



Tennessee Department of
Economic and Community Development

BERO | Business Enterprise Resource Office
Annual Report, Fiscal Year 2021

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BERO Annual Report | Index

Support and expand an inclusive continuum of access to DBEs, small businesses and entrepreneurs

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BERO Annual Report | Foreword

Talent is everywhere, opportunity is not. *Nicholas Kristoff*

The report herein addresses a range of topics specifically regarding disadvantaged businesses (DBE), small businesses and entrepreneurs in Tennessee.

Tennessee businesses continue to work through ongoing COVID-19 related impacts across many areas. It is evident that greater access to resources, education and tools, as well as capital, are crucial for our State's DBEs, small businesses and entrepreneurs. Further, the persistent gaps in those areas, can be addressed through appropriate support to expand an inclusive continuum of access for DBEs, small businesses and entrepreneurs throughout Tennessee. Throughout this report, there are references to relevant outside sources as well as the section titled, BERO Recommends, a list readings, videos, tools, etc. As one participant of the first ever ESO Summit stated, "We are in a need environment." Our businesses and those that work with them are negotiating those needs.

A few data points of note from the Sycamore Institute:

- As of late June 2021, there were 40% fewer small businesses in Tennessee than before the pandemic – even after an historic surge of new filings earlier this year.
- Black Tennesseans, younger adults, and women were more likely to report economic hardship last year – some of which dissipated after the early months of the pandemic.

Anyone with childcare needs has been impacted, and women-owned businesses have been especially impacted. In the Forbes article, [The Childcare Crisis Limits Women Entrepreneurs' Potential](#), Geri Stengel makes the point, "Black women and Latinas can—the ones who start the majority of new businesses—spearhead an economic recovery if they have reliable, consistent childcare."

Amid the challenges our businesses face, there is great work being done across State, from the most rural to the most urban areas.



There are two initiatives of particular interest, intended to support aspiring and existing DBEs, small businesses and entrepreneurs and the communities in which they live and work:

- **TN Placemakers Entrepreneurship Fund | Pivot and Recover**

Established in early FY2021 to increase the success and stabilization of local DBEs, small businesses and entrepreneurs impacted by COVID-19 through technical assistance, operating expenses, technology or microgrant programs. Federal dollars have been allocated towards Pivot and Recover. TN Placemakers is open for application statewide, rural to urban now.

- **TN SmartStart™ Community Initiative | Smart Businesses Start Here**

Helps a community support a thriving entrepreneurial environment through training Community Partners on the utilization of available tools and resources for local DBEs, small businesses, and entrepreneurs. Community Partners are the key to support a successful SmartStart™ Community by providing a "no wrong door" approach to their future and existing businesses

*** NOTE: Access to Resources, Education and Tools**

Look for updates coming in FY2022 on [SSBCI 2.0](#) funding for small business financing, and technical assistance to help small and diverse businesses become capital ready.



Snapshot | Projects, Initiatives, Programs

advocate, assist, convene, develop, design, discover, diversify, expand, implement, outreach, organize, support

Below is a quick snapshot of the projects, initiatives, and programs in the support and development of DBEs, small business and entrepreneurs throughout Tennessee. They run within TNECD and its public-partnerships. Each works to:

- Diversify the TN economy through the support of DBE, microenterprise and small business formation and expansion;
- Support and expand an inclusive continuum of access to capital for DBEs, small businesses and entrepreneurs throughout Tennessee; and/or
- Make TN the easiest place to open and run a business in the nation

See key below.

