

1 A bill to be entitled
2 An act relating to black business investment; amending s.
3 288.702, F.S.; revising a short title; amending s. 20.18,
4 F.S.; revising a duty of the Department of Community
5 Affairs; including as a purpose of the Office of Urban
6 Opportunity in the Department of Community Affairs the
7 administration of the Black Business Loan Program;
8 amending s. 288.706, F.S.; deleting references to the
9 Florida Black Business Investment Board, Inc., and black
10 business investment corporations from a list of certain
11 financial institutions maintained by the Department of
12 Management Services; requiring the Department of
13 Management Services to collaborate with the Florida Black
14 Business Investment Board, Inc., and the Department of
15 Community Affairs for certain purposes; creating s.
16 288.7065, F.S.; providing a short title; amending s.
17 288.707, F.S.; revising provisions creating the Florida
18 Black Business Investment Board, Inc.; revising
19 legislative findings; creating the board; requiring the
20 board to contract with the Department of Community Affairs
21 for certain purposes; specifying application of public
22 records and public meetings requirements; providing for
23 appointment of a board of directors; specifying terms of
24 office and experience requirements of board members;
25 providing for filling of board vacancies; authorizing the
26 Governor to appoint a chair; providing for meetings;
27 requiring members to serve without compensation; providing
28 for reimbursement of expenses; requiring members to file

29 disclosure of financial interests; terminating existing
30 board appointments and providing for new appointments;
31 amending s. 288.708, F.S.; deleting a provision specifying
32 prudent use of certain funds and requiring use of funds
33 according to applicable laws, bylaws, or contracts;
34 applying certain salary limitation provisions to employees
35 of the board; amending s. 288.709, F.S.; revising the
36 powers of the board; amending s. 288.7091, F.S.; revising
37 the duties of the board; creating s. 288.710, F.S.;
38 providing a definition; specifying eligibility of certain
39 black business investment corporations to participate in
40 the Black Business Loan Program; requiring the department
41 to give priority consideration to such corporations for
42 participation in the program; creating s. 288.7102, F.S.;
43 establishing the Black Business Loan Program in the
44 Department of Community Affairs; requiring the department
45 to provide loans and loan guarantees under the program for
46 certain purposes; providing duties and responsibilities of
47 the department in administering the program; requiring the
48 Florida Black Business Investment Board, Inc., and
49 participating black business investment corporations to
50 adopt uniform loan and loan guarantee underwriting
51 policies and application criteria and to establish a
52 minimum interest rate; providing for payment of certain
53 administrative expenses through state funds; providing a
54 limitation; requiring the department to develop a service
55 allocation policy for certain purposes; providing loan
56 recipient eligibility requirements; requiring annual

57 certification of eligibility; requiring the department to
58 consult with the Florida Black Business Investment Board,
59 Inc.; requiring the department to adopt rules; creating s.
60 288.7103, F.S.; providing black business enterprise
61 eligibility requirements for receiving loans or loan
62 guarantees; amending s. 288.711, F.S.; renaming the
63 Florida Investment Incentive Trust Fund as the Florida
64 Black Business Loan Program Trust Fund; placing the fund
65 in the Department of Community Affairs for purposes of
66 implementing and administering the Black Business Loan
67 Program; deleting provisions relating to authorizations
68 for the board to make investments from the fund for
69 certain purposes; deleting certain intent and purposes
70 provisions; amending s. 288.714, F.S.; requiring
71 recipients to provide quarterly and annual reports;
72 specifying report requirements; requiring the department
73 to submit an annual program report to the Governor and
74 Legislature; specifying report requirements; requiring the
75 Florida Black Business Investment Board, Inc., and certain
76 black business investment corporations to submit an annual
77 report to the department on uses of certain state funds;
78 specifying report requirements; amending s. 288.9015,
79 F.S.; requiring Enterprise Florida, Inc., to collaborate
80 with the Florida Black Business Investment Board, Inc.,
81 and the Department of Community Affairs for certain
82 purposes; requiring the Office of Program Policy Analysis
83 and Government Accountability to submit a status report to
84 the Governor and Legislature on the department's

