

By: Miles

H.B. No. 2994

A BILL TO BE ENTITLED

AN ACT

relating to the creation, operation, and funding of the urban farm microenterprise support program.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Title 3, Agriculture Code, is amended by adding Chapter 44A to read as follows:

CHAPTER 44A. URBAN FARM MICROENTERPRISE SUPPORT PROGRAM

Sec. 44A.001. DEFINITIONS. In this chapter:

(1) "Board" means the board of directors of the Texas Agricultural Finance Authority.

(2) "Microenterprise" means a small business in which the owner operates the enterprise.

(3) "Urban area" means an area inside the boundaries of a municipality with a population of 500,000 or more.

Sec. 44A.002. CREATION OF URBAN FARM MICROENTERPRISE SUPPORT PROGRAM. The board shall create an urban farm microenterprise support program to provide financial assistance to microenterprises in urban areas that are primarily engaged in:

(1) research into processes and technology related to agricultural production in an urban setting;

(2) the production or development of tools or processes for agriculture in a manner suited for an urban setting;
or

(3) agricultural activities in a manner suited for an

1 urban setting.

2 Sec. 44A.003. URBAN FARM MICROENTERPRISE SUPPORT PROGRAM
3 LOANS. (a) The board shall administer a loan program supporting
4 established and proposed urban farm microenterprises in urban areas
5 by providing loans to expand, modernize, or otherwise improve the
6 established microenterprises and to begin operation of proposed
7 microenterprises.

8 (b) An applicant applying on behalf of a proposed
9 microenterprise may receive a loan of up to \$25,000 to begin
10 operation of the microenterprise.

11 (c) An applicant applying on behalf of an established
12 microenterprise may receive a loan of up to \$50,000 to expand,
13 modernize, or otherwise improve an established operation.

14 (d) The board may reserve a portion of the total fund for use
15 in cooperative loan programs established with the participation of
16 other public or private lenders.

17 Sec. 44A.004. MONEY FOR LOANS. The board may accept gifts
18 and grants of money from the federal government, local governments,
19 or private corporations or other persons for use in making loans
20 under the urban farm microenterprise support program. The
21 legislature may appropriate money for loans under the program.

22 Sec. 44A.005. URBAN FARM MICROENTERPRISE DEVELOPMENT FUND.
23 The urban farm microenterprise development fund is a fund in the
24 comptroller's office. The following shall be deposited to the
25 credit of the fund:

26 (1) money appropriated to the board for use for the
27 urban farm microenterprise support program, including for making

1 loans under the program;

2 (2) other amounts received by the state for loans made
3 under the program;

4 (3) money received in repayment of loans made under
5 this chapter; and

6 (4) other money received by the board for the program
7 and required by the board to be deposited in the fund.

8 SECTION 2. This Act takes effect September 1, 2011.