

By Senator Siplin

19-1576-05

1                                   A bill to be entitled  
2           An act relating to community reinvestment  
3           plans; providing definitions; authorizing a  
4           business to develop and implement a community  
5           reinvestment plan for tax-credit purposes;  
6           providing certain requirements for a community  
7           reinvestment plan; providing a tax credit for a  
8           business that meets the requirements of its  
9           community reinvestment plan; providing for the  
10          carryover of credit; providing for the duties  
11          of the Financial Services Commission; requiring  
12          the commission to adopt rules, in consultation  
13          with the Department of Community Affairs and  
14          the Florida Housing Finance Corporation,  
15          regarding community reinvestment plans;  
16          authorizing a business to list its community  
17          reinvestment plan on its website; requiring the  
18          Financial Service Commission, the Department of  
19          Community Affairs, the Office of Tourism,  
20          Trade, and Economic Development, and the  
21          Florida Housing Finance Corporation to prepare  
22          a strategic plan relating to access to  
23          financial capital in certain areas of the  
24          state; providing requirements for the strategic  
25          plan; requiring the commission to create and  
26          maintain an Internet site to include certain  
27          public information on financial matters;  
28          providing an effective date.

29  
30 Be It Enacted by the Legislature of the State of Florida:  
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1           Section 1. COMMUNITY REINVESTMENT PLANS.--  
2           (1) DEFINITIONS.--As used in this section, the term:  
3           (a) "Business" or "business firm" means any business  
4 entity authorized to do business in this state as defined in  
5 paragraph (d), and any bank or savings and loan association as  
6 defined in section 220.62, Florida Statutes, subject to the  
7 tax imposed by chapter 220.  
8           (b) "Community reinvestment plan" means an annual  
9 community reinvestment strategic plan developed and  
10 implemented by a business under this section.  
11           (c) "Commission" means the Financial Services  
12 Commission.  
13           (d) "Corporation" includes all domestic corporations;  
14 foreign corporations qualified to do business in this state or  
15 actually doing business in this state; joint-stock companies;  
16 limited liability companies, under chapter 608, Florida  
17 Statutes; common-law declarations of trust, under chapter 609,  
18 Florida Statutes; corporations not for profit, under chapter  
19 617, Florida Statutes; agricultural cooperative marketing  
20 associations, under chapter 618, Florida Statutes;  
21 professional service corporations, under chapter 621, Florida  
22 Statutes; foreign unincorporated associations, under chapter  
23 622, Florida Statutes; private school corporations, under  
24 chapter 623, Florida Statutes; foreign corporations not for  
25 profit which are carrying on their activities in this state;  
26 and all other organizations, associations, legal entities, and  
27 artificial persons that are created by or pursuant to the  
28 statutes of this state, the United States, or any other state,  
29 territory, possession, or jurisdiction. The term "corporation"  
30 does not include proprietorships, even if using a fictitious  
31 name; partnerships of any type, as such; limited liability

1 companies that are taxable as partnerships for federal income  
2 tax purposes; state or public fairs or expositions, under  
3 chapter 616, Florida Statutes; estates of decedents or  
4 incompetents; testamentary trusts; or private trusts.

5 (e) "Targeted population" means individuals or an  
6 identifiable group of individuals who are low-income persons  
7 or otherwise lack adequate access to loans or equity  
8 investments.

9 (f) "Underserved area" means an investment area as  
10 defined by the Community Development Banking and Financial  
11 Institutions Act of 1994, 12 U.S.C. s. 4702, as amended.

12 (2) APPLICABILITY.--This section applies only to a  
13 business that is subject to a corporate income tax.

14 (3) COMMUNITY REINVESTMENT STRATEGIC PLAN.--A  
15 business, in accordance with rules adopted by the commission  
16 under subsection (5), may develop and implement an annual  
17 community reinvestment strategic plan in order to be eligible  
18 to receive a tax credit as provided in subsection (4). A  
19 business's plan must include the business's specific targets  
20 for the expenditure of funds for community reinvestment  
21 purposes, including:

22 (a) Lending money to members of a targeted population  
23 or underserved areas in the state; and

24 (b) Investing in or with nonprofit lending  
25 institutions for lending activities in underserved areas or  
26 with members of a targeted population in the state.

27 (4)(a) TAX CREDIT.--There shall be allowed a credit  
28 against the tax imposed by chapter 220, Florida Statutes, to  
29 any business that meets each target set forth in its community  
30 reinvestment plan as certified by rule of the commission.