85 implementation of the Florida Black Business Investment
86 Act; requiring the office to conduct a program review of
87 the department; requiring the office to submit a program
88 review report to the Governor and Legislature; requiring
89 the Auditor General to conduct an audit of the Florida
90 Black Business Investment Board, Inc.'s, investment
91 activity for a certain time period; requiring the Auditor
92 General to submit an audit report to the Governor and
93 Legislature; repealing s. 288.7092, F.S., relating to
94 return on investment from activities of the corporation;
95 repealing s. 288.7095, F.S., relating to duties of black
96 business investment corporations; repealing s. 288.71,
97 F.S., relating to conditions for board action; repealing
98 s. 288.7101, F.S., relating to the state employee leasing
99 program of the Department of Management Services for
100 employees of the Florida Black Business Investment Board,
101 Inc.; repealing s. 288.712, F.S., relating to Florida
102 guarantor funds; repealing s. 288.713, F.S., relating to
103 capital participation instruments; providing an
104 appropriation; authorizing certain positions and approved
105 salary rates; providing an effective date.

106
107 Be It Enacted by the Legislature of the State of Florida:

108
109 Section 1. Section 288.702, Florida Statutes, is amended
110 to read:

111 288.702 Short title.--This section and sections 288.703-
 112 288.706 ~~This act shall be known and~~ may be cited as the "Florida
 113 Small and Minority Business Assistance Act ~~of 1985.~~"

114 Section 2. Paragraph (b) of subsection (4) and subsection
 115 (6) of section 20.18, Florida Statutes, are amended to read:

116 20.18 Department of Community Affairs.--There is created a
 117 Department of Community Affairs.

118 (4) In addition to its other powers, duties, and
 119 functions, the department shall, under the general supervision
 120 of the secretary and the Interdepartmental Coordinating Council
 121 on Community Services, assist and encourage the development of
 122 state programs by the various departments for the productive use
 123 of human resources, and the department shall work with other
 124 state agencies in order that together they might:

125 (b) Assist Enterprise Florida, Inc., ~~the Department of~~
 126 ~~Commerce~~ in the development of employment opportunities; and

127 (6) The Office of Urban Opportunity is created within the
 128 Department of Community Affairs. The purpose of the office is to
 129 administer the Front Porch Florida initiative, a comprehensive,
 130 community-based urban core redevelopment program that enables
 131 urban core residents to craft solutions to the unique challenges
 132 of each designated community, and the Black Business Loan
 133 Program, the purpose of which is to leverage state, local, and
 134 private funds to provide loans and loan guarantees to black
 135 business enterprises that cannot obtain capital through
 136 conventional lending institutions but which otherwise could
 137 compete successfully in the private sector.

138 Section 3. Subsection (11) of section 288.706, Florida
 139 Statutes, is amended, and subsection (12) is added to that
 140 section, to read:

141 288.706 Florida Minority Business Loan Mobilization
 142 Program.--

143 (11) The Department of Management Services shall maintain
 144 a listing of financial institutions willing to participate in
 145 the Florida Minority Business Loan Mobilization Program, ~~which~~
 146 ~~may include the Florida Black Business Investment Board, Inc.,~~
 147 ~~and black business investment corporations.~~ This list of
 148 financial institutions shall not be exclusive. A minority
 149 business enterprise vendor who has a working relationship with a
 150 financial institution is encouraged to request that the
 151 financial institution apply to participate as a financial
 152 institution for the program.

153 (12) The Department of Management Services shall
 154 collaborate with the Florida Black Business Investment Board,
 155 Inc., and the Department of Community Affairs to assist in the
 156 development and enhancement of black business enterprises.

157 Section 4. Section 288.7065, Florida Statutes, is created
 158 to read:

159 288.7065 Short title.--This section and sections 288.707-
 160 288.714 may be cited as the "Florida Black Business Investment
 161 Act."

162 Section 5. Section 288.707, Florida Statutes, is amended
 163 to read:

164 (Substantial rewording of section. See
 165 s. 288.707, F.S., for present text.)

