

By Senator Powell

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1 A bill to be entitled
2 An act relating to the Black Business Loan Program;
3 amending s. 288.7102, F.S.; revising the types of
4 black business enterprises eligible to receive funds
5 under the program; requiring that the application
6 process and the annual certification process for the
7 program be separate and distinct processes; requiring
8 the Department of Economic Opportunity to consider
9 certain factors when assessing applications; requiring
10 that applications contain certain information;
11 revising eligibility requirements for recipients under
12 the program; reenacting s. 288.7094(2), F.S., relating
13 to black business investment corporations, to
14 incorporate the amendment made to s. 288.7102, F.S.,
15 in a reference thereto; providing an effective date.

16
17 Be It Enacted by the Legislature of the State of Florida:

18
19 Section 1. Subsections (1) and (2) and paragraphs (b), (c),
20 and (d) of subsection (4) of section 288.7102, Florida Statutes,
21 are amended to read:

22 288.7102 Black Business Loan Program.—

23 (1) The Black Business Loan Program is established in the
24 department, which shall annually certify eligible recipients and
25 subsequently disburse funds appropriated by the Legislature,
26 through such eligible recipients, to black business enterprises
27 ~~that cannot obtain capital through conventional lending~~
28 ~~institutions but that could otherwise compete successfully in~~
29 ~~the private sector.~~

30-01425A-21

20211744__

30 (2) (a) The department shall establish an application
31 process and an annual certification process for entities seeking
32 funds to participate in providing loans, loan guarantees, or
33 investments in black business enterprises pursuant to the Black
34 Business Loan Program. The application process and the annual
35 certification process must be two separate and distinct
36 processes. When assessing applications, the department shall
37 consider an applicant's need, ability, and track record Florida
38 Black Business Investment Act. The department shall process all
39 applications and recertifications submitted by June 1 on or
40 before July 31.

41 (b) The loan application must:

42 1. Indicate the maximum possible score an applicant may
43 achieve for each required section of the application;

44 2. Require an applicant to:

45 a. Document his or her past performance under any similar
46 business development program; and

47 b. Indicate whether he or she previously provided loans,
48 loan guarantees, or investments to black business enterprises as
49 an employee of a public agency, as defined in s. 288.9603(14),
50 and, if so, identify the programs for which such services were
51 performed; and

52 3. Indicate that the required cash match funds may not be
53 funds provided by a public agency.

54 (4) To be eligible to receive funds and provide loans, loan
55 guarantees, or investments under this section, a recipient must:

56 (b) ~~For an existing recipient, annually~~ Submit to the
57 department a financial audit performed by an independent
58 certified public accountant for the most recently completed

30-01425A-21

20211744__

59 fiscal year, which audit does not reveal any material weaknesses
60 or instances of material noncompliance. An existing recipient
61 must annually submit such audit.

62 (c) Demonstrate that ~~For a new recipient:~~

63 1. ~~Demonstrate that~~ Its board of directors includes
64 citizens of the state experienced in the development of black
65 business enterprises, can provide loans to black business
66 enterprises, and has performed in similar business development
67 programs or has previously acted for a public agency to provide
68 loans, loan guarantees, or investments to black business
69 enterprises.

70 2. ~~Demonstrate that~~ The recipient has a business plan that
71 allows the recipient to operate in a manner consistent with this
72 section and the rules of the department.

73 3. ~~Demonstrate that~~ The recipient has the technical skills
74 to analyze and evaluate applications by black business
75 enterprises for loans, loan guarantees, or investments.

76 4. ~~Demonstrate that~~ The recipient has established viable
77 partnerships with public and private funding sources, economic
78 development agencies, and workforce development and job referral
79 networks.

80 5. After certification and before receiving a distribution,
81 ~~Demonstrate that~~ the recipient has a match of public or private
82 dollars in hand equal to 20 percent of the amount to be
83 distributed to the recipient ~~can provide a private match equal~~
84 ~~to 20 percent of the amount of funds provided by the department.~~

85 (d) ~~For an existing or new recipient,~~ Agree to maintain the
86 recipient's books and records relating to funds received by the
87 department according to generally accepted accounting principles

30-01425A-21

20211744__

88 and in accordance with the requirements of s. 215.97(7) and to
89 make those books and records available to the department for
90 inspection upon reasonable notice.

91 Section 2. For the purpose of incorporating the amendment
92 made by this act to section 288.7102, Florida Statutes, in a
93 reference thereto, subsection (2) of section 288.7094, Florida
94 Statutes, is reenacted to read:

95 288.7094 Black business investment corporations.—

96 (2) A black business investment corporation that meets the
97 requirements of s. 288.7102(4) is eligible to participate in the
98 Black Business Loan Program and shall receive priority
99 consideration by the department for participation in the
100 program.

101 Section 3. This act shall take effect July 1, 2021.