



General Assembly

Substitute Bill No. 5493

February Session, 2006

* HB05493APP 040306 *

AN ACT ESTABLISHING A PILOT MICROLOAN PROGRAM FOR MICROENTERPRISES.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective July 1, 2006*) As used in sections 2 to 5,
2 inclusive, of this act and section 32-235 of the 2006 supplement to the
3 general statutes:

4 (1) "Community Economic Development Fund" means the entity
5 established pursuant to subsection (b) of section 8-240k of the general
6 statutes to accomplish the community economic development
7 program;

8 (2) "Microenterprise" means any business, new or existing, with ten
9 or fewer employees and annual gross revenues of less than five
10 hundred thousand dollars, including home-based and owner-operated
11 businesses;

12 (3) "Program" means the microloan program for microenterprises
13 established in section 2 of this act.

14 Sec. 2. (NEW) (*Effective July 1, 2006*) There is established a pilot
15 microloan program for microenterprises under which the
16 Commissioner of Economic and Community Development shall make
17 a grant to the Community Economic Development Fund. Said fund

18 shall use said grant to support the growth and development of
19 microenterprises.

20 Sec. 3. NEW) (*Effective July 1, 2006*) The grants provided under
21 section 2 of this act shall be used to:

22 (1) Identify appropriate microloan applicants state-wide;

23 (2) Evaluate the need for a prospective microloan applicant's
24 business in the community in which the microenterprise is or would be
25 located;

26 (3) Evaluate community support for a prospective microloan
27 applicant's business in the community in which the microenterprise is
28 or would be located;

29 (4) Work in conjunction with other community-based nonprofit
30 organizations, state and federal agencies and with the Community
31 Economic Development Fund to assist prospective microloan
32 applicants in preparing and finalizing business plans;

33 (5) Assist prospective microloan applicants in identifying and
34 accessing other appropriate business resources, including those
35 providing business management training;

36 (6) Track client data, level of service and outcome of services
37 provided; and

38 (7) Promote microenterprises and coordinate the delivery of services
39 by microenterprise support organizations to microenterprises.

40 Sec. 4. (NEW) (*Effective July 1, 2006*) The Community Economic
41 Development Fund shall consider the following criteria in making a
42 grant to a microloan generating organization:

43 (1) Sources and sufficiency of operating funds for the microloan
44 generating organization;

45 (2) The ability of the microloan generating organization to provide

