, at a minimum:

448 (a) Be an entrepreneur or small business located in this  
449 state;

450 (b) Employ 25 or fewer people;

451 (c) Generate average annual gross revenues of \$1.5 million  
452 or less per year for the last 2 years; and

453 (d) Meet any additional requirements established by  
454 Enterprise Florida, Inc.

455 (7) By October 1 of each year, Enterprise Florida, Inc.,  
456 shall submit a complete and detailed annual report to the  
457 department for inclusion in the department's report required  
458 under s. 288.9935. The report must, at a minimum, provide:

459 (a) A comprehensive description of the program, including  
460 an evaluation of its application and guarantee activities,  
461 recommendations for change, and identification of any other  
462 state programs that overlap with the program;

463 (b) An assessment of the current availability of and access  
464 to credit for entrepreneurs and small businesses in this state;



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- 465       (c) A summary of the financial and employment results of  
466 the entrepreneurs and small businesses receiving loan  
467 guarantees, including the number of full-time equivalent jobs  
468 created as a result of the guaranteed loans and the amount of  
469 wages paid to employees in the newly created jobs;
- 470       (d) Industry data about the borrowers, including the six-  
471 digit North American Industry Classification System (NAICS)  
472 code;
- 473       (e) The name and location of lenders that receive loan  
474 guarantees;
- 475       (f) The amount of state funds received by Enterprise  
476 Florida, Inc.;
- 477       (g) The number of loan guarantee applications received;
- 478       (h) The number, duration, location, and amount of  
479 guarantees made;
- 480       (i) The number and amount of guaranteed loans outstanding,  
481 if any;
- 482       (j) The number and amount of guaranteed loans with payments  
483 overdue, if any;
- 484       (k) The number and amount of guaranteed loans in default,  
485 if any;
- 486       (l) The repayment history of the guaranteed loans made; and  
487       (m) An evaluation of the program's ability to meet the  
488 financial performance measures and objectives specified in  
489 subsection (3).
- 490       (8) The credit of the state or Enterprise Florida, Inc.,  
491 may not be pledged except for funds appropriated by law to the  
492 Microfinance Guarantee Program. The state is not liable or  
493 obligated in any way for claims on the program or against

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494 Enterprise Florida, Inc., or the department.

495 Section 8. Section 288.9936, Florida Statutes, is created  
496 to read:

497 288.9936 Annual report of the Microfinance Loan Program.-

498 (1) The department shall include in the report required by  
499 s. 20.60(10) a complete and detailed annual report on the  
500 Microfinance Loan Program. The report must include:

501 (a) A comprehensive description of the program, including  
502 an evaluation of its application and funding activities,  
503 recommendations for change, and identification of any other  
504 state programs that overlap with the program;

505 (b) The financial institutions and the public and private  
506 organizations and individuals participating in the program;

507 (c) An assessment of the current availability of and access  
508 to credit for entrepreneurs and small businesses in this state;

509 (d) A summary of the financial and employment results of  
510 the entities receiving microloans;

511 (e) The number of full-time equivalent jobs created as a  
512 result of the guaranteed loans and the amount of wages paid to  
513 employees in the newly created jobs;

514 (f) The number and location of prospective lenders that  
515 responded to the department request for proposals;

516 (g) The amount of funds awarded to the lender;

517 (h) The number of microloan applications received by the  
518 lender;

519 (i) The number, duration, and location of microloans made  
520 by the lender;

521 (j) The number and amount of microloans outstanding, if  
522 any;

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523       (k) The number and amount of microloans with payments  
524 overdue, if any;

525       (l) The number and amount of microloans in default, if any;  
526       (m) The repayment history of the microloans made;  
527       (n) The repayment history and performance of funding  
528 awards;

529       (o) An evaluation of the program's ability to meet the  
530 financial performance measures and objectives specified in s.  
531 288.9934; and

532       (p) A description and evaluation of the technical  
533 assistance and business management and development training  
534 provided by the network pursuant to its memorandum of  
535 understanding with the lender.

536       (2) The department shall submit the report provided to the  
537 department from Enterprise Florida, Inc., pursuant to  
538 288.9935(7) for inclusion in the department's annual report  
539 required under s. 20.60(10).

540       (3) The department shall require at least quarterly reports  
541 from the lender. The lender's report must include, at a minimum,  
542 information required by the department as specified in  
543 subsection (1). The report must also include the number of  
544 microloan applications received, the number of microloans made,  
545 the amount and interest rate of each microloan made, the amount  
546 of technical assistance or business development and management  
547 training provided, the number of full-time equivalent jobs  
548 created as a result of the microloans, the amount of wages paid  
549 to employees in the newly created jobs, the six-digit North  
550 American Industry Classification System (NAICS) code associated  
551 with the borrower's business, and the borrower's locations.

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552       (4) The Office of Program Policy Analysis and Government  
553 Accountability shall conduct a study to evaluate the  
554 effectiveness and return on investment of the State Small  
555 Business Credit Initiative operated in this state pursuant to 12  
556 U.S.C. ss. 5701 et seq. The office shall submit a report to the  
557 President of the Senate and the Speaker of the House of  
558 Representatives by January 1, 2015.

559       Section 9. Section 288.9937, Florida Statutes, is created  
560 to read:

561       288.9937 Evaluation of programs.—The Office of Program  
562 Policy Analysis and Government Accountability shall analyze,  
563 evaluate, and determine the economic benefits, as defined in s.  
564 288.005, of the first 3 years of the Microfinance Loan Program  
565 and the Microfinance Guarantee Program. The analysis must also  
566 evaluate the number of jobs created, the increase or decrease in  
567 personal income, and the impact on state gross domestic product  
568 from the direct, indirect, and induced effects of the state's  
569 investment. The analysis must also identify any inefficiencies  
570 in the programs and provide recommendations for changes to the  
571 programs. The office shall submit a report to the President of  
572 the Senate and the Speaker of the House of Representatives by  
573 January 1, 2018. This section expires January 31, 2018.

574       Section 10. (1) The executive director of the Department of  
575 Economic Opportunity is authorized, and all conditions are  
576 deemed to be met, to adopt emergency rules pursuant to ss.  
577 120.536(1) and 120.54(4), Florida Statutes, for the purpose of  
578 implementing this act.

579       (2) Notwithstanding any other provision of law, the  
580 emergency rules adopted pursuant to subsection (1) remain in

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581 effect for 6 months after adoption and may be renewed during the  
582 pendency of procedures to adopt permanent rules addressing the  
583 subject of the emergency rules.

584 (3) This section shall expire October 1, 2015.

585 Section 11. This act shall take effect July 1, 2014.