	Projects • Initiatives • Programs	Notable	Who/What	Description
TNECD	BERO Website	★ Most Visited		Most visited Topics include Topics in Economic Inclusion; Initiatives; TN SmartStart; Static, PDF/hardcopy resources; etc.
	Tennessee SmartStart™ Guide • Interactive guide tnsmartstart.com • Hard copy/PDF	248K+ pageviews FY21		Interactive and print guide for starting a business, including how register, referrals to assistance locally, and a dynamic business model canvas A recognized national best practice in print and online versions.
	TN SmartStart™ Community	40 communities		Helps a community support a thriving entrepreneurial environment by being trained in the utilization of available tools and resources for local entrepreneurs.
within	TN Placemakers Entrepreneurship Fund	\$414K grant mount awarded		Funding dedicated to assisting communities to develop and train small businesses and entrepreneurs by allowing them to obtain funds for broad and diverse activities from rural to urban.
	State Small Business Credit Initiative (SSBCI) 2.0	\$65M+ state allocation		Support and expand an inclusive continuum of access to capital for small businesses and entrepreneurs throughout Tennessee
Activities	Opportunity Zones	75 counties		A federal economic development tool designed to spur economic development and job creation in low-income communities.
	Economic Gardening	✓ access to new revenue streams		Targets existing second stage small businesses with assistance on strategic issues and provides customized research so they can grow.



Snapshot | Projects, Initiatives, Programs (continued)

advocate, assist, convene, develop, design, discover, diversify, expand, implement, outreach, organize, support

Projects • Initiatives • Programs	Metric	Who/What	Description	
Activities with Public-Private Partnerships	Stakeholder/Resource Partner Activities		Partnered to present/host related to disaster recovery, procurement, placemaking, economic development education	
	ESO Summit	1st one!		A virtual, half-day check-up and working session for ESOs, Entrepreneur Support Organizations in Tennessee, who work hands-on with small businesses and entrepreneurs ESOs statewide.
	Rural Opportunity Fund	\$25.4M⁺ in loans		Provides access to \$18.75M for loans and lines of credit ranging from \$5,000 to \$5M for rural small businesses.
	Driving Innovation	65 counties visited 25K people reached		Mobile platforms – theLab, the Venture and theAMP helping Rural Areas advance STEAM education; mentor entrepreneurs; support small business owners; enhance public spaces; and amplify community assets. Defunded in FY2021.

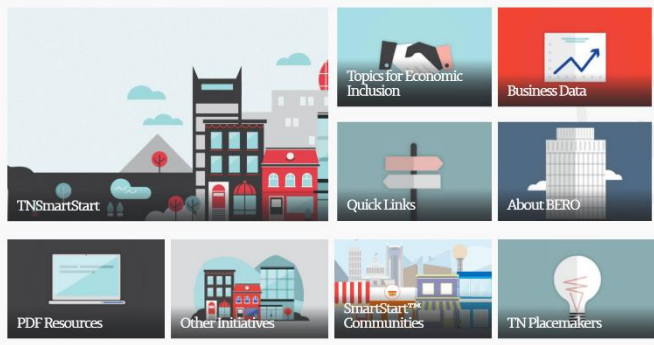
Find more information and details within the BERO annual report on the projects, initiatives, and programs highlighted in the snapshot.

Snapshot Key

Symbol Direct/Indirect	Category Who/What	Description
	DBE, Small Business, Entrepreneur	A small business owner or a part of the executive leadership of a small business or an entrepreneur; may also be considered a minority-owned, woman-owned and/or veteran-owned business, a business owner with disabilities and/or an underserved and underrepresented.
	ESO (Entrepreneur Support Organization)	This means they are hands-on, directly working with DBEs, small businesses and/or entrepreneurs through a nonprofit, education-connected, and/or government connected organization that supports businesses to start, grow and expand.
	Lender/Funder	They represent a bank, CDFI, credit union and/or other financial institution, development district, (angel or venture) equity investor, private funder, etc..
	Elected Officials and staff	They are an elected official at any level of government, including their staff.
	Stakeholder/Resource Partner	They do not provide direct hands-on support to DBEs, small businesses or entrepreneurs but are interested in their development and success such as an economic development agency, a chamber of commerce; a local, state or federal agency, etc.
	Access to Resources, Education and Tools	Resources, tools and educations, including technical business assistance for the existing and potential DBEs, small business and entrepreneurs .
	Access to Capital	Includes grants, debt and equity
	Convening	Bringing together groups to increase capacity and reach among groups
	Placemaking	A way to leverage local assets (human and natural) in a way that impacts the cultural, economic and social aspects of their community to intentionally create a good sense of place and enhance a strong sense of community and wellbeing.
	Policy• Regulatory• Compliance	Policy, regulatory, and/or compliance issues, topics
	Information available on dashboard.	tn.gov/transparenttn/state-financial-overview/open-ecd/openecd/tnecd-performance-metrics/entrepreneurship.html



About BERO | Business Enterprise Resource Office



BERO is housed within the State of Tennessee Department of Economic and Community Development (TNECD).

