

By Senator Jones

35-00384A-22

20221570\_\_

1                                   A bill to be entitled  
2       An act relating to economic assistance to new  
3       businesses; amending s. 287.042, F.S.; requiring the  
4       Department of Management Services to encourage  
5       agencies to allocate a certain percentage of specified  
6       funds to purchase commodities and contractual services  
7       from certain businesses; amending s. 288.006, F.S.;  
8       requiring the Department of Economic Opportunity to  
9       award a specified minimum amount of funds to certain  
10      businesses; creating s. 288.102, F.S.; providing a  
11      short title; defining the term "eligible new  
12      business"; prohibiting agencies from requiring  
13      eligible new businesses or persons establishing an  
14      eligible new business from paying fees relating to  
15      licenses or registrations for the business for a  
16      specified amount of time; prohibiting agencies from  
17      requiring home-based businesses to pay any fees  
18      relating to licenses or registrations; requiring  
19      Enterprise Florida, Inc., to develop and post a  
20      specified annual report on its website and to serve as  
21      the primary point of contact to assist eligible new  
22      businesses seeking certain information; decreasing the  
23      tax rate for certain income of eligible new businesses  
24      under certain circumstances; authorizing the  
25      Department of Revenue to adopt rules; creating s.  
26      443.31, F.S.; creating the Self-Employment Assistance  
27      Program within the Department of Economic Opportunity;  
28      providing a purpose for the program; authorizing  
29      individuals meeting certain criteria relating to

35-00384A-22

20221570\_\_

30 reemployment assistance benefits to apply to the  
31 department for participation in the program; providing  
32 application and eligibility requirements; specifying  
33 requirements for individuals approved to participate  
34 in the program; defining the term "full-time basis";  
35 exempting individuals participating in the program  
36 from specified requirements relating to reemployment  
37 assistance benefits; specifying that individuals  
38 participating in the program are disqualified from the  
39 program if the individuals become ineligible for  
40 reemployment assistance benefits; requiring the  
41 department to adopt rules; repealing s. 542.335, F.S.,  
42 relating to valid restraints of trade or commerce;  
43 amending s. 445.004, F.S.; requiring that a specified  
44 percentage of workforce development funding go to  
45 certain individuals and businesses; creating s.  
46 687.21, F.S.; prohibiting lenders from requiring small  
47 businesses to sign confessions of judgment; defining  
48 the term "small business"; providing an effective  
49 date.

50  
51 Be It Enacted by the Legislature of the State of Florida:

52  
53 Section 1. Paragraph (i) is added to subsection (1) of  
54 section 287.042, Florida Statutes, to read:

55 287.042 Powers, duties, and functions.—The department shall  
56 have the following powers, duties, and functions:

57 (1)

58 (i) The department shall encourage agencies to allocate at

35-00384A-22

20221570\_\_

59 least 5 percent of funds used to purchase commodities and  
60 contractual services pursuant to this chapter to purchase  
61 commodities and contractual services from businesses established  
62 within the previous 5 years and whose principal place of  
63 business is in this state.

64 Section 2. Subsection (2) of section 288.006, Florida  
65 Statutes, is amended to read:

66 288.006 General operation of loan programs.—

67 (2) State funds appropriated for a loan program may be used  
68 only by an eligible recipient or loan administrator, and the use  
69 of such funds is restricted to the specific state purpose of the  
70 loan program, subject to any compensation due to a loan  
71 administrator as provided under this chapter. State funds may be  
72 awarded directly by the department to an eligible recipient or  
73 awarded by the department to a loan administrator. All state  
74 funds, including any interest earned, remain state funds unless  
75 otherwise stated in the statutory requirements of the loan  
76 program. The department shall award at least 5 percent of funds  
77 awarded under this chapter to businesses established within the  
78 previous 5 years and whose principal place of business is in  
79 this state.

80 Section 3. Section 288.102, Florida Statutes, is created to  
81 read:

82 288.102 Florida Right to Start Act.—

83 (1) This section may be cited as the "Florida Right to  
84 Start Act."

85 (2) As used in this section, the term "eligible new  
86 business" means:

87 (a) A business entity licensed under the applicable laws of

35-00384A-22

20221570\_\_

88 this state that begins business operations on or after July 1,  
89 2022; or

90 (b) A home-based business as described under s. 559.955(3)  
91 that begins business operations on or after July 1, 2022.

92 (3) Notwithstanding any other law, an agency may not  
93 require an eligible new business or a person establishing an  
94 eligible new business to pay any fee relating to a license or  
95 registration for the first 5 years that the business is  
96 established and may not require a home-based business that meets  
97 the criteria under s. 559.955(3) to pay any fee relating to a  
98 license or registration.

99 (4) Enterprise Florida, Inc., shall do all of the  
100 following:

101 (a) Develop and post on its website an annual report that  
102 details how laws, rules, and regulations passed or adopted in  
103 the previous year affect businesses established for 5 years or  
104 less.

