

**HOUSE OF REPRESENTATIVES
FINAL BILL ANALYSIS**

BILL #:	HB 1285	FINAL HOUSE FLOOR ACTION:		
SUBJECT/SHORT TITLE	Florida Business Entities	100	Y's 0	N's
SPONSOR(S):	Albritton	GOVERNOR'S ACTION:		Approved
COMPANION BILLS:	SB 1028			

SUMMARY ANALYSIS

HB 1285 passed the House on March 1, 2018. The bill was amended in the Senate on March 6, 2017, and returned to the House. The House concurred in the Senate amendment and subsequently passed the bill as amended on March 9, 2018.

The bill authorizes state banks and trust companies regulated by the Florida Office of Financial Regulation (OFR) to:

- form as social purpose or benefit corporations;
- modify their OFR-approved forms for their articles of incorporation to include provisions required for social purpose or benefit corporations; and
- approve special stock offering plans.

The bill also expressly allows social purpose or benefit corporations to omit confidential information from their annual benefit reports.

The bill transitions the Institute for Commercialization of Public Research (ICPR) into the Institute for Commercialization of Florida Technology (Institute), which will continue to offer seed and early stage investment capital in Florida, without requiring an ongoing state expenditure for such support. The Institute will:

- be operated by a private fund manager who will be paid from fees based on the Institute's investment activities;
- no longer partner with publicly supported universities or research institutes to support their commercialization efforts;
- not be supported by or function under the Department of Economic Opportunity; and
- be dissolved if the Institute receives any further state appropriations.

The bill has a minimal fiscal impact on state government and does not appear to have a fiscal impact on local government.

The bill was approved by the Governor on March 30, 2018, ch. 2018-139, L.O.F., and will become effective on July 1, 2018.

This document does not reflect the intent or official position of the bill sponsor or House of Representatives.

STORAGE NAME: h1285z1.CCS

DATE: April 2, 2018

I. SUBSTANTIVE INFORMATION

A. EFFECT OF CHANGES:

Present Situation

Financial Institutions as Social Purpose or Benefit Corporations in Florida

The Florida Office of Financial Regulation (OFR) regulates state-chartered depository and non-depository financial institutions and financial service companies. One of OFR's primary goals is to provide for and promote the safety and soundness of financial institutions while preserving the integrity of Florida's markets and financial service industries.¹ OFR has regulatory authority over banks and trust companies, pursuant to ch. 658, F.S., of the Financial Institutions Codes (codes). These banks and trust companies operate pursuant to pt. I of ch. 607, F.S., relating to for-profit corporations, to the extent that ch. 607, F.S., does not conflict with, or is not expressly superseded by, the codes.²

A corporation that seeks to organize as a state-chartered bank or trust company in Florida must submit an application for authority to organize to OFR. The application must include the financial, business, and reasonably required biographical information for each proposed director, executive officer, and, if applicable, each trust officer.³ OFR is required to grant the corporation's request to organize if it meets certain criteria relating to local conditions, capitalization, paid-in capital-in surplus, qualifications of the proposed officer and directors, the corporate name of the proposed state bank or trust company, and provision of suitable quarters at the location.⁴

After OFR grants a corporation's approval to organize, the corporation must submit its articles of incorporation and filing fee to OFR to become chartered and begin its corporate existence as a banking corporation or trust company.⁵ OFR must then provide the proposed directors with form articles of incorporation that reflect only those provisions that are required under s. 658.23, F.S., and pt. I of ch. 607, F.S., relating to for-profit corporations.⁶

Currently, state banks and trust companies are not permitted to be formed as social purpose or benefit corporations.⁷

In 2014, the Florida Legislature adopted legislation that governs social purpose corporations and benefit corporations. Generally, social purpose and benefit corporations protect directors and officers who use corporate assets to pursue public benefit goals in addition to the generally accepted corporate goal of profit maximization. Further, since there is a hybrid of goals in these corporations, the profit-making ability distinguishes social purpose and benefit corporations from charities and from not-for-profit corporations.⁸

¹ s. 655.001(2), F.S.

² s. 658.30(1), F.S.

³ s. 658.19, F.S.

⁴ s. 658.21, F.S.

⁵ s. 658.23(1), F.S.

⁶ *See, e.g.*, Florida Office of Financial Regulation, *Model Articles of Incorporation Bank, Trust Company, or Association*, available at https://www.flofr.com/PDFs/model_articles_OFR.pdf (last visited Jan. 24, 2018).

