

By Senator Soto

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1 A bill to be entitled
2 An act relating to a small business development fund;
3 creating s. 288.7045, F.S.; providing definitions;
4 creating the fund to secure loans from participating
5 private lending institutions for certain small
6 businesses; prohibiting a participating private
7 lending institution from charging a small business
8 more than a specified rate of interest; specifying a
9 cap on the loan amount; specifying that half of the
10 funds be loaned to small businesses and the other half
11 be loaned to small start-up businesses; specifying the
12 information that must be contained in the loan
13 application from the fund; requiring the Department of
14 Economic Opportunity to select the participating
15 private lending institutions and the small businesses
16 and small start-up businesses that qualify for
17 funding; requiring the department to conduct a one-
18 time public awareness campaign; providing funding;
19 providing an effective date.

20
21 Be It Enacted by the Legislature of the State of Florida:

22
23 Section 1. Section 288.7045 is created to read:

24 288.7045 The Florida small business fund.-

25 (1) As used in this section, the term:

26 (a) "Fund" means the Florida small business fund.

27 (c) "Participating private lending institution" means a
28 private lending institution selected by the department to
29 participate in an approved venture.

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30 (d) "Small business" means an existing business with an
31 estimated value of less than \$250,000.

32 (e) "Small start-up business" means a new business that is
33 started by an individual who has access to less than \$50,000 in
34 capital. However, the individual is not required to access the
35 capital to qualify for the loan.

36 (f) "Venture" means a business opportunity presented by the
37 small business or small start-up business for a loan from the
38 fund.

39 (2) The Florida small business fund is created to secure
40 \$50 million in loans by participating private lending
41 institutions to small businesses and small start-up businesses
42 by July 1, 2014.

43 (a) A participating private lending institution may not
44 charge more than 2 percent interest per annum per loan for any
45 loan secured by the fund.

46 (b) Each loan must be less than or equal to \$50,000
47 depending on the demonstrated needs of the venture.

48 (c) Of all loans secured by the fund, half of the loans
49 shall be made to small businesses and the other half shall be
50 made to small start-up businesses.

51 (d) To initiate the loan process, each small business and
52 small start-up business shall file an application with the
53 department, which must contain the following information:

54 1. The name and address of each natural person who is a
55 direct or indirect owner;

56 2. The nature of the business venture, including a
57 description of the type of new business or expansion, the
58 business location, the proposed start date, and the anticipated

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59 number of new employees;

60 3. A statement that the business has a minority business
61 enterprise or women business enterprise certification; and

62 4. The amount of the loan requested and a description of
63 the purpose for the requested amount.

64 (e) The department shall select:

65 1. The participating private lending institutions;

66 2. The small business and small start-up business that
67 qualify for the fund, after considering:

68 a. The merits of the venture based upon information
69 provided in the application; and

70 b. The economic impact to the state.

71
72 The department may consider a goal of 20 percent participation
73 by certified minority and women business enterprises.

74 (f) On or before December 31, 2013, the department may
75 spend up to \$500,000 from the fund to conduct a one-time public-
76 notice campaign to create public awareness of the program.

77 (7) The department may adopt rules and forms to implement
78 this section.

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