

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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SENATE DRS15139-LY-48 (1/14)

Short Title: Small Entrepreneurs' Business Grant.

(Public)

Sponsors: Senator Jacumin.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO PROVIDE FUNDING FOR GRANTS TO ENTREPRENEURS.

The General Assembly of North Carolina enacts:

SECTION 1. There is appropriated from the General Fund to the North Carolina Community College System the sum of one hundred thousand dollars (\$100,000) for the 2005-2006 fiscal year and the sum of one hundred thousand dollars (\$100,000) for the 2006-2007 fiscal year for the Small Business Center Network to establish a pilot program to award micro-grants to small entrepreneurs to assist with start-up costs for a new business as provided in Section 2 of this act.

SECTION 2. The Small Business Center Network of the North Carolina Community College System shall establish a pilot program to provide micro-grants to small entrepreneurs in accordance with this section.

(1) In establishing locations for a pilot program, the Small Business Center Network shall consider areas that have been especially hard hit by economic displacement. In making this determination, the Small Business Center Network may consider, among other factors, county unemployment rates, recent local economic disruptions such as mass layoffs, average weekly wage, and poverty level.

(2) The Small Business Center Network shall develop criteria for when the award of a micro-grant would be appropriate. The Small Business Center Network may consider expenses associated with a specific type of proposal when developing criteria for micro-grants. At a minimum, the Small Business Center Network shall consider the costs of forming legal entities, the costs of developing business or marketing plans, and the costs of complying with State or local taxes and regulations.

1 (3) In performing its existing responsibilities with regards to business
2 counseling, the Small Business Center Network shall seek to identify
3 viable business proposals that could benefit from micro-grants.

4 (4) The amount of a micro-grant made under this program may not exceed
5 five hundred dollars (\$500.00). Amounts received as a micro-grant
6 may be used for legal, professional, or regulatory fees associated with
7 the establishment of a business and the development of business or
8 marketing plans only.

9 **SECTION 3.** The North Carolina Community College System shall report
10 on its activities pursuant to this act. An interim report is due to the 2006 Regular
11 Session of the 2005 General Assembly, and a final report is due to the 2007 General
12 Assembly. Reports shall be submitted to the Joint Legislative Commission on
13 Governmental Operations and the Fiscal Research Division.

14 **SECTION 4.** This act becomes effective July 1, 2005.