

REFERENCE TITLE: **small business loans**

State of Arizona  
Senate  
Forty-eighth Legislature  
First Regular Session  
2007

## **SB 1145**

Introduced by  
Senators Miranda, Landrum Taylor, Rios; Representative Miranda B: Senators  
Garcia, Hale, Soltero

**AN ACT**

**AMENDING SECTION 41-1504, ARIZONA REVISED STATUTES; MAKING AN APPROPRIATION;  
RELATING TO THE DEPARTMENT OF COMMERCE.**

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:  
2 Section 1. Section 41-1504, Arizona Revised Statutes, is amended to  
3 read:  
4 41-1504. Department powers and duties  
5 A. The department shall:  
6 1. Formulate policies, plans and programs designed to encourage  
7 orderly planning and stimulate economic activity and the development and use  
8 of solar energy in this state and to effectuate this chapter.  
9 2. Stimulate and encourage all local, state, regional and federal  
10 governmental agencies and all private persons and enterprises that have  
11 similar and related objectives and purposes, cooperate with the agencies,  
12 persons and enterprises and correlate department plans, programs and  
13 operations with those of the agencies, persons and enterprises.  
14 3. Conduct research on its own initiative or at the request of the  
15 governor, the legislature or state or local agencies pertaining to any  
16 department objectives.  
17 4. Provide information and advice on request of any local, state or  
18 federal agencies, private persons and business enterprises on matters within  
19 the scope of department activities.  
20 5. Consult with and make recommendations to the governor and the  
21 legislature on all matters concerning department objectives.  
22 6. Make annual reports to the governor and the legislature on its  
23 activities, its finances and the scope of its operations.  
24 7. Undertake a comprehensive research program designed to:  
25 (a) Establish the department as the central repository and  
26 clearinghouse for all data relating to this state's economy, energy and other  
27 resources as they relate to economic planning and development.  
28 (b) Maintain a current inventory of the resources of this state.  
29 (c) Investigate potential opportunities for the development of energy,  
30 industry and other commerce throughout this state.  
31 8. Promote and encourage the location of new business in this state as  
32 well as the maintenance and expansion of existing business in this state.  
33 Such programs shall include a special focus on fostering the recruitment and  
34 development of industries in the nonmetropolitan communities in this state.  
35 9. Receive, administer and disburse federal energy monies for energy  
36 programs ~~which~~ THAT benefit this state.  
37 10. Determine and collect registry fees for the administration of the  
38 allocation of federal tax exempt industrial development bonds and student  
39 loan bonds authorized by the department. Such monies collected by the  
40 department shall be deposited, pursuant to sections 35-146 and 35-147, in a  
41 department bond fund. Monies in the fund ~~shall~~, subject to annual  
42 appropriation by the legislature, SHALL be used by the department to  
43 administer the allocations provided in this paragraph and are exempt from  
44 section 35-190.

1           11. Determine and collect security deposits for the allocation, for the  
2 extension of allocations and for the difference between allocations and  
3 principal amounts of federal tax exempt industrial development bonds and  
4 student loan bonds authorized by the department. Security deposits forfeited  
5 to the department shall be deposited in the state general fund.

6           12. Encourage the development, use and conservation of solar energy and  
7 other renewable energy sources.

8           13. Establish and oversee the operations of export and import trade and  
9 tourism offices in the Far East, the Republic of Mexico and Europe for the  
10 purpose of expanding export trade opportunities for businesses and industries  
11 located in Arizona if after research the department determines that such  
12 establishment and oversight are feasible.

13           14. Establish and oversee the operations of a part-time export and  
14 import trade and tourism office in Japan if an office has not been  
15 established in Japan pursuant to paragraph 13 of this subsection and a  
16 part-time export and import trade and tourism office in Canada for the  
17 purpose of expanding export trade opportunities for businesses and industries  
18 located in this state if the department determines that such establishment  
19 and oversight are feasible.

20           15. On or before the conclusion of each calendar quarter, report to the  
21 governor, the president of the senate and the speaker of the house of  
22 representatives on the activities of the department relating to economic  
23 planning and development. The report shall include the status of the  
24 long-range strategic plan.

