A bill to be entitled
An act relating to the Florida Small Business Development Center Network; amending s. 288.001, F.S.; providing a network purpose; providing definitions; requiring the statewide director and the network to operate the program in compliance with federal laws and regulations and a Board of Governors regulation; requiring the statewide director to consult with the Board of Governors, the Department of Economic Opportunity, and the network’s statewide advisory board to establish certain policies and goals; requiring the network to maintain a statewide advisory board; providing for advisory board membership; providing for terms of membership; providing for certain member reimbursement; requiring the director to develop support services; specifying support service requirements; requiring businesses that receive support services to participate in certain assessments; requiring the network to provide a match equal to certain state funding; providing criteria for the match; requiring the statewide director to coordinate with the host institution to establish a pay-per-performance incentive; providing for pay-per-performance incentive funding and distribution; providing a distribution formula requirement; requiring the statewide director to coordinate with the advisory board to distribute funds for certain purposes and develop programs to distribute funds for those purposes; requiring the network to announce...
available funding, performance expectations, and other requirements; requiring the statewide director to present applications and recommendations to the advisory board; requiring applications approved by the advisory board to be publicly posted; providing minimum requirements for a program; prohibiting certain regional small business development centers from receiving funds; providing that match funding may not be reduced for regional small business development centers receiving additional funds; requiring the statewide director to regularly update the Board of Governors, the department, and the advisory board with certain information; requiring the statewide director, in coordination with the advisory board, to annually report certain information to the President of the Senate and the Speaker of the House of Representatives; providing an effective date.

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

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

288.001 The Florida Small Business Development Center Network; purpose.—

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

CODING: Words stricken are deletions; words underlined are additions.
DEFINITIONS.—As used in this section, the term:
(a) “Board of Governors” is the Board of Governors of the State University System.
(b) “Host institution” is the university designated by the Board of Governors to be the recipient organization in accordance with 13 C.F.R. s. 130.200.
(c) “Network” means the Florida Small Business Development Center Network.

OPERATION; POLICIES AND PROGRAMS.—
(a) The network’s statewide director shall operate the network in compliance with the federal laws and regulations governing the network and the Board of Governors Regulation 10.015.
(b) The network’s statewide director shall consult with the Board of Governors, the department, and the network’s statewide advisory board to ensure that the network’s policies and programs align with the statewide goals of the State University System and the statewide strategic economic development plan as provided under s. 20.60.

STATEWIDE ADVISORY BOARD.—
(a) The network shall maintain a statewide advisory board to advise, counsel, and confer with the statewide director on matters pertaining to the operation of the network.
(b) The statewide advisory board shall consist of 19 members from across the state. At least 12 members must be representatives of the private sector who are knowledgeable of the needs and challenges of small businesses. The members must represent various segments and industries of the economy in this state and must bring knowledge and skills to the statewide
advisory board which would enhance the board’s collective knowledge of small business assistance needs and challenges. Minority and gender representation must be considered when making appointments to the board. The board must include the following members:

1. Three members appointed from the private sector by the President of the Senate.
2. Three members appointed from the private sector by the Speaker of the House of Representatives.
3. Three members appointed from the private sector by the Governor.
4. Three members appointed from the private sector by the network’s statewide director.
5. One member appointed by the host institution.
6. The President of Enterprise Florida, Inc., or his or her designee.
7. The Chief Financial Officer or his or her designee.
8. The President of the Florida Chamber of Commerce or his or her designee.
9. The Small Business Development Center Project Officer from the U.S. Small Business Administration at the South Florida District Office or his or her designee.
10. The executive director of the National Federation of Independent Businesses, Florida, or his or her designee.
11. The executive director of the Florida United Business Association or his or her designee.

(c) The term of an appointed member shall be for 4 years, beginning August 1, 2013, except that at the time of initial appointments, two members appointed by the Governor, one member
appointed by the President of the Senate, one member appointed
by the Speaker of the House of Representatives, and one member
appointed by the network’s statewide director shall be appointed
for 2 years. An appointed member may be reappointed to a
subsequent term. Members of the statewide advisory board may not
receive compensation but may be reimbursed for per diem and
travel expenses in accordance with s. 112.061.

(5) SMALL BUSINESS SUPPORT SERVICES; AGREEMENT.—

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

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

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

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

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

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

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

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

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

(6) REQUIRED MATCH.—The network must provide a match equal to the total amount of any direct legislative appropriation which is received directly by the host institution and is
specifically designated for the network. The match may include funds from federal or other nonstate funding sources designated for the network. At least 50 percent of the match must be cash. The remaining 50 percent may be provided through any allowable combination of additional cash, in-kind contributions, or indirect costs.

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

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

(b) Half of any state funds received directly by the host institution which are specifically designated for the network shall be distributed by the statewide director, in coordination with the advisory board, for the following purposes:
1. Ensuring that support services are available statewide, especially in underserved and rural areas of the state, to assist eligible businesses;

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

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

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

1. New regional small business development centers; and

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

(d) A regional small business development center that has been found by the statewide director to perform poorly, to engage in improper activity affecting the operation and integrity of the network, or to fail to follow the rules and procedures set forth in the laws, regulations, and policies
governing the network, is not eligible for funds under this subsection.

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

(8) REPORTING.—

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

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

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