BERO | Business Enterprise Resource Office

- serves as a voice for and advocate of economic inclusion*;
- analyzes, disseminates and promotes best practices and access to capital; and
- reports on the status of DBEs statewide (disadvantaged businesses or **DBEs).

*Economic inclusion describes the efforts made to bring DBEs into the economic mainstream.

**For the purposes of BERO, DBE refers to businesses owned by women, minorities, veterans and persons with disabilities; as well as those underserved and underrepresented.

BERO was legislatively established within the department of economic and community development in 1977 by Title 4, Chapter 26 as the office of business enterprise.

Inquires

BERO addresses direct information requests received for business information and assistance made through telephone, email, postal service and referrals from communities, elected officials, resource partners, other businesses, etc. Individuals and companies can submit requests for business information through TNECD's website at tnecd.com/about/contact. BERO also serves as a go-to resource on DBE topics to TNECD's staff statewide. The most requested topics are related to elements involved on access to capital, steps to startup or move a business, certification and procurement.

Presentations and Events

Generally, FY2021 was similar to FY2020 with activities relative to DBEs, small business and entrepreneurship focused on the impacts, recovery and changes driven by the pandemic/COVID-19.

- Hosted SBA (TN and Atlanta disaster offices) for info sessions on disaster assistance related to
- Dec 25 explosion
- Hosted the SBA for webinars tied to changes in Economic Injury Disaster Loans (EIDL), Paycheck Protection Program (PPP) and new program like Shuttered Venue and Restaurant Recovery
- Participations in town halls and calls with legislators, including the Black Caucus
- Hosted a USDOT, TDOT, US SBA and US Health and Human Services (largest budget in US government in 2020 and 2021 due to the pandemic)
- Coordinated of targeted outreach for DBEs

