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LEGISLATIVE ACTION

Senate	.	House
Comm: RCS	.	
02/14/2013	.	
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Appropriations Subcommittee on Transportation, Tourism, and Economic Development (Latvala) recommended the following:

**Senate Amendment (with title amendment)**

Delete everything after the enacting clause and insert:

Section 1. Section 288.001, Florida Statutes, is amended to read:

288.001 The Florida Small Business Development Center Network; ~~purpose.~~

(1) PURPOSE.—The Florida Small Business Development Center Network is the principal business assistance organization for small businesses in the state. The purpose of the network is to serve emerging and established for-profit, privately held



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13 businesses that maintain a place of business in the state.

14 (2) DEFINITIONS.—As used in this section, the term:

15 (a) "Board of Governors" is the Board of Governors of the  
16 State University System.

17 (b) "Host institution" is the university designated by the  
18 Board of Governors to be the recipient organization in  
19 accordance with 13 C.F.R. s. 130.200.

20 (c) "Network" means the Florida Small Business Development  
21 Center Network.

22 (3) OPERATION; POLICIES AND PROGRAMS.—

23 (a) The network's statewide director shall operate the  
24 network in compliance with the federal laws and regulations  
25 governing the network and the Board of Governors Regulation  
26 10.015.

27 (b) The network's statewide director shall consult with the  
28 Board of Governors, the department, and the network's statewide  
29 advisory board to ensure that the network's policies and  
30 programs align with the statewide goals of the State University  
31 System and the statewide strategic economic development plan as  
32 provided under s. 20.60.

33 (4) STATEWIDE ADVISORY BOARD.—

34 (a) The network shall maintain a statewide advisory board  
35 to advise, counsel, and confer with the statewide director on  
36 matters pertaining to the operation of the network.

37 (b) The statewide advisory board shall consist of 19  
38 members from across the state. At least 12 members must be  
39 representatives of the private sector who are knowledgeable of  
40 the needs and challenges of small businesses. The members must  
41 represent various segments and industries of the economy in this



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42 state and must bring knowledge and skills to the statewide  
43 advisory board which would enhance the board's collective  
44 knowledge of small business assistance needs and challenges. The  
45 board must include the following members:

46 1. Three members appointed from the private sector by the  
47 President of the Senate.

48 2. Three members appointed from the private sector by the  
49 Speaker of the House of Representatives.

50 3. Three members appointed from the private sector by the  
51 Governor.

52 4. Three members appointed from the private sector by the  
53 network's statewide director.

54 5. One member appointed by the host institution.

55 6. The President of Enterprise Florida, Inc., or his or her  
56 designee.

57 7. The Chief Financial Officer or his or her designee.

58 8. The President of the Florida Chamber of Commerce or his  
59 or her designee.

60 9. The Small Business Development Center Project Officer  
61 from the U.S. Small Business Administration at the South Florida  
62 District Office or his or her designee.

63 10. The executive director of the National Federation of  
64 Independent Businesses, Florida, or his or her designee.

65 11. The executive director of the Florida United Business  
66 Association or his or her designee.

67 (c) The term of an appointed member shall be for 4 years,  
68 beginning August 1, 2013, except that at the time of initial  
69 appointments, two members appointed by the Governor, one member  
70 appointed by the President of the Senate, one member appointed



71 by the Speaker of the House of Representatives, and one member  
72 appointed by the network's statewide director shall be appointed  
73 for 2 years. An appointed member may be reappointed to a  
74 subsequent term. Members of the statewide advisory board may not  
75 receive compensation but may be reimbursed for per diem and  
76 travel expenses in accordance with s. 112.061.

77 (5) SMALL BUSINESS SUPPORT SERVICES; AGREEMENT.-

78 (a) The statewide director, in consultation with the  
79 advisory board, shall develop support services that are  
80 delivered through regional small business development centers.  
81 Support services must target the needs of businesses that employ  
82 fewer than 100 persons and demonstrate an assessed capacity to  
83 grow in employment or revenue.