⁷ s. 658.23, F.S.

⁸ *See generally* ch. 607, pts. II and III, F.S.

The primary difference between a social purpose corporation and a benefit corporation is the degree of public benefit purpose imposed upon each of the corporations.⁹ A social purpose corporation may pursue or create one or more public benefits, which may be specific. In contrast, a benefit corporation may pursue or create a “general public benefit,” which is a broad purpose intended to encompass many societal and environmental factors that are affected by the business and operations of the corporation.¹⁰

For both types of corporations, the directors and officers are required to consider the effects of any corporate action or inaction upon the benefit goals of the corporation. Both of these corporations can be the subject of a benefit enforcement proceeding to compel them to pursue or create a general or specific public benefit. However, neither corporation, nor any of its directors and officers, may be found monetarily liable for a failure to create or pursue a public benefit. For-profit corporations and their officers and directors are not subject to a requirement to pursue a public benefit.¹¹

As of May 2017, thirty-two states permitted benefit corporations.¹² Four states have legislation that allow social purpose corporations.¹³ There are approximately 3,500 benefit corporations nationwide, including Kickstarter, Ben & Jerry’s, Patagonia, Warby Parker, Etsy, and King Arthur Flour, all of which operate with a commitment to environmental and social factors, as well as to their shareholders’ financial interests.¹⁴ Virginia Community Capital was the first federally chartered bank to become a benefit corporation in April 2016.¹⁵

Benefit corporations must prepare an annual benefit report (report). The report must contain information such as:¹⁶

- A description of the ways the benefit corporation pursued the general and specific public benefit goal;
- An explanation of the third-party standard¹⁷ against which the benefit corporation’s performance is assessed, if applicable;
- The contact information of certain directors and officers; and
- If any benefit director resigned from, refused to stand for reelection to, or was removed from his or her position.

A social purpose corporation’s report is substantially similar to a benefit corporation’s report, but it need only describe how it pursued a particular rather than general public benefit.¹⁸

⁹ Stuart Cohn & Stuart Ames, *Now It’s Easier Being Green: Florida’s New Benefit and Social Purpose Corporations*, 88-9 FLA. BAR. J. 38, at 2 (Nov. 2014) available at <https://www.floridabar.org/news/tfb-journal/?durl=%2FDIVCOM%2FJN%2Fjnjjournal01.nsf%2FArticles%2FC655F4F9D7D009B585257D7E004BCB18> (last visited Jan. 24, 2018).

¹⁰ ss. 607.506, .606, F.S.

¹¹ ss. 607.602, 607.511, and 607.611, F.S.

¹² BENEFIT CORPORATION GATEWAY, *State-by-State Guide*, <http://www.benefitcorporationgateway.org/h/entrepreneurs-main/state-by-state-guide/> (last visited Jan. 19, 2018).

¹³ Rob Esposito & Shawn Pelsinger, *Social Enterprise Law Tracker: Status Tool*, <http://socentlawtracker.org/#/spsc> (last visited Jan. 24, 2018).

¹⁴ Carol Hazard, *Community Capital Bank becomes first B Corp bank in U.S.*, RICHMOND TIMES-DISPATCH (Apr. 4, 2016), http://www.richmond.com/business/community-capital-bank-becomes-first-b-corp-bank-in-u/article_f26a9996-3f21-5b87-b1fb-c1011730a8ba.html; see also B-LAB, *FAQ’s*, <http://benefitcorp.net/faq> (last visited Jan. 24, 2018).

¹⁵ CISION PRWEB, *For-Profit Bank Becomes First Benefit Corporation Bank in U.S.* (Apr. 4, 2016), <http://www.prweb.com/releases/2016/03/prweb13301237.htm> (last visited Jan. 24, 2018).

¹⁶ s. 607.612, F.S.

¹⁷ ss. 607.502(10) and 607.602(10), F.S. A third-party standard is a recognized standard for defining, reporting, and assessing the societal and environmental performance of a business.

¹⁸ s. 607.512(1)(a)1., F.S.