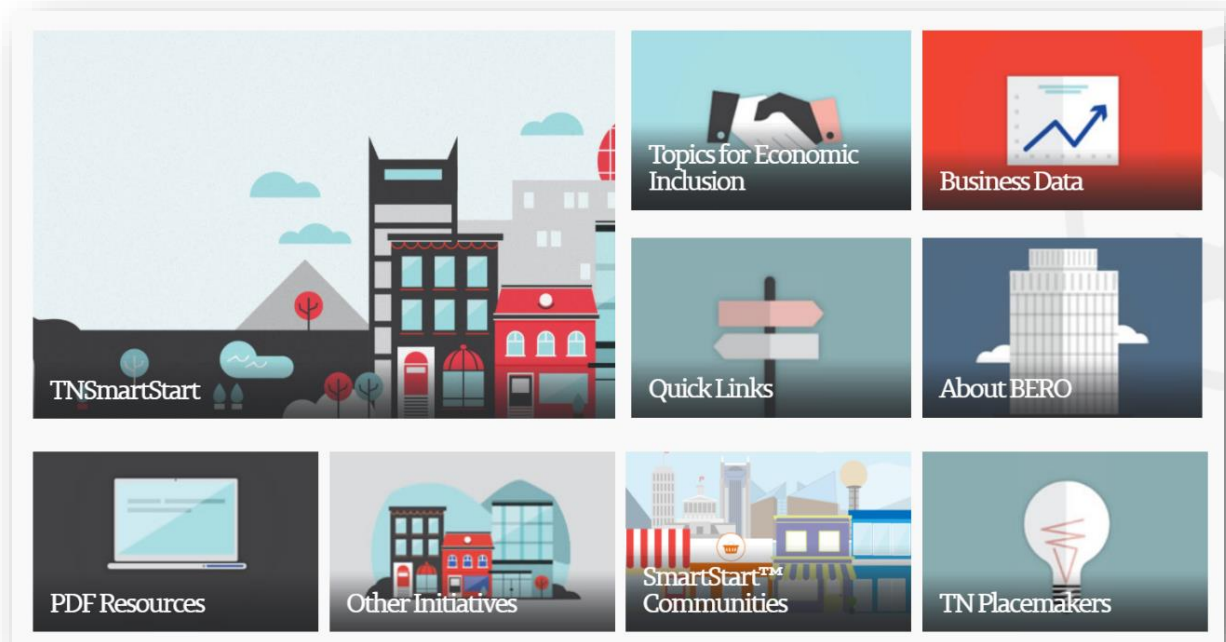
Contact Information

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Tennessee Department of Economic and Community Development
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Nashville, TN 37243
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BERO | Website overview

one of the country's best business climates



Here's what you'll find...

- Interactive guide for starting a business, including how register, referrals to entrepreneur support organizations for assistance locally, and a dynamic business model canvas, all of which are tailored to the user's responses (*TN SmartStart*)
- Static, PDF/hardcopy resources: (1) TN SmartStart™ Guide, a guide for new and existing small businesses and entrepreneurs, (2) a visual flowchart "How to Start a Business," and (3) a blank Business Model Canvas (*PDF Resources*)
- Procurement, certification, policy information and resources for small and DBE business owners (*Topics in Economic Inclusion*)
- Access to current data for businesses that have employees or have no employees as well as data based on business ownership by race, ethnicity, gender and veteran status. (*Dashboards*)
- Resources to help businesses and communities deliver better, with topics from advocacy to data collection, art to agriculture to tech. (*Quick Links*)
- General information and annual reports (*About BERO*)
- Funding opportunities for rural and urban core small business and entrepreneurship development (*TN Placemakers* Entrepreneurship Fund*)
- *TN SmartStart™ Community* initiative trains and equips Community Partners with the resources and tools to address the needs of new and existing small businesses and entrepreneurs within their own communities.
- Public-Private Partnerships: Rural Opportunity Fund, TN Driving Innovation mobile platforms – theLab, the Venture and theAMP (*Other Initiatives*)

*Placemakers leverage local assets (human and natural) in a way that impacts the cultural, economic and social aspects of their community to intentionally create a good sense of place and enhance a strong sense of community and well-being.



Tennessee SmartStart™ | A key resource

Smart Businesses Start Here

“Smart Start is an underrated program. We have a lot of entrepreneurs walk into City Hall. In 2020, 21 new businesses were opened in a town of 6,000 people. All received a Smart Start guide. We have served 17 so far in 2021. TNECD has made Sweetwater what it is!”

~Jessica Morgan, City of Sweetwater, from a Rural and Community Development Listening Tour

During FY2021, website information and updates for DBEs, small businesses and entrepreneurs remained predominantly focused on education, tools, and resources tied to COVID-19 impacted business at tn.gov/smallbusiness. As FY2021 progressed a shift back to people wanting to start businesses increased, while businesses needing assistance and guidance remained. This website was revamped from how to apply for the US Small Business Administration's (SBA) economic disaster injury loans ([EIDL](#)) and Paycheck Protection Program ([PPP](#)) or the various State programs like filing for unemployment for our state's sole proprietors and 1099 contractors to new programs. The new areas for SBA's new EIDL category, Shuttered Venue and Restaurant Recovery Funds and the State's SERG program were added.