166 288.707 Florida Black Business Investment Board, Inc.;
 167 findings; creation; membership; organization; meetings;
 168 disclosure.--

169 (1) The Legislature finds that the public interest of the
 170 state will be served by the creation of a nonprofit public-
 171 private entity the primary mission of which shall be to assist
 172 in the development and expansion of black business enterprises
 173 by:

174 (a) Advising the Department of Community Affairs in its
 175 oversight of the Black Business Loan Program and creating long-
 176 range strategic policy for the program.

177 (b) Evaluating the unmet need for capital by black
 178 business enterprises in the state.

179 (c) Creating partnerships between state and local
 180 governments and private enterprises to aid in the development
 181 and expansion of black business enterprises.

182 (d) Providing a network of information resources for black
 183 business enterprises and providing technical assistance through
 184 this network.

185 (2) There is created a not-for-profit corporation to be
 186 known as the Florida Black Business Investment Board, Inc.,
 187 referred to in this section as the board, which shall be
 188 registered, incorporated, organized, and operated in compliance
 189 with chapter 617 and which shall not be a unit or entity of
 190 state government. The board shall contract with the Department
 191 of Community Affairs to implement the provisions of ss. 288.707-
 192 288.714. However, the Legislature determines that public policy
 193 dictates that the corporation operate in the most open and

194 accessible manner consistent with its public purpose. Therefore,
 195 the Legislature specifically declares that the board and its
 196 advisory committees or similar groups created by the board,
 197 including any subsidiaries, are subject to the provisions of
 198 chapter 119, relating to public records, and the provisions of
 199 chapter 286, relating to public meetings and records.

200 (3) The board shall be governed by a board of directors
 201 chosen as follows:

202 (a) Four members appointed by the Governor who shall serve
 203 terms of 4 years, except that in making initial appointments,
 204 the Governor shall appoint two members to serve for terms of 2
 205 years and two members to serve for terms of 3 years.

206 (b) Two members appointed by the President of the Senate,
 207 who shall serve terms of 2 years.

208 (c) Two members appointed by the Speaker of the House of
 209 Representatives, who shall serve terms of 2 years.

210 (d) The vice chair of Enterprise Florida, Inc., or his or
 211 her designee, who shall be an ex officio, nonvoting member.

212 (e) Three members who are officers or directors of
 213 participating black business investment corporations, who shall
 214 be appointed by the Secretary of Community Affairs upon the
 215 recommendation of the Florida Consortium of Black Business
 216 Investment Corporations, Inc.

217 (4) Members of the board must have experience in business,
 218 including financial services, banking, or economic development.

219 (5) Any person appointed to fill a vacancy on the board
 220 shall be appointed in a like manner and shall serve for only the
 221 unexpired term. Any member shall be eligible for reappointment.

222 (6) The Governor shall appoint the chair, who shall be a
223 member of the board and who shall serve at the pleasure of the
224 Governor. The board shall annually elect one of its members as
225 vice chair and one of its members as secretary-treasurer. The
226 secretary-treasurer shall keep a record of the proceedings of
227 the board and shall be the custodian of all books, documents,
228 and papers filed with the board, the minutes of meetings of the
229 board, and the board's official seal.

230 (7) The board shall meet at least four times annually upon
231 the call of the chair or vice chair or at the request of a
232 majority of the membership. A majority of the total number of
233 current members of the board shall constitute a quorum. The
234 board may take official action by a majority vote of the members
235 present at any meeting at which a quorum is present.

236 (8) Members of the board shall serve without compensation,
237 but members, the president of the corporation, and other board
238 employees may be reimbursed for all reasonable, necessary, and
239 actual expenses as determined by the board and approved by the
240 department.

241 (9) Each member of the board who is not otherwise required
242 to disclose financial interests pursuant to s. 8, Art. II of the
243 State Constitution or s. 112.3144 shall file a statement of
244 financial interests pursuant to s. 112.3145.

245 (10) Existing board terms shall expire on the effective
246 date of this act and new members shall be appointed according to
247 the terms of this act by October 1, 2007.