These annual benefit reports are not required to be audited or certified by a third-party standards provider, such as B-Lab, unless a corporation's articles of incorporation state otherwise.¹⁹

Additionally, a social purpose or benefit corporation must deliver their annual benefit report to each of its shareholders, and post the report publicly.²⁰ If a social purpose or benefit corporation fails to publicly furnish its annual benefit report, one of its shareholders may bring an action to compel its provision in circuit court. The court may award the suing shareholder costs and attorney's fees.²¹

Florida Capital Formation Act and the Florida Institute for the Commercialization of Public Research

In 2007, the Florida Capital Formation Act was enacted to address the need to increase the availability of seed capital and early stage venture capital for emerging Florida companies. In part, the act created the Institute for the Commercialization of Public Research (ICPR).

The Legislature created the ICPR "to mentor, market, and attract capital to such commercialization ventures throughout the state." ICPR assists in the commercialization of products developed by research and development activities of innovation businesses, publicly supported universities and colleges, research institutes, and other publicly supported organizations within Florida.²²

ICPR is a non-profit organization tasked with assisting innovation businesses, and public colleges, universities, or research institutes, or any other publicly supported organization in Florida in the commercialization of products. Specifically, ICPR:²³

- maintains a centralized location to showcase companies and their technologies and products;
- develops an efficient process to inventory and publicize companies and products that have been accepted by the ICPR;
- communicates with private investors and venture capital organizations regarding the investment opportunities in its showcased companies;
- facilitates meetings between prospective investors and eligible organizations in the institute;
- hires full-time staff who understand relevant technologies needed to market companies to angel investors and the venture capital investment community; and
- develops cooperative relationships with publicly supported organizations to provide resources or special knowledge likely to be helpful to institute companies.

Additionally, ICPR may:²⁴

- provide a company with value-added support services in the areas of business plan development and strategy, the preparation of investor presentations, and other critical areas identified by the Institute to increase its chances for long-term viability and success;
- encourage appropriate investment funds to become preapproved to match investment funds;
- market the attractiveness of the state as an early-stage investment location; and
- collaborate with state economic development organizations, national associations of seed and angel funds, and other innovation-based associations to create an enhanced state entrepreneurial ecosystem.

The following materials held by ICPR are exempt from public disclosure pursuant to s. 119.07(1), F.S., and s. 24(a), Art. I of the Florida Constitution:

¹⁹ ss. 607.512(3) and 607.612(4), F.S.

²⁰ ss. 607.513 and 607.613, F.S.

²¹ ss. 607.513(4) and 607.613, F.S.

²² s. 288.9622, F.S.

²³ s. 288.9625(8), F.S.

²⁴ s. 288.96255(6), F.S.

- documents and materials related to a business' methods of manufacture or production, potential trade secrets, or patentable material provided to the institute by a proprietor;
- information that would identify an anonymous investor or potential investor;
- information received from another person, state, nation, or the federal government, which is confidential or exempt pursuant to the originator's laws;
- proprietary confidential business information; and
- portions of the ICPR's meetings wherein information that is confidential and exempt is discussed.

The Department of Economic Opportunity (DEO) serves as the state's manager for the state's contract for services with ICPR.²⁵

Since 2007, the Legislature has appropriated an estimated total of \$33 million in state funds to ICPR for operating costs, grants, loans, and seed stage funds.²⁶ ICPR did not receive any funding in Fiscal Year 2017-2018. At the end of Fiscal Year 2015-2016, ICPR had net assets totaling \$19,520,996.²⁷

Florida Technology Seed Capital Fund

In 2013, the Legislature directed the ICPR to create the Florida Technology Seed Capital Fund (Fund) as a corporate subsidiary²⁸ for the following purposes:²⁹

- foster greater private-sector investment funding,
- encourage seed-state investments in start-up companies, and
- advise companies on the restructuring of existing management, operations, or production in order to attract greater business opportunities.

ICPR is responsible for the administration of the Fund, and is directed to establish an advisory board consisting of venture capitalists and early stage investors to advise and guide the Fund in addition to making funding recommendations. Administrative fees associated with the Fund are determined by the advisory board. ICPR is required to annually evaluate the activities and results of the funding.³⁰

ICPR is required to use a thorough and detailed process modeled after the best practices of the investment industry to evaluate each investment proposal. To approve a company for investment, the Institute must consider if:³¹

- the company has a strong intellectual property position, capable management team, readily identifiable paths to market or commercialization, significant job-growth potential, the ability to provide other sources of capital to leverage the state's investment, and the potential to attract additional funding;
- the company has been identified by a publicly funded research institution;
- the company operates in a targeted industry;³²

²⁵ s. 20.60(9)(b), F.S.