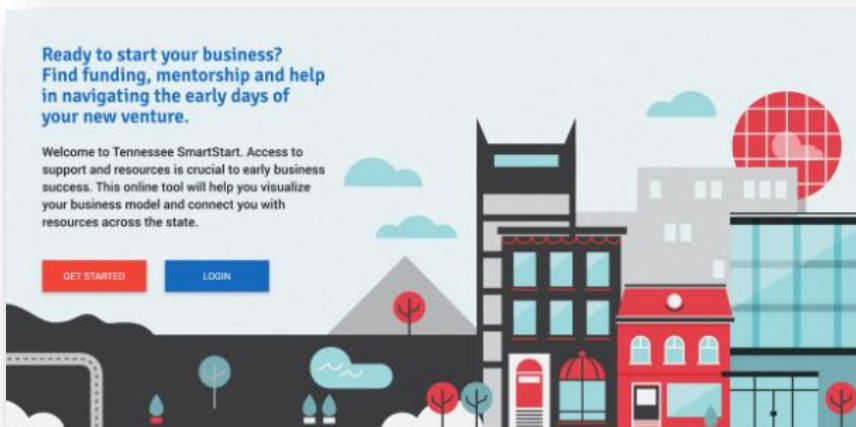
The **Tennessee SmartStart™ Guide** (SmartStart™) is utilized throughout TNECD's nine regions and among a wide array of resource partners and stakeholders including, but not limited to, elected officials, chambers of commerce, development districts, state agencies (such as the Office of the Small Business Advocate, Revenue, Secretary of State, Human Services and Labor and Workforce Development), UT-CIS, TN Small Business Development Centers, the US Small Business Administration, USDA Rural Development, SCORE, the Federal Reserve Banks of Atlanta and St. Louis, regional entrepreneur centers, coworking spaces, business incubators, among many others.

SmartStart™ enables a user to do three things: (1) get a step-by-step guide to register a business in Tennessee, (2) connect relevant resources, and (3) create a business model canvas.

It is noteworthy that user continue to spend comparatively longer time on some pages, especially the business model canvas, at 3.5 to 4 minutes, which is a comparatively long time for a webpage, and it also continues to have a very low bounce rate.

TN SmartStart™ serves as the basis component of the TN SmartStart™ Community initiative.

Tennessee SmartStart™



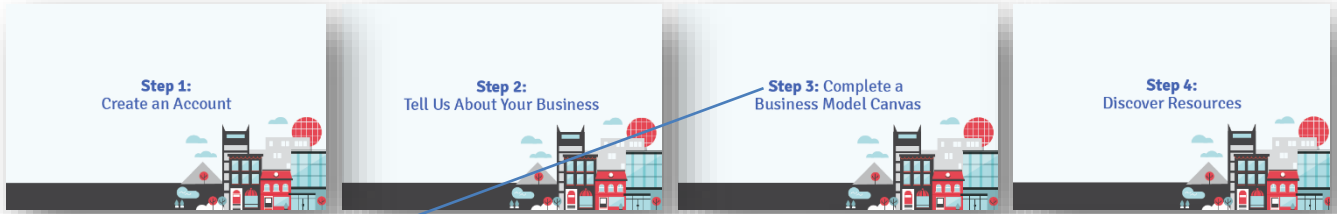
Smart Businesses
Start Here

[TNSMARTSTART.COM](https://tnsmartstart.com)



Tennessee SmartStart | Locating resources

As of late June 2021, there were 40% fewer small businesses in Tennessee than before the pandemic – even after an historic surge of new filings earlier this year. *Source: The Sycamore Institute*



Business Model Canvas

Users complete a business canvas by answering the mad lib questions. The user's answers populate the canvas, and that helps users better understand what they still need to know, and it gives them a way to talk about their business with one of the resources on their referral list.

Checklist

Registering a business is not an intuitive process and may require various registrations across multiple agencies at local, state and federal levels.

SmartStart™ provides a simplified step-by-step guide to registering a business in Tennessee.



The simplified version from the hard copy/PDF version serves as a quick reference visual guide and is easy to access. This is a great resource for any size business.

Good to know

Resources continue to be added and updated as well as become more localized.



SmartStart™ Community | Smart Businesses Start Here

a “no wrong door” approach

The SmartStart™ Community initiative is designed to train and equip Community Partners with the resources and tools to address the needs of new and existing small businesses and entrepreneurs within their own communities. This is a “no wrong door approach” to a community making itself more welcoming, accessible and business friendly.

It fully launched in FY2021. Although it was initially slated to begin in the first quarter of 2020 in person, due to COVID-19 the program was reworked to take place fully virtually.

There are 43 SmartStart™ Communities and counting..

Welcome
Tennessee SmartStart™
Community Partner



Smart Businesses Start Here

How does a community participate?