84 (b) Support services must include, but need not be limited  
85 to, providing information or research, consulting, educating, or  
86 assisting businesses in the following activities:

87 1. Planning related to the start-up, operation, or  
88 expansion of a small business enterprise in this state. Such  
89 activities include providing guidance on business formation,  
90 structure, management, registration, regulation, and taxes.

91 2. Developing and implementing strategic or business plans.  
92 Such activities include analyzing a business's mission, vision,  
93 strategies, and goals; critiquing the overall plan; and creating  
94 performance measures.

95 3. Developing the financial literacy of existing businesses  
96 related to their business cash flow and financial management  
97 plans. Such activities include conducting financial analysis  
98 health checks, assessing cost control management techniques, and  
99 building financial management strategies and solutions.



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100           4. Developing and implementing plans for existing  
101 businesses to access or expand to new or existing markets. Such  
102 activities include conducting market research, researching and  
103 identifying expansion opportunities in international markets,  
104 and identifying opportunities in selling to units of government.

105           5. Supporting access to capital for business investment and  
106 expansion. Such activities include identifying and assessing  
107 potential debt or equity investors or other financing  
108 opportunities; assisting in the preparation of applications,  
109 projections, or pro forma or other support documentation for  
110 loan, financing, or investment requests; and facilitating  
111 conferences with lenders or investors.

112           6. Assisting existing businesses to plan for a natural or  
113 man-made disaster, and assisting businesses when such an event  
114 occurs. Such activities include creating business continuity and  
115 disaster plans, preparing disaster and bridge loan applications,  
116 and carrying out other emergency support functions.

117           (c) A business receiving support services must agree to  
118 participate in assessments of such services. The agreement, at a  
119 minimum, must request the business to report demographic  
120 characteristics, changes in employment and sales, debt and  
121 equity capital attained, and government contracts acquired. The  
122 host institution may require additional reporting requirements  
123 for funding described in subsection (7).

124           (6) REQUIRED MATCH.—The network must provide a match equal  
125 to the total amount of any direct legislative appropriation  
126 which is received directly by the host institution and is  
127 specifically designated for the network. The match may include  
128 funds from federal or other nonstate funding sources designated



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129 for the network. At least 50 percent of the match must be cash.  
130 The remaining 50 percent may be provided through any allowable  
131 combination of additional cash, in-kind contributions, or  
132 indirect costs.

133 (7) ADDITIONAL STATE FUNDS; USES; PAY-PER-PERFORMANCE  
134 INCENTIVES; STATEWIDE SERVICE; SERVICE ENHANCEMENTS; BEST  
135 PRACTICES; ELIGIBILITY.-

136 (a) The statewide director, in coordination with the host  
137 institution, shall establish a pay-per-performance incentive for  
138 regional small business development centers. Such incentive  
139 shall be funded from half of any state appropriation received  
140 directly by the host institution, which appropriation is  
141 specifically designated for the network. These funds shall be  
142 distributed to the regional small business development centers  
143 based upon data collected from the businesses as provided under  
144 paragraph (5)(c). The distribution formula must provide for the  
145 distribution of funds in part on the gross number of jobs  
146 created annually by each center and in part on the number of  
147 jobs created per support service hour. The pay-per-performance  
148 incentive must supplement the operations and support services of  
149 each regional small business development center, and may not  
150 reduce matching funds dedicated to the regional small business  
151 development center.

152 (b) Half of any state funds received directly by the host  
153 institution which are specifically designated for the network  
154 shall be distributed by the statewide director, in coordination  
155 with the advisory board, for the following purposes:

156 1. Ensuring that support services are available statewide,  
157 especially in underserved and rural areas of the state, to



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158 assist eligible businesses;

159 2. Enhancing participation in the network among state  
160 universities and colleges; and

161 3. Facilitating the adoption of innovative small business  
162 assistance best practices by the regional small business  
163 development centers.