248 Section 6. Subsection (2) of section 288.708, Florida
249 Statutes, is amended to read:

250 288.708 President; employees.--

251 ~~(2) The corporation and its officers and board members are~~
 252 ~~responsible for the prudent use of all public and private funds~~
 253 ~~and shall ensure that the use of such funds is in accordance~~
 254 ~~with all applicable laws, bylaws, or contractual requirements.~~

255 An employee of the board corporation may not receive
 256 compensation for employment that exceeds the salary paid to the
 257 Governor, unless the board corporation and the employee have
 258 executed a contract that prescribes specific and measurable
 259 performance outcomes for the employee, the satisfaction of which
 260 provides the basis for the award of incentive payments that
 261 increase the employee's total compensation to a level above the
 262 salary paid to the Governor.

263 Section 7. Section 288.709, Florida Statutes, is amended
 264 to read:

265 288.709 Powers of the Florida Black Business Investment
 266 Board, Inc.--The board shall have all the powers granted under
 267 chapter 617 and any powers necessary or convenient to carry out
 268 and effectuate the purposes and provisions of ss. 288.707-
 269 288.714, including, but not limited to, the power to:

270 ~~(1) Adopt bylaws for the regulation of its affairs and the~~
 271 ~~conduct of its business and adopt policies to implement the~~
 272 ~~provisions of law conferring duties upon it. Such bylaws shall~~
 273 ~~provide that the corporation is subject to the requirements of~~
 274 ~~s. 24, Art. I of the State Constitution and chapter 119 and s.~~
 275 ~~286.011.~~

276 ~~(2) Adopt an official seal.~~

277 ~~(3) Sue and be sued in its own name.~~

278 ~~(4) Make and execute contracts and other instruments~~
 279 ~~necessary or convenient for the exercise of its power and~~
 280 ~~functions.~~

281 ~~(5) Acquire, hold, and dispose of personal property for~~
 282 ~~its corporate purposes.~~

283 (1)~~(6)~~ Enter into agreements or other transactions with
 284 any federal, state, or local agency or private entity.

285 ~~(7) Encourage financial institutions to participate in~~
 286 ~~consortia for the purpose of investing in black business~~
 287 ~~enterprises.~~

288 ~~(8) Ensure that funds available to the board for purposes~~
 289 ~~set forth in ss. 288.707-288.714 are disbursed on a statewide~~
 290 ~~basis and are not concentrated in one geographical area.~~

291 (2)~~(9)~~ Invest any funds held in reserves or sinking funds,
 292 or any funds not required for immediate disbursement, in such
 293 investments as may be authorized for trust funds under s.
 294 215.47; however, such investments will be made on behalf of the
 295 board by the Chief Financial Officer or by another trustee
 296 appointed for that purpose.

297 ~~(10) Appear in its own behalf before boards, commissions,~~
 298 ~~departments, or other agencies of municipal, county, state, or~~
 299 ~~Federal Government.~~

300 ~~(11) Procure insurance or require bond against any loss in~~
 301 ~~connection with its property in such amounts and from such~~
 302 ~~insurers as may be necessary or desirable.~~

303 (3)~~(12)~~ Apply for, accept, and disburse from any state or
 304 nonstate source ~~Receive and accept from any federal, state, or~~
 305 ~~local agency grants, loans, or advances for, or in aid of, the~~

306 | purposes of ss. 288.707-288.714, and ~~to~~ receive and accept
 307 | contributions from any source of either money, property, labor,
 308 | or other things of value, to be held, used, and applied for said
 309 | purposes.

310 | ~~(13) Create, issue, and buy and sell stock, evidences of~~
 311 | ~~indebtedness, and other capital participation instruments; to~~
 312 | ~~hold such stock, evidences of indebtedness, and capital~~
 313 | ~~participation instruments; and to underwrite the creation of a~~
 314 | ~~capital market for these securities in a manner designed to~~
 315 | ~~enhance development of capital ownership in the target group.~~

316 | (4) ~~(14)~~ Provide and pay for such advisory services and
 317 | technical assistance as may be necessary or desirable to carry
 318 | out the purposes of this act, upon the approval of the
 319 | department.