Communities self-select, and ...

1. Have a minimum of three unique Community Partners who all
 2. Attend an initial training, and
 3. Agree to regular communication with BERO
- Onboarding is rolling, and multiple communities may attend trainings.

Who can be a Community Partner?

Any organization in the community that is willing to provide resources for their aspiring and existing small businesses and entrepreneurs. Partners can be any combination of elected officials, chambers of commerce, ESOs (Entrepreneurial Support Organizations), electric providers, business leaders and entrepreneurs, educational institutions, artists, maker’s spaces, inventors, etc. There is a lot of flexibility because each “community” is different.

SmartStart™ Communities is part of making Tennessee the easiest place in the nation to open and run a business, and a way to make a community a welcoming place for it to happen.

For more information visit tn.gov/e cd/bero.

A sample discussion scenario:

These scenarios help to familiarize Community Partners on topics, so they are better equipped to connect businesses to the right resource at the right time



TN SmartStart™ Community Partner Training | Scenario 1

Business Planning

Scenario

- Chelsea walks through your door. She has an exciting idea to open a new breakfast restaurant.
- She wants to capture the early morning crowd... healthy breakfast options and maybe lunches, too.
- She goes into some detail about the coffee, maybe roasting it down the road, baked goods she wants to sell, among other food offerings and who the restaurant will appeal to, etc.
- She explains that she has worked in restaurants but does not have any prior business experience. She knows she needs startup money to purchase equipment, etc., and has found a building that could work.

Challenge

She clearly has lots of ideas! She says she is looking for help on where to start and specifically mentions the areas of funding, business planning, and possibly franchising.

You are a Community Partner so she saw your “Smart Businesses Start Here” decal. As a Community Partner, you can direct her to several resources.

Where do you start?



TN Placemakers Entrepreneurship Fund | Featuring...

Talent is everywhere, opportunity is not. Availability does not equate to accessibility.

Meet some #TNPlacemakers ...

#TNPlacemaker Spotlight

theCO




"Placemaking can be taxing work [...] but there are these little wins throughout the process. You just need to open your eyes and realize that some really small things can be instrumental to people and communities."
- Lisa Garner, Executive Director

#TNPlacemaker Spotlight

The LITE House




"We're in a small rural area of Appalachia -if you separated the University from the community or vice versa, we would not be the same community. We support each other. It's a very collaborative environment... which has helped us in building The LITE House."
- Anne Montgomery, LITE House Director

TN Placemakers strives to help communities provide opportunity through true access for the DBEs, small businesses and entrepreneurs that are and will be a part of their community.

Placemakers leverage local assets (human and natural) in a way that impacts the cultural, economic and social aspects of their community to intentionally create a good sense of place and enhance a strong sense of community and well-being.

#TNPlacemaker Spotlight

Corner to Corner




"Our job as a #TNPlacemaker is to eliminate barriers to entry and create onramps to opportunity so all entrepreneurs, especially in the Black community, are able to partake in resources to grow and thrive."
- Shana Berkeley, Director of The Academy

General Placemakers update:
To date, 27 grants totaling \$1,116,800 have been awarded from rural to urban core areas of Tennessee with a focus on underserved and underrepresented existing and future microenterprises and DBEs.

An additional \$5M+ in additional dollars have been available to this program due to the American Rescue Plan Act.



"I am a #TNPlacemaker!" was launched in October 2021 at the IEDC Annual Conference at the session, "[Is Your Regional Innovation Hub Focused On Building a Culture of Opportunity?](#)"

Follow IG at [@tnplacemakers](https://www.instagram.com/tnplacemakers) to learn more about the amazing projects happening across the State.



TN Placemakers | Applications open

Be a Placemaker!

The TN Placemakers Entrepreneurship Fund provide is dedicated to assisting communities to develop and train small businesses and entrepreneurs by allowing them to obtain funds for broad and diverse activities from rural to urban. Find more about funding group one, eligible applicants, use of dollars, etc. on the [website](#).