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1           **(b) If the credit granted pursuant to this section is**  
2 **not fully used in any one year, the unused amount may be**  
3 **carried forward for a period not to exceed 5 years. The**  
4 **carryover credit may be used in a subsequent year when the tax**  
5 **imposed by this chapter for such year exceeds the credit for**  
6 **such year under this section after applying the other credits**  
7 **and unused credit carryovers in the order provided in section**  
8 **220.02(8), Florida Statutes. The amount of credit taken under**  
9 **this section in any one year, however, may not exceed \$25,000,**  
10 **or, if no less than 20 percent of the employees of the**  
11 **business are residents of an enterprise zone, excluding**  
12 **temporary employees, the amount shall not exceed \$50,000.**

13           **(5) DUTIES OF THE FINANCIAL SERVICES COMMISSION;**  
14 **RULEMAKING AUTHORITY.--**

15           **(a) The commission, in consultation with the**  
16 **Department of Community Affairs and the Office of Tourism,**  
17 **Trade, and Economic Development, shall assist businesses in**  
18 **identifying and setting community reinvestment targets for the**  
19 **submission of community reinvestment plans.**

20           **(b) The commission shall adopt policies and rules as**  
21 **necessary to administer this section, including policies and**  
22 **rules that:**

23           **1. Provide businesses with specific guidelines and**  
24 **procedures for the adoption and submission to the commission**  
25 **of community reinvestment plans, including a reasonable**  
26 **timeframe for implementation of the plan; and**

27           **2. Create a certification process that meets each**  
28 **target set under the businesses' respective plans.**

29           **(c) The commission may consult with and request**  
30 **information relevant to this section from the Department of**  
31 **Community Affairs and the Florida Housing Finance Corporation.**

1 In developing rules and policies under this section, the  
2 commission shall consider any information obtained under this  
3 subsection.

4 (6)(a) INTERNET POSTING.--A business may post its  
5 community reinvestment plan on any Internet website maintained  
6 by the business. The plan must be posted in a format that is  
7 readily accessible to and understandable by a member of the  
8 public. The business shall notify the commission if it posts a  
9 plan.

10 (b) The commission shall maintain on its Internet  
11 website a link to each business's community reinvestment plan  
12 that is posted on the Internet.

13 Section 2. ACCESS TO FINANCIAL CAPITAL.--

14 (1) DUTY OF CERTAIN AGENCIES TO PREPARE STRATEGIC PLAN  
15 CONCERNING ACCESS TO FINANCIAL CAPITAL.--The Financial  
16 Services Commission that oversees the Office of Financial  
17 Regulation within the Department of Financial Services, the  
18 Department of Community Affairs, the Office of Tourism, Trade,  
19 and Economic Development, and the Florida Housing Finance  
20 Corporation shall prepare a biennial strategic plan relating  
21 to access to financial capital in unserved and underserved  
22 areas of the state.

23 (2) SUBMISSION OF PLAN AND RECOMMENDATIONS.--By  
24 November 1 of each even-numbered year, the commission shall:

25 (a) Submit the strategic plan required by this section  
26 to the Governor, the President of the Senate, and the Speaker  
27 of the House of Representatives; and

28 (b) Make recommendations on actions that the  
29 legislature may take to improve access to capital in unserved  
30 and underserved areas of the state.

31 (3) CONTENTS OF PLAN.--The strategic plan must:

1       (a) Define and identify unserved and underserved areas  
2 in the state with regard to housing ownership, small business  
3 loans, availability of venture capital, lending options, and  
4 other relevant financial capital issues;

5       (b) Quantify community investment and lending  
6 resources available by location in the state;

7       (c) Develop specific targets and plans for increasing  
8 investment in unserved and underserved areas; and

9       (d) Enlist private financial institutions to use the  
10 strategic plan to set institutional targets.

11       (4) FINANCIAL CAPITAL INFORMATION AVAILABLE ON  
12 INTERNET.--The commission shall create and maintain an  
13 Internet site through the state's on-line government portal or  
14 any successor to that portal that includes:

15       (a) A list of traditional and nontraditional sources  
16 for loans that can be searched by a borrower based on the  
17 borrower's financial characteristics;

18       (b) Advice to small businesses on how to develop a  
19 business plan;

20       (c) Advice on how to enhance credit scores;

21       (d) Advice on how to establish a relationship with a  
22 financial institution;

23       (e) Information on interest rates available in the  
24 state;

25       (f) Information on the cost of loans available to  
26 borrowers of varied risk levels in the state;

27       (g) Information on how to compare mortgage loans  
28 available in the state;

29       (h) Information regarding lending practices of  
30 specific businesses in the state; and

31       (i) Links to relevant consumer financial websites.

1 Section 3. This act shall take effect upon becoming a  
2 law.

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5 SENATE SUMMARY

6 Authorizes a business to develop and implement a  
7 community reinvestment plan for tax-credit purposes.  
8 Provides certain requirements for a community  
9 reinvestment plan. Provides a tax credit for a business  
10 that meets the requirements of its community reinvestment  
11 plan. Provides for the carryover of credit. Provides for  
12 the duties of the Financial Services Commission. Requires  
13 the commission to adopt rules, in consultation with the  
14 Department of Community Affairs and the Florida Housing  
15 Finance Corporation, regarding community reinvestment  
16 plans. Authorizes a business to provide its community  
17 reinvestment plan on its website. Requires the Financial  
18 Service Commission, the Department of Community Affairs,  
19 the Office of Tourism, Trade, and Economic Development,  
20 and the Florida Housing Finance Corporation to prepare a  
21 strategic plan relating to access to financial capital in  
22 certain underserved areas of the state. Provides  
23 requirements for the strategic plan. Requires the  
24 commission to create and maintain an Internet site to  
25 include certain information on financial matters.  
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