320 | (5) ~~(15)~~ Engage in special programs to enhance the
 321 | development of black business enterprises as authorized by this
 322 | act and approved by the department.

323 | ~~(16) Promote black ownership of financial institutions in~~
 324 | ~~Florida.~~

325 | ~~(17) Take, hold, and improve property, including real~~
 326 | ~~property.~~

327 | ~~(18) Do any and all things necessary or convenient to~~
 328 | ~~carry out the purposes of, and exercise the powers given and~~
 329 | ~~granted in, ss. 288.707-288.714, and exercise any other powers,~~
 330 | ~~rights, or responsibilities of a corporation.~~

331 | (6) ~~(19)~~ In addition to any indemnification available under
 332 | chapter 617, indemnify, and purchase and maintain insurance on
 333 | behalf of, directors, officers, and employees of the corporation

334 and its boards against any personal liability or accountability
 335 by reason of actions taken while acting within the scope of
 336 their authority.

337 (7) ~~(20)~~ Provide in its bylaws that, upon the dissolution
 338 of the corporation, all of its assets acquired through the use
 339 of state funds, after payment of all legal debts and
 340 liabilities, revert to this state.

341 Section 8. Section 288.7091, Florida Statutes, is amended
 342 to read:

343 (Substantial rewording of section. See
 344 s. 288.7091, F.S., for present text.)

345 288.7091 Duties of the Florida Black Business Investment
 346 Board, Inc.--The board shall:

347 (1) Serve as an advisory board to the Department of
 348 Community Affairs, through contract with the department, to
 349 assist the department with the implementation of ss. 288.707-
 350 288.714.

351 (2) Aid the development and expansion of black business
 352 enterprises by leveraging state, local, and private funds to be
 353 held by the department for use according to the provisions of
 354 ss. 288.707-288.714.

355 (3) Serve as the clearinghouse for information and sources
 356 of technical assistance that will enhance the development and
 357 expansion of black business enterprises and facilitate the
 358 provision of technical assistance in communities in which such
 359 services are otherwise unavailable.

360 (4) Aggressively market the Black Business Loan Program
 361 and related services to black business enterprises through all

362 appropriate media outlets, including media targeting the
 363 African-American community.

364 (5) Collaborate with Enterprise Florida, Inc., or its
 365 affiliates to develop and expand black business enterprises.

366 (6) Collaborate with the Department of Transportation, the
 367 Department of Management Services, including the Florida
 368 Minority Business Loan Mobilization Program, Workforce Florida,
 369 Inc., and other state agencies and partners, the State
 370 University System, including the Florida Agricultural and
 371 Mechanical University's Institute of Urban Policy and Commerce,
 372 school boards, and local governments to create a network of
 373 information and seek out available resources to enhance the
 374 development and expansion of black business enterprises.

375 (7) Develop strategies to increase financial institution
 376 investment in black business enterprises.

377 (8) Provide a 5-year projection of the need for capital by
 378 black business enterprises. The board shall contract with an
 379 independent entity to prepare the projection once every 5 years.

380 (9) Annually provide for a financial audit as defined in
 381 s. 11.45 of the board's accounts and records by an independent
 382 certified public accountant. The audit shall include an
 383 explanation of all investments made by the board and an
 384 explanation of administrative costs. Within 6 months after the
 385 end of the fiscal year, the audit report shall be provided to
 386 the Governor, the President of the Senate, the Speaker of the
 387 House of Representatives, and the Auditor General.

388 Section 9. Section 288.710, Florida Statutes, is created
 389 to read:

390 288.710 Black business investment corporations.--

391 (1) The term "black business investment corporation" means
 392 a subsidiary of a financial institution or a consortium of
 393 financial institutions incorporated as a nonprofit corporation
 394 to provide loans and loan guarantees to black business
 395 enterprises under ss. 288.707-288.714.

396 (2) A black business investment corporation that meets the
 397 requirements of s. 288.7102(7) is eligible to participate in the
 398 Black Business Loan Program and shall receive priority
 399 consideration by the department for participation in the
 400 program.