25           16. Establish a minority and women-owned business development program  
26 to promote the economic development of minority and women-owned business  
27 enterprises. The program shall provide data relating to minority and  
28 women-owned businesses and shall promote utilization and development of the  
29 state's minority and women entrepreneurs.

30           17. Establish a small business advocate office to promote the creation,  
31 growth and vitality of Arizona small businesses and to act as an advocate for  
32 small business interests before the governor, legislature and state agencies  
33 as well as the community at large.

34           18. Cooperate with the Arizona-Mexico commission in the governor's  
35 office and with researchers at universities in this state to collect data and  
36 conduct projects in the United States and Mexico on issues that are within  
37 the scope of the department's duties and that relate to quality of life,  
38 trade and economic development in this state in a manner that will help the  
39 Arizona-Mexico commission to assess and enhance the economic competitiveness  
40 of this state and of the Arizona-Mexico region.

41           19. Through its clearinghouse on grant information, maintain data  
42 regarding grants awarded by state agencies and universities. On or before  
43 December 1 of each year, each state agency and university shall submit a  
44 report to the department that includes information about each grant awarded  
45 by the state agency or university in the preceding fiscal year. The

1 information shall include the amount of each grant, the recipient of each  
2 grant and the purpose of each grant.

3 20. Be the state registration agency for apprenticeship functions  
4 prescribed by the federal government.

5 21. ESTABLISH A MICRO LOAN PROGRAM FOR CORPORATIONS, PARTNERSHIPS,  
6 LIMITED LIABILITY COMPANIES, SOLE PROPRIETORSHIPS OR INDIVIDUALS OPERATING A  
7 BUSINESS FOR PROFIT IN THIS STATE WITH NOT MORE THAN ONE HUNDRED EMPLOYEES.  
8 THE PURPOSE OF LOANS UNDER THIS PROGRAM IS TO ASSIST THESE ENTITIES IN  
9 CREATING NEW JOBS IN THIS STATE. THE LOAN AMOUNT FOR EACH ENTITY UNDER THIS  
10 PROGRAM SHALL NOT EXCEED THIRTY-FIVE THOUSAND DOLLARS. THE PROGRAM  
11 ESTABLISHED PURSUANT TO THIS PARAGRAPH ENDS ON JULY 1, 2017 PURSUANT TO  
12 SECTION 41-3102.

13 B. The department, through the director, may:

14 1. Employ administrative, secretarial and clerical assistants and  
15 contract for the services of outside advisers, consultants and aides  
16 reasonably necessary or desirable to enable the department to adequately  
17 perform its duties.

18 2. Contract and incur obligations reasonably necessary or desirable  
19 within the general scope of department activities and operations to enable  
20 the department to adequately perform its duties.

21 3. Utilize any media of communication, publication and exhibition in  
22 the dissemination of information, advertising and publicity in any field of  
23 its purposes, objectives or duties.

24 4. Adopt rules deemed necessary or desirable to govern its procedures  
25 and business.

26 5. Contract with other agencies in furtherance of any department  
27 program.

28 6. Use monies, facilities or services to provide matching  
29 contributions under federal or other programs which further the objectives  
30 and programs of the department.

31 7. Accept gifts, grants, matching monies or direct payments from  
32 public or private agencies or private persons and enterprises for the conduct  
33 of programs ~~which~~ THAT are consistent with the general purposes and  
34 objectives of this chapter.

35 8. Notwithstanding section 41-1553.05, subsection A, provide staff  
36 support to the Arizona international development authority.

37 C. The department shall not advocate or take a position on any special  
38 direct tax on any resident of this state for a sports facility or venue.

39 Sec. 2. Appropriation; micro loan program; exemption

40 A. The sum of \$5,000,000 is appropriated from the state general fund  
41 in fiscal year 2007-2008 to the department of commerce in order to fund the  
42 small business micro loan program.

43 B. The appropriation made in subsection A of this section is exempt  
44 from the provisions of section 35-190, Arizona Revised Statutes, relating to  
45 lapsing of appropriations.