²⁶ Office of Economic and Demographic Research, *Return-on-Investment of the Florida Microfinance Loan and Microfinance Guarantee Programs* (Jan. 2018), p. 43-45, available at <http://edr.state.fl.us/Content/returnoninvestment/MicrofinanceLoanandGuaranteeProgams.pdf> (last visited Feb. 18, 2018).

²⁷ Florida Auditor General, *Institute for Commercialization of Public Research: 2015-16 Fiscal Year* (2016), p. 4, available at https://flauditor.gov/pages/nonprofit_forprofit%20pages/institute%20for%20the%20commercialization%20of%20public%20research.htm (last visited Mar. 11, 2018).

²⁸ ch. 2013-120, Laws of Fla.

²⁹ s. 288.92655, F.S.

³⁰ s. 288.96255(1), (7), F.S.

³¹ s. 288.96255(4), F.S.

³² s. 288.106(2)(q), F.S.; defined broadly by Enterprise Florida, Inc., as cleantech, life sciences, information technology, aviation/aerospace, logistics and distribution, defense and homeland security, and financial/professional services.

- the company has been identified by an approved private-sector lead investor who has demonstrated due diligence typical of start-up investments in evaluating the potential of the company; and
- the advisory board and fund manager have reviewed the company's proposal and recommended it.

The Fund may make an investment if a company is approved for funding by ICPR and:³³

- the individual investment range is between \$50,000 and \$300,000;
- the total invested in a single company does not exceed \$500,000; and
- there is a one-to-one match of private-sector investment for seed fund investments up to \$300,000. There is a two-to-one match of private sector investment for seed fund investments over \$300,000.

ICPR is required to evaluate the activities and results of the Fund annually, taking into consideration that seed investment horizons span anywhere from 3 to 7 years.³⁴

Effect of the Bill

Financial Institutions as Social Purpose or Benefit Corporations in Florida

The bill allows state banks and trust companies to form as social purpose or benefit corporations. Specifically, the bill allows social purpose and benefit corporations statutes to extend to state banks and trust companies, and permits stockholders, directors, and committees of such financial institutions to hold authorized meetings.

The bill allows social purpose corporations and benefit corporations to omit information required to be kept confidential under state or federal law from their annual benefit report. If the social purpose corporation or benefit corporation does omit such information, however, it must expressly state that it did so in its annual benefit report. This allows banks and trust companies that form as social purpose or benefit corporations to maintain the confidentiality of information that is required to be confidential under the Financial Institutions Codes.

The bill authorizes state banks and trust companies to modify their approved form for their articles of incorporation with OFR to include provisions required for social purpose or benefit corporations, and to approve special stock offering plans.

Institute for the Commercialization of Public Research

The bill:

- redesignates the "Institute for the Commercialization of Public Research" as the "Institute for Commercialization of Florida Technology" (Institute);
- removes the Institute from management under DEO as a public-private partnership, direct-support organization, or contracted entity;
- requires the Fund to be managed by a private fund manager; and
- dissolves the Institute if there are any further state appropriations to it.

Florida Capital Formation Act and the Institute for the Commercialization of Florida Technology

The bill expands Legislative intent for how the Florida Capital Formation Act functions to:

³³ s. 288.96255(5), F.S.

³⁴ s. 288.92655(7), F.S.

- allow for the use of highly qualified private fund managers experienced in the seed and early stage development industry in Florida. The managers have to be in Florida or knowledgeable about in-state investments.
- outline the use, qualifications, and activities required of the private fund manager who manages the assets of the Seed Capital Accelerator Program and the Florida Technology Seed Capital Fund investment portfolio within the Institute for Commercialization of Florida Technology.
- seek to reduce the ongoing operational cost and burden of managing the Florida Technology Seed Capital Fund and the Seed Capital Accelerator Program to this state by engaging a private asset management entity in this state that is familiar with the seed and early stage investment industry in this state. This entity would be responsible for the management of the assets of the Seed Capital Accelerator Program and the Florida Technology Seed Capital Fund investment portfolio without requiring ongoing state budget expenditures.