401 Section 10. Section 288.7102, Florida Statutes, is created
 402 to read:

403 288.7102 Black Business Loan Program.--The Black Business
 404 Loan Program is established in the Department of Community
 405 Affairs. Under the program, the department shall provide loans
 406 and loan guarantees, through eligible recipients, from the
 407 Florida Black Business Investment Incentive Trust Fund to black
 408 business enterprises who cannot obtain capital through
 409 conventional lending institutions but which could otherwise
 410 compete successfully in the private sector.

411 (1) The department shall establish a uniform, open, and
 412 competitive application and annual certification process for
 413 eligible recipients who seek funds to provide loans or loan
 414 guarantees to black business enterprises pursuant to the Florida
 415 Black Business Investment Act.

416 (2) The Florida Black Business Investment Board, Inc., and
 417 participating black business investment corporations shall adopt

418 uniform loan and loan guarantee underwriting policies, which
 419 must be approved by the department.

420 (3) The Florida Black Business Investment Board, Inc., and
 421 participating black business investment corporations shall
 422 establish a minimum interest rate for loans and loan guarantees
 423 to ensure that necessary loan administration costs are covered.
 424 The minimum interest rate must be approved by the department.

425 (4) The department shall adopt uniform criteria to be used
 426 by eligible recipients in evaluating and approving applications
 427 for loans or loan guarantees consistent with s. 288.7103.

428 (5) Administrative expenses directly related to state
 429 funds and accountability requirements incurred by an eligible
 430 recipient in providing assistance to a black business enterprise
 431 receiving a loan or loan guarantee may be paid out of state
 432 funds not to exceed 7 percent.

433 (6) The department shall develop an allocation policy to
 434 ensure that services provided under ss. 288.707-288.714 for the
 435 benefit of black business enterprises are disbursed equitably
 436 throughout the state.

437 (7) To be eligible to receive funds and provide loans or
 438 loan guarantees under this section, a recipient must:

439 (a) Be a corporation not for profit registered in the
 440 state.

441 (b) Demonstrate that its board of directors includes
 442 citizens of the state experienced in the development of black
 443 business enterprises.

444 (c) Demonstrate that the recipient has a business plan
445 that will allow the recipient to operate consistent with ss.
446 288.707-288.714 and the rules of the department.

447 (d) Demonstrate that the recipient has the technical
448 skills to analyze and evaluate applications by black business
449 enterprises for loans or loan guarantees.

450 (e) Demonstrate that the recipient has established viable
451 partnerships with public and private funding sources, economic
452 development agencies, and workforce development and job referral
453 networks.

454 (f) Demonstrate that the recipient can provide a private
455 match equal to 75 percent of the amount of the loan or loan
456 guarantee provided by the department.

457 (g) Agree to maintain the recipient's books and records
458 relating to funds received by the department according to
459 generally accepted accounting principles and to make such books
460 and records available to the department for inspection upon
461 reasonable notice.

462 (h) Agree to be subject to the provisions of chapter 119
463 relating to public records and the provisions of chapter 286
464 relating to public meetings, with respect to all state funds
465 received by the eligible recipient from the department.

466 (8) The department shall annually certify each eligible
467 recipient, who must meet the provisions of ss. 288.707-288.714,
468 the terms of the contract between the recipient and the
469 department, and any other applicable state or federal laws. An
470 entity may not receive funds under ss. 288.707-288.714 unless
471 the entity meets annual certification requirements.

472 (9) The department shall consult with the Florida Black
 473 Business Investment Board, Inc., in implementing the provisions
 474 of this section.

475 (10) The department shall adopt rules pursuant to ss.
 476 120.536(1) and 120.54 to implement the provisions of this
 477 section.

478 Section 11. Section 288.7103, Florida Statutes, is created
 479 to read:

480 288.7103 Eligibility for loan or loan guarantee.--A black
 481 business enterprise is not eligible to receive a loan or loan
 482 guarantee unless the enterprise demonstrates that:

483 (1) The proposed loan or loan guarantee is economically
 484 sound and will assist the black business enterprise in entering
 485 the conventional lending market, increasing opportunities for
 486 employment, and strengthening the economy of the state.