105 (b) Serve as the primary point of contact to assist  
106 eligible new businesses seeking information relating to this act  
107 and the government agencies that support businesses established  
108 for 5 years or less.

109 (5) (a) If an eligible new business is required to pay taxes  
110 under chapter 220:

111 1. The first \$250,000 of an eligible new business's income  
112 in the business's first tax year is exempt from the tax imposed  
113 by chapter 220.

114 2. The first \$500,000 of an eligible new business's income  
115 in the business's second tax year shall be taxed at a rate of 1  
116 percent, and any remaining income shall be taxed pursuant to

35-00384A-22

20221570\_\_

117 chapter 220.

118 3. The first \$750,000 of an eligible new business's income  
119 in the business's third tax year shall be taxed at a rate of 2  
120 percent, and any remaining income shall be taxed pursuant to  
121 chapter 220.

122 4. The first \$1 million of an eligible new business's  
123 income in the business's fourth tax year shall be taxed at a  
124 rate of 3 percent, and any remaining income shall be taxed  
125 pursuant to chapter 220.

126 5. Any income of an eligible new business after the fourth  
127 tax year shall be taxed pursuant to chapter 220.

128 (b) The Department of Revenue may adopt rules to administer  
129 this subsection.

130 Section 4. Section 443.31, Florida Statutes, is created to  
131 read:

132 443.31 Self-Employment Assistance Program.-

133 (1) The Self-Employment Assistance Program is created  
134 within the Department of Economic Opportunity. The purpose of  
135 the program is to authorize an individual receiving benefits  
136 under this chapter to retain his or her eligibility while the  
137 individual works toward establishing a business in this state  
138 which will serve as the full-time employer of the individual.

139 (2) (a) An individual may apply on a form prescribed by the  
140 department for approval to participate in the program. The  
141 application must include the projected start-up costs for the  
142 applicant's business, why the applicant believes there is a  
143 demand for the business's product, the business's target  
144 customer base, and the methods and strategies the applicant  
145 plans to use to market the business.

35-00384A-22

20221570\_\_

146 (b) To be eligible for the program, an individual must:

147 1. Be receiving benefits under this chapter;

148 2. Be likely to exhaust his or her benefits before finding  
149 employment; and

150 3. Have at least 18 weeks of benefit eligibility remaining.

151 (3) If an individual is approved to participate in the  
152 program, he or she must work on a full-time basis toward  
153 starting a business in this state, including, but not limited  
154 to, participating in training and activities, such as business  
155 counseling, which are required by department rule. An individual  
156 who fails to meet the requirements of this subsection is  
157 disqualified for benefits for the week in which the failure  
158 occurs. For the purposes of this subsection, the term "full-time  
159 basis" means the amount of time necessary each week, as  
160 determined by the department, to establish a business that will  
161 serve as the full-time occupation of the individual.

162 (4) An individual participating in the program is exempt  
163 from the work search requirements under s. 443.091 and from  
164 being disqualified for benefits under s. 443.101(2) for failing  
165 to apply for or accept suitable work.

166 (5) Except as otherwise provided in subsection (3), if an  
167 individual is ineligible for benefits under this chapter at any  
168 time while participating in the program, the individual is  
169 disqualified from the program.

170 (6) The department shall adopt rules to administer this  
171 section.

172 Section 5. Section 542.335, Florida Statutes, is repealed.

173 Section 6. Paragraph (a) of subsection (5) of section  
174 445.004, Florida Statutes, is amended to read:

35-00384A-22

20221570\_\_

175 445.004 CareerSource Florida, Inc., and the state board;  
176 creation; purpose; membership; duties and powers.—

177 (5) The state board has all the powers and authority not  
178 explicitly prohibited by statute which are necessary or  
179 convenient to carry out and effectuate its purposes as  
180 determined by statute, Pub. L. No. 113-128, and the Governor, as  
181 well as its functions, duties, and responsibilities, including,  
182 but not limited to, the following:

183 (a) Serving as the state's workforce development board  
184 pursuant to Pub. L. No. 113-128. Unless otherwise required by  
185 federal law, at least 90 percent of workforce development  
186 funding must go toward direct customer service, and 5 percent of  
187 workforce development funding must go to support individuals  
188 starting new businesses or to businesses established within the  
189 previous 5 years and whose principal place of business is in  
190 this state.

191 Section 7. Section 687.21, Florida Statutes, is created to  
192 read:

193 687.21 Confessions of judgment prohibited for small  
194 business loans.—A lender, regardless of whether the lender is  
195 based in this state, may not require a small business based in  
196 this state to sign a confession of judgment as a condition for  
197 receiving a loan. For the purposes of this section, the term  
198 "small business" has the same meaning as in s. 445.014(4).

199 Section 8. This act shall take effect January 1, 2023.