The bill creates the following definitions:

- "Accelerator program" means the Seed Capital Accelerator Program managed by the Institute.
- "Institute" means the Institute for Commercialization of Florida Technology.
- "Investment portfolio" means individual or collective investment assets held under the technology fund.
- "Net profits" means the total gross proceeds received from the sale or liquidation of an asset of the investment portfolio less any costs; legal fees; professional fees; consulting fees; government fees; brokerage fees; taxes; management fees pursuant to s. 288.9625(12)(b), F.S.; disbursement to private investors pursuant to s. 288.96255(6), F.S.; or other fees, costs, and expenses incurred in the sale or liquidation of any of the investment portfolio assets.
- "Portfolio companies" means the companies who are part of the Florida Technology Seed Capital Fund investment portfolio.
- "Private fund manager" means the private entity, or its designee, selected to manage the investment portfolio on behalf of the Institute.
- "Technology fund" means the Florida Technology Seed Capital Fund managed by the Institute.

Regarding the Institute, the bill:

- specifies that the investment-related affairs of the Institute will be managed by the private fund manager and overseen by a board of directors.
- requires that upon the Institute receiving any specific appropriation from the state after July 1, 2018, the Institute must immediately transfer such funds to the General Revenue Fund. All assets and ownership interests held by the Fund will be liquidated immediately after the receipt of such appropriation, and all proceeds of the sales of such assets and ownership interests will revert to the General Revenue Fund.
- no longer requires that the Institute be located at a university or research center.
- no longer requires the Institute to support existing commercialization efforts at state universities, or assist in the commercialization of products developed by the research and development activities of a publicly supported college, university, or research institute, or any other publicly supported organization in this state.
- no longer prohibits the Institute from supplanting, replacing, or directing existing technology transfer operations or other commercialization programs, including incubators and accelerators.
- transfers the ICPR's public records exemptions to the Institute.

Relating to the board of directors of the Institute, the bill:

- reduces the board of directors from five to three members and removes the requirement that the board of directors include the executive director of DEO and the president of the university where the Institute is located.
- specifies that should the Florida Capital Formation Act be amended to change to the number of directors:

- the term and service for a director appointed by the Governor must continue through the end of his or her current term as of the effective date of the amendment,
- the term and service for a director in excess of 3 years and not appointed by the Governor must cease and terminate as of the effective date of the amendment, and
- the bylaws of the Institute shall be amended accordingly by the board of directors.
- provides that, upon vacancy, or within 90 days before an anticipated vacancy by the expiration of a term of a director, the private fund manager shall submit a list of three eligible nominees, which may include the incumbent director, to replace the outgoing director. The board of directors, voting along with the private fund manager, may appoint a director from the nominee list or may request and appoint a director from a new list of three nominees that were not included on the previous list.
- provides that the persons appointed as replacement directors must include persons who have expertise in the area of the selection and supervision of early stage investment managers or in the fiduciary management of investment funds and other areas of expertise as considered appropriate.
- provides that directors are subject to any restrictions on conflicts of interest specified in the organizational documents, and may not have a financial interest in any venture capital investment in any portfolio company.
- provides that directors may be reimbursed for all reasonable, necessary, and actual expenses as determined and approved by the private fund manager pursuant to s. 112.061, F.S.
- specifies that the Institute has all powers granted under its organizational documents and will indemnify its directors and the private fund manager to the broadest extent permissible under state law.
- provides that the board of directors oversees the private fund manager to ensure consistency with the Florida Capital Formation Act, to perform those duties as may be delegated to it in the bylaws of the Institute, and to provide a copy of the Institute's annual report to the Governor, the President of the Senate, and the Speaker of the House of Representatives.

Florida Technology Seed Capital Fund

Regarding the Fund, the bill specifies that the private fund manager, on behalf of the Institute, may only invest in Florida-based companies or organizations and must follow certain guidelines when evaluating an investment proposal, including whether the private fund manager has had an opportunity to complete diligence to its satisfaction.

The bill removes the requirement that:

- the Institute receive certain recommendations for a publicly supported organization that is commercializing research, technology, or patents before accepting the organization into the Institute;
- investments are limited to certain monetary amounts.
- the Institute review the business plans and technology information of recommended companies; and
- the Institute mentor, develop marketing information, use its resources to attract capital investment, foster the effective management, growth, capitalization, technology protection, marketing or business success for companies accepted by the Institute.