164 (c) The statewide director, in coordination with the  
165 advisory board, shall develop annual programs to distribute  
166 funds for each of the purposes described in paragraph (b). The  
167 network shall announce the annual amount of available funds for  
168 each program, performance expectations, and other requirements.  
169 For each program, the statewide director shall present  
170 applications and recommendations to the advisory board. The  
171 advisory board shall make the final approval of applications.  
172 Approved applications must be publicly posted. At a minimum,  
173 programs must include:

174 1. New regional small business development centers; and  
175 2. Awards for the top six regional small business  
176 development centers that adopt best practices, as determined by  
177 the advisory board. Detailed information about best practices  
178 must be made available to regional small business development  
179 centers for voluntary implementation.

180 (d) A regional small business development center that has  
181 been found by the statewide director to perform poorly, to  
182 engage in improper activity affecting the operation and  
183 integrity of the network, or to fail to follow the rules and  
184 procedures set forth in the laws, regulations, and policies  
185 governing the network, is not eligible for funds under this  
186 subsection.



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187 (e) Funds awarded under this subsection may not reduce  
188 matching funds dedicated to the regional small business  
189 development centers.

190 (8) REPORTING.—

191 (a) The statewide director shall quarterly update the Board  
192 of Governors, the department, and the advisory board on the  
193 network's progress and outcomes, including aggregate information  
194 on businesses assisted by the network.

195 (b) The statewide director, in coordination with the  
196 advisory board, shall annually report, on June 30, to the  
197 President of the Senate and the Speaker of the House of  
198 Representatives on the network's progress and outcomes for the  
199 previous fiscal year. The report must include aggregate  
200 information on businesses assisted by the network, network  
201 services and programs, the use of funds specifically dedicated  
202 to the network, and the network's economic return to the state.  
203 The report must contain specific information on performance-  
204 based metrics and contain the methodology used to calculate the  
205 network's economic benefit to the state.

206 Section 2. This act shall take effect July 1, 2013.

207  
208 ===== T I T L E A M E N D M E N T =====

209 And the title is amended as follows:

210 Delete everything before the enacting clause  
211 and insert:

212 A bill to be entitled  
213 An act relating to the Florida Small Business  
214 Development Center Network; amending s. 288.001, F.S.;

215 providing a network purpose; providing definitions;





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216 requiring the statewide director and the network to  
217 operate the program in compliance with federal laws  
218 and regulations and a Board of Governors regulation;  
219 requiring the statewide director to consult with the  
220 Board of Governors, the Department of Economic  
221 Opportunity, and the network's statewide advisory  
222 board to establish certain policies and goals;  
223 requiring the network to maintain a statewide advisory  
224 board; providing for advisory board membership;  
225 providing for terms of membership; providing for  
226 certain member reimbursement; requiring the director  
227 to develop support services; specifying support  
228 service requirements; requiring businesses that  
229 receive support services to participate in certain  
230 assessments; requiring the network to provide a match  
231 equal to certain state funding; providing criteria for  
232 the match; requiring the statewide director to  
233 coordinate with the host institution to establish a  
234 pay-per-performance incentive; providing for pay-per-  
235 performance incentive funding and distribution;  
236 providing a distribution formula requirement;  
237 requiring the statewide director to coordinate with  
238 the advisory board to distribute funds for certain  
239 purposes and develop programs to distribute funds for  
240 those purposes; requiring the network to announce  
241 available funding, performance expectations, and other  
242 requirements; requiring the statewide director to  
243 present applications and recommendations to the  
244 advisory board; requiring applications approved by the



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245 advisory board to be publicly posted; providing  
246 minimum requirements for a program; prohibiting  
247 certain regional small business development centers  
248 from receiving funds; providing that match funding may  
249 not be reduced for regional small business development  
250 centers receiving additional funds; requiring the  
251 statewide director to regularly update the Board of  
252 Governors, the department, and the advisory board with  
253 certain information; requiring the statewide director,  
254 in coordination with the advisory board, to annually  
255 report certain information to the President of the  
256 Senate and the Speaker of the House of  
257 Representatives; providing an effective date.