

By the Committee on Appropriations; and Senator Detert

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1 A bill to be entitled
2 An act relating to the Florida Small Business
3 Development Center Network; amending s. 288.001, F.S.;
4 providing a network purpose; providing definitions;
5 requiring the statewide director and the network to
6 operate the program in compliance with federal laws
7 and regulations and a Board of Governors regulation;
8 requiring the statewide director to consult with the
9 Board of Governors, the Department of Economic
10 Opportunity, and the network's statewide advisory
11 board to establish certain policies and goals;
12 requiring the network to maintain a statewide advisory
13 board; providing for advisory board membership;
14 providing for terms of membership; providing for
15 certain member reimbursement; requiring the director
16 to develop support services; specifying support
17 service requirements; requiring businesses that
18 receive support services to participate in certain
19 assessments; requiring the network to provide a match
20 equal to certain state funding; providing criteria for
21 the match; requiring the statewide director to
22 coordinate with the host institution to establish a
23 pay-per-performance incentive; providing for pay-per-
24 performance incentive funding and distribution;
25 providing a distribution formula requirement;
26 requiring the statewide director to coordinate with
27 the advisory board to distribute funds for certain
28 purposes and develop programs to distribute funds for
29 those purposes; requiring the network to announce

576-02054-13

2013224c1

30 available funding, performance expectations, and other
31 requirements; requiring the statewide director to
32 present applications and recommendations to the
33 advisory board; requiring applications approved by the
34 advisory board to be publicly posted; providing
35 minimum requirements for a program; prohibiting
36 certain regional small business development centers
37 from receiving funds; providing that match funding may
38 not be reduced for regional small business development
39 centers receiving additional funds; requiring the
40 statewide director to regularly update the Board of
41 Governors, the department, and the advisory board with
42 certain information; requiring the statewide director,
43 in coordination with the advisory board, to annually
44 report certain information to the President of the
45 Senate and the Speaker of the House of
46 Representatives; providing an effective date.

47
48 Be It Enacted by the Legislature of the State of Florida:

49
50 Section 1. Section 288.001, Florida Statutes, is amended to
51 read:

52 288.001 The Florida Small Business Development Center
53 Network; ~~purpose.~~

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

576-02054-13

2013224c1

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

60 (a) "Board of Governors" is the Board of Governors of the
61 State University System.

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

65 (c) "Network" means the Florida Small Business Development
66 Center Network.

67 (3) OPERATION; POLICIES AND PROGRAMS.—

68 (a) The network's statewide director shall operate the
69 network in compliance with the federal laws and regulations
70 governing the network and the Board of Governors Regulation
71 10.015.

72 (b) The network's statewide director shall consult with the
73 Board of Governors, the department, and the network's statewide
74 advisory board to ensure that the network's policies and
75 programs align with the statewide goals of the State University
76 System and the statewide strategic economic development plan as
77 provided under s. 20.60.

78 (4) STATEWIDE ADVISORY BOARD.—

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

82 (b) The statewide advisory board shall consist of 19
83 members from across the state. At least 12 members must be
84 representatives of the private sector who are knowledgeable of
85 the needs and challenges of small businesses. The members must
86 represent various segments and industries of the economy in this
87 state and must bring knowledge and skills to the statewide

576-02054-13

2013224c1

88 advisory board which would enhance the board's collective
89 knowledge of small business assistance needs and challenges.
90 Minority and gender representation must be considered when
91 making appointments to the board. The board must include the
92 following members:

93 1. Three members appointed from the private sector by the
94 President of the Senate.

95 2. Three members appointed from the private sector by the
96 Speaker of the House of Representatives.

97 3. Three members appointed from the private sector by the
98 Governor.

99 4. Three members appointed from the private sector by the
100 network's statewide director.

101 5. One member appointed by the host institution.

102 6. The President of Enterprise Florida, Inc., or his or her
103 designee.

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

105 8. The President of the Florida Chamber of Commerce or his
106 or her designee.

107 9. The Small Business Development Center Project Officer
108 from the U.S. Small Business Administration at the South Florida
109 District Office or his or her designee.

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

112 11. The executive director of the Florida United Business
113 Association or his or her designee.

114 (c) The term of an appointed member shall be for 4 years,
115 beginning August 1, 2013, except that at the time of initial
116 appointments, two members appointed by the Governor, one member

576-02054-13

2013224c1

117 appointed by the President of the Senate, one member appointed
118 by the Speaker of the House of Representatives, and one member
119 appointed by the network's statewide director shall be appointed
120 for 2 years. An appointed member may be reappointed to a
121 subsequent term. Members of the statewide advisory board may not
122 receive compensation but may be reimbursed for per diem and
123 travel expenses in accordance with s. 112.061.

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

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

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

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

138 2. Developing and implementing strategic or business plans.
139 Such activities include analyzing a business's mission, vision,
140 strategies, and goals; critiquing the overall plan; and creating
141 performance measures.