Private Fund Manager

The bill provides that the purpose of the Institute's use of a private fund manager is to alleviate the state's burden of the continued and future operational and management costs related to the technology fund and accelerator program, while allowing the Institute, through the activities of the private fund manager, to continue to foster greater private-sector investment funding, to encourage seed-stage

investments in startup and early stage companies, and to advise companies about how to restructure existing management, operations, product development, or service development to attract advantageous business opportunities.

The bill provides that the private fund manager:

- must be a for-profit limited liability company or a for-profit corporation formed, governed, and operated in accordance with chapter 605 or chapter 607, respectively;
- must conduct activities on behalf of the Institute in compliance with applicable law;
- must have expertise and experience in the management and operation of early stage companies in this state;
- must have experience with investment in early stage ventures in this state and have a working knowledge and understanding of the investment portfolio and the relevant industries of the portfolio companies in this state;
- must employ personnel and professionals who have knowledge of the investment portfolio and portfolio companies of the Institute, as well as financial, technical, and business expertise to manage the technology fund activity;
- may not be a public corporation or instrumentality of the state;
- is not a corporation primarily acting as an instrumentality of the state for the purposes of sovereign immunity;
- is not an agency within the meaning of s. 20.03(11), F.S.;
- is not subject to state procurement laws under ch. 287, F.S.; and
- may not be governed by the code of ethics for public officers and employees as set forth in part III of ch. 112, F.S.

The bill authorizes the private fund manager to:

- assume management of the Institute's assets and investment portfolios;
- develop, execute and amend contracts, and negotiate investment, sale, and liquidation terms with portfolio and nonportfolio companies;
- seek new qualified companies for the investment of funds from the technology fund;
- receive investment capital from the sale or liquidation of any portion of the investment portfolio, loan proceeds, or other investment returns, and remit such capital, proceeds, and returns to the technology fund pursuant to law; and
- perform any additional duties described in s. 288.96255, F.S.
- mentor, assist with the development of marketing information, and assist with attracting capital investment, as well as bring other resources to the company which may foster its effective management, growth, capitalization, technology protection, or marketing or business success;
- communicate with private investors and venture capital organizations regarding investment opportunities in the companies in the portfolio of the technology fund and accelerator program;
- facilitate meetings between prospective investors and companies; and
- develop cooperative relationships with publicly supported organizations that work together to provide resources or special knowledge likely to be helpful to portfolio companies.

The bill specifies that the private fund manager receive reasonable fees consistent with industry fund management practices, including:

- an operational management fee, including the reimbursement of expenses, paid from the proceeds of the repayment of loans from the accelerator program or other capital, proceeds, and returns available in the technology fund;
- a portfolio fee paid from the proceeds of each sale or liquidation of assets or portions of the assets of the investment portfolio; and
- a closing fee paid from the investment amount paid by the technology fund to a company at the closing of each investment.

The bill requires the private fund manager to issue an annual report to the board of directors of the Institute concerning the activities the private fund manager conducted which relate to existing accelerator program and technology fund investments in order for the board to be in compliance with its other statutory reporting obligations. The annual report produced by the Institute is considered a public record, to the extent that it is not subject to any public records exemptions.

The bill provides an effective date of July 1, 2018.

II. FISCAL ANALYSIS & ECONOMIC IMPACT STATEMENT

A. FISCAL IMPACT ON STATE GOVERNMENT:

1. Revenues:

None.

2. Expenditures:

ICPR did not receive an appropriation in Fiscal Year 2017-2018. According to the most recent ICPR audit, the total program expenses were \$3,732,937.³⁵ The Institute will continue to require expenditures pursuant to statute, but these will be made from profits of the Institute, rather than state appropriation.

University and other publicly funded research institutes may see a reduction in funds available for the commercialization of their technologies because of the privatization of the Institute.

DEO may experience minimal cost savings by eliminating the contracting and related oversight responsibilities over the Institute.

B. FISCAL IMPACT ON LOCAL GOVERNMENTS:

1. Revenues:

None.

2. Expenditures:

None.

C. DIRECT ECONOMIC IMPACT ON PRIVATE SECTOR:

The bill will allow state banks and trust companies to form as social purpose or benefit corporations, which could allow for more innovation in the way banks function and may increase interest in investing by certain investors.

The bill will allow a wider-range of companies to receive commercialization investments from the Institute.

³⁵ Florida Auditor General, *supra* note 27.

D. FISCAL COMMENTS:

None.