- **Good to know** There are two groups of funding are (1) Assess & Plan, Build & Sustain, and Support & Train, and (2) Pivot & Recover – a new funding group tied to the impacts of the pandemic.
- **Application Period:** Open; Applications are accepted and reviewed on a rolling basis until funding the program dollars are fully awarded.
- **Type of funding:** Reimbursement grant
- **Who can apply?** Nonprofits, Educational institutions, Government entities
This includes ED organizations, chambers of commerce, development districts, public-private partnerships, etc. Nonprofit applicants must be established for at least three years. This grant is not intended to support an individual business; it is for the benefit and support of businesses.
Important:
 - Individual businesses are not eligible for TN Placemakers funding. For resources for individual business, visit [BERO](#).
 - To verify that nonprofit is in good standing in TN, do a business information search [here](#) before applying.
 - If you have questions, please email the [TN Placemakers team](#).
- **Contract periods:** Contracts are 24-months, with months 1-18 focusing on implementation and utilization and months 19-24 slated for observation, data reporting, and close-out of the grant. Contracts may finish earlier.

Highlight on Funding Group 2: Pivot & Recover

- ✓ Up to \$100,000 for technical assistance, operating expenses, technology; no match requirement
- ✓ Up to \$50,000 for microgrant program; requires a 50% or 1:1 cash match

Details and uses

Increase the success and stabilization of local small businesses and entrepreneurs impacted by COVID-19 through technical assistance, operating expenses, technology or microgrant programs.

Find the webinar series presentations, recordings, materials, etc. [here](#).

. . .

🌟 **NOTE: Access to Resources, Education and Tools**

55 percent of Tennessee business establishments have fewer than five employees.

Source: U.S. Bureau of Labor Statistics, Quarterly Census of Wages and Employment 2020



Opportunity Zones | An economic development tool

Tennessee's total inflation-adjusted venture capital investment exceeds the median investment for all states. *Source: National Science Board, 2018 Science and Engineering Indicators*

“Opportunity Zones have the potential to be the largest economic development program in U.S. history.”
Steve Glickman, Co-Founder, Economic Innovation Group

Opportunity Zones are an economic and community development tool established by the Tax Cuts and Jobs Act of 2017. This tool is designed to drive long-term capital to low-income communities. The law provides a federal tax incentive for investors to re-invest their capital gains into Opportunity Funds, which are specialized vehicles dedicated to investing in designated in specific communities.

Tennessee at a glance:

- 75 of the 95 Tennessee counties contain an Opportunity Zone
- 54,000+ businesses currently operate within an Opportunity Zone
- 700,000 Tennesseans live within an Opportunity Zone

Websites: tn.gov/economic-development/opportunity-zones.html and oz.tnecd.com

Map source: cims.cdfifund.gov/preparation/?config=config_nmtc.xml



Economic Gardening | Grow existing small business

1,050,151 Tennesseans work in a business that employs fewer than 50 employees.

Source: U.S. Bureau of Labor Statistics, Quarterly Census of Wages and Employment 2019.

Economic Gardening is an effective way for states and regions to “grow their own” companies instead of economic hunting activities that have a questionable track record of success. At its most basic, it leverages research using sophisticated business intelligence tools and databases that growth companies either aren’t aware of or cannot afford.

To learn how to participate in the Tennessee Economic Gardening Initiative, visit tennessee.nationalcentereg.org or contact Lamont Price at lamont.price@tn.gov.

For more information about the National Center for Economic Gardening visit nationalcentereg.org.

🌟 **NOTE:** Access to Resources, Education and Tools

“Nearly half of respondents (46%) indicated it will take more than 12 months for their communities to return to the conditions prior to the disruption from COVID-19.”

Source: Perspectives from Main Street: The Impact of COVID-19 on Low- to Moderate-Income Communities and the Entities Serving Them, Federal Reserve System, June 2020



SSBCI 2.0 | a Tennessee ESO and Ecosystem Check-up

Support and expand an inclusive continuum of access to capital for small businesses and entrepreneurs throughout Tennessee

The American Rescue Plan Act (ARPA) reauthorizes and amends the Small Business Jobs Act of 2010 which established the State Small Business Credit Initiative (SSBCI 1.0).