142 3. Developing the financial literacy of existing businesses
143 related to their business cash flow and financial management
144 plans. Such activities include conducting financial analysis
145 health checks, assessing cost control management techniques, and

576-02054-13

2013224c1

146 building financial management strategies and solutions.

147 4. Developing and implementing plans for existing
148 businesses to access or expand to new or existing markets. Such
149 activities include conducting market research, researching and
150 identifying expansion opportunities in international markets,
151 and identifying opportunities in selling to units of government.

152 5. Supporting access to capital for business investment and
153 expansion. Such activities include providing technical
154 assistance relating to obtaining surety bonds; identifying and
155 assessing potential debt or equity investors or other financing
156 opportunities; assisting in the preparation of applications,
157 projections, or pro forma or other support documentation for
158 surety bond, loan, financing, or investment requests; and
159 facilitating conferences with lenders or investors.

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

165 (c) A business receiving support services must agree to
166 participate in assessments of such services. The agreement, at a
167 minimum, must request the business to report demographic
168 characteristics, changes in employment and sales, debt and
169 equity capital attained, and government contracts acquired. The
170 host institution may require additional reporting requirements
171 for funding described in subsection (7).

172 (6) REQUIRED MATCH.—The network must provide a match equal
173 to the total amount of any direct legislative appropriation
174 which is received directly by the host institution and is

576-02054-13

2013224c1

175 specifically designated for the network. The match may include
176 funds from federal or other nonstate funding sources designated
177 for the network. At least 50 percent of the match must be cash.
178 The remaining 50 percent may be provided through any allowable
179 combination of additional cash, in-kind contributions, or
180 indirect costs.

181 (7) ADDITIONAL STATE FUNDS; USES; PAY-PER-PERFORMANCE
182 INCENTIVES; STATEWIDE SERVICE; SERVICE ENHANCEMENTS; BEST
183 PRACTICES; ELIGIBILITY.—

184 (a) The statewide director, in coordination with the host
185 institution, shall establish a pay-per-performance incentive for
186 regional small business development centers. Such incentive
187 shall be funded from half of any state appropriation received
188 directly by the host institution, which appropriation is
189 specifically designated for the network. These funds shall be
190 distributed to the regional small business development centers
191 based upon data collected from the businesses as provided under
192 paragraph (5) (c). The distribution formula must provide for the
193 distribution of funds in part on the gross number of jobs
194 created annually by each center and in part on the number of
195 jobs created per support service hour. The pay-per-performance
196 incentive must supplement the operations and support services of
197 each regional small business development center, and may not
198 reduce matching funds dedicated to the regional small business
199 development center.

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

576-02054-13

2013224c1

204 1. Ensuring that support services are available statewide,
205 especially in underserved and rural areas of the state, to
206 assist eligible businesses;

207 2. Enhancing participation in the network among state
208 universities and colleges; and

209 3. Facilitating the adoption of innovative small business
210 assistance best practices by the regional small business
211 development centers.

212 (c) The statewide director, in coordination with the
213 advisory board, shall develop annual programs to distribute
214 funds for each of the purposes described in paragraph (b). The
215 network shall announce the annual amount of available funds for
216 each program, performance expectations, and other requirements.
217 For each program, the statewide director shall present
218 applications and recommendations to the advisory board. The
219 advisory board shall make the final approval of applications.
220 Approved applications must be publicly posted. At a minimum,
221 programs must include:

222 1. New regional small business development centers; and

223 2. Awards for the top six regional small business
224 development centers that adopt best practices, as determined by
225 the advisory board. Detailed information about best practices
226 must be made available to regional small business development
227 centers for voluntary implementation.

228 (d) A regional small business development center that has
229 been found by the statewide director to perform poorly, to
230 engage in improper activity affecting the operation and
231 integrity of the network, or to fail to follow the rules and
232 procedures set forth in the laws, regulations, and policies

576-02054-13

2013224c1

233 governing the network, is not eligible for funds under this
234 subsection.

235 (e) Funds awarded under this subsection may not reduce
236 matching funds dedicated to the regional small business
237 development centers.

238 (8) REPORTING.—

239 (a) The statewide director shall quarterly update the Board
240 of Governors, the department, and the advisory board on the
241 network's progress and outcomes, including aggregate information
242 on businesses assisted by the network.

243 (b) The statewide director, in coordination with the
244 advisory board, shall annually report, on June 30, to the
245 President of the Senate and the Speaker of the House of
246 Representatives on the network's progress and outcomes for the
247 previous fiscal year. The report must include aggregate
248 information on businesses assisted by the network, network
249 services and programs, the use of funds specifically dedicated
250 to the network, and the network's economic benefit to the state.
251 The report must contain specific information on performance-
252 based metrics and contain the methodology used to calculate the
253 network's economic benefit to the state.

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