487 (2) The enterprise will be able to compete successfully in
 488 the private sector if the enterprise obtains the requested
 489 financial assistance and has or will obtain appropriate and
 490 credible technical or managerial support through an organization
 491 approved by the corporation.

492 Section 12. Section 288.711, Florida Statutes, is amended
 493 to read:

494 288.711 Florida Black Business Investment ~~Incentive~~ Trust
 495 Fund.--

496 ~~(1)~~ There is hereby created the Florida Black Business
 497 Loan Program Investment Incentive Trust Fund in the Department
 498 of Community Affairs for purposes of providing loans or loan
 499 guarantees under the Black Business Loan Program as provided in

500 s. 288.7102 ~~from which money may be drawn for investments or~~
 501 ~~loans, as authorized by this section, to encourage the~~
 502 ~~development of appropriate financial mechanisms in the private~~
 503 ~~sector to capitalize and assist in the development of black~~
 504 ~~business enterprises. All income earned by investments of the~~
 505 ~~fund shall be deposited in the fund for carrying out the~~
 506 ~~purposes of ss. 288.707-288.714. Administrative costs of the~~
 507 ~~program shall be appropriated in a lump-sum appropriation from~~
 508 ~~the fund created herein and shall be provided in the General~~
 509 ~~Appropriations Act.~~

510 ~~(2) The board is authorized to invest from the Florida~~
 511 ~~Investment Incentive Trust Fund in black business investment~~
 512 ~~corporations which conduct, or agree to conduct, programs of~~
 513 ~~assisting the development of black business enterprises. Such~~
 514 ~~investments shall be made under conditions required by law and~~
 515 ~~as the board may, from time to time, require and may take any of~~
 516 ~~the following forms:~~

517 ~~(a) Purchases of stock, preferred or common, voting or~~
 518 ~~nonvoting, as determined by the board,~~

519 ~~(b) Loans, with or without recourse, in either a~~
 520 ~~subordinated or priority position, as determined by the board,~~
 521 ~~provided, however, that no more than 20 percent of the capital~~
 522 ~~base may be used for direct loans to black business enterprises,~~
 523 ~~or~~

524 ~~(c) Any other investment authorized by the board based on~~
 525 ~~the expertise of its members.~~

526 ~~(3) It is the intent of the Legislature that if any one~~
 527 ~~type of investment mechanism authorized in subsection (2) is~~
 528 ~~held to be invalid all other valid mechanisms remain available.~~

529 ~~(4) All loans and investments, and any income related~~
 530 ~~thereto, shall be used to carry out the public purpose of ss.~~
 531 ~~288.707-288.714, which is to develop black business enterprises.~~
 532 ~~This is not meant to preclude a reasonable profit for the~~
 533 ~~participating black business investment corporation or for~~
 534 ~~return of equity developed to the state and participating~~
 535 ~~financial institutions upon any distribution of the assets or~~
 536 ~~excess income of the investment corporation.~~

537 Section 13. Section 288.714, Florida Statutes, is amended
 538 to read:

539 (Substantial rewording of section. See
 540 s. 288.714, F.S., for present text.)

541 288.714 Quarterly and annual reports.--

542 (1) Each recipient of state funds under ss. 288.707-
 543 288.714 shall provide to the department a quarterly report
 544 within 15 days after the end of each calendar quarter that
 545 includes a detailed summary of the recipient's performance of
 546 the duties imposed by ss. 288.707-288.714, including, but not
 547 limited to:

548 (a) The dollar amount of all loans or loan guarantees made
 549 to black business enterprises, the percentages of the loans
 550 guaranteed, and the name and identification of the types of
 551 businesses served.

552 (b) Loan performance information.

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553 (c) The amount and nature of all other financial
554 assistance provided to black business enterprises.

555 (d) The amount and nature of technical assistance provided
556 to black business enterprises, including technical services
557 provided in areas in which such services are otherwise
558 unavailable.

559 (e) A balance sheet for the recipient, including an
560 explanation of all investments and administrative and
561 operational expenses.

562 (f) A summary of all services provided to non-black
563 business enterprises, including the dollar value and nature of
564 such services and the name and identification of the types of
565 businesses served.

566 (g) Any other information as required by the department by
567 rule.

568 (2) By May 1 of each year, the department shall provide to
569 the Governor, the President of the Senate, and the Speaker of
570 the House of Representatives a detailed report of the
571 performance of the Black Business Loan Program, including:

572 (a) A cumulative summary of quarterly report data required
573 by subsection (1).

574 (b) A description of the strategies implemented by the
575 department to increase private investment in black business
576 enterprises.

577 (c) A summary of the Florida Black Business Investment
578 Board, Inc.'s, performance of its duties under ss. 288.707-
579 288.714.

580 (d) The most recent 5-year projection of the need for
581 capital by black business enterprises.

582 (e) Recommendations for legislative or other changes to
583 enhance the development and expansion of black business
584 enterprises in the state.

585 (f) A projection of the program's activities during the
586 next 12 months.

587 (3) The Florida Black Business Investment Board, Inc., and
588 any black business investment corporation that has received
589 state funds prior to the implementation of ss. 288.707-288.714
590 shall provide to the department by March 1 of each year a report
591 with respect to the use of state funds received prior to and
592 through the 2004-2005 fiscal year. The report must include:

593 (a) The number of black business enterprises that received
594 financial assistance, including loans or loan guarantees, funded
595 in whole or in part by the state.

596 (b) The number of black business enterprises receiving
597 technical or other nonfinancial assistance from the recipient or
598 third parties.

599 (c) The status of black business enterprises that have
600 received financial or other assistance from the recipient.

601 (d) The total number of jobs created or maintained by
602 black business enterprises that received financial or other
603 assistance from the recipient.

604 (e) An operating statement for the recipient, including an
605 explanation of the use of all state funds, the return on
606 investment or interest earned on state funds, and all
607 administrative costs of the recipient.

608 Section 14. Subsection (4) of section 288.9015, Florida
 609 Statutes, is amended to read:

610 288.9015 Enterprise Florida, Inc.; purpose; duties.--

611 (4) Enterprise Florida, Inc., shall incorporate the needs
 612 of small and minority businesses into the economic-development,
 613 international-trade and reverse-investment, and workforce-
 614 development responsibilities assigned to the organization by
 615 this section. ~~Where practicable and consistent with the~~
 616 ~~expertise of the Black Business Investment Board, Inc.,~~
 617 Enterprise Florida, Inc., shall collaborate ~~contract~~ with the
 618 Florida Black Business Investment Board, Inc., and the
 619 Department of Community Affairs ~~corporation~~ for the delivery of
 620 services in fulfillment of the responsibilities of Enterprise
 621 Florida, Inc., relating to small and minority businesses.

622 Section 15. The Office of Program Policy Analysis and
 623 Government Accountability shall prepare a status report on the
 624 initial implementation of the Florida Black Business Investment
 625 Act by the Department of Community Affairs and shall provide the
 626 report to the Governor, the President of the Senate, and the
 627 Speaker of the House of Representatives by December 1, 2007. The
 628 office shall a conduct a program review of the department's
 629 performance in meeting the goals of the Florida Black Business
 630 Investment Act and shall provide a
 631 report to the Governor, the President of the Senate, and the
 632 Speaker of the House of Representatives by December 1, 2008.

633 Section 16. The Auditor General shall conduct an audit of
 634 the Florida Black Business Investment Board, Inc.'s, investment
 635 activity for fiscal years 2001-2002 through 2005-2006 and report

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636 its findings to the Governor, the President of the Senate, and
 637 the Speaker of the House of Representatives by January 1, 2007.

638 Section 17. Sections 288.7092, 288.7095, 288.71, 288.7101,
 639 288.712, and 288.713, Florida Statutes, are repealed.

640 Section 18. The sum of \$ is appropriated from the
 641 General Revenue Fund to the Department of Community Affairs for
 642 the 2006-2007 fiscal year for purposes of implementing and
 643 administering the Black Business Loan Program, and
 644 full-time equivalent positions and \$ in approved
 645 salary rate are authorized.

646 Section 19. This act shall take effect July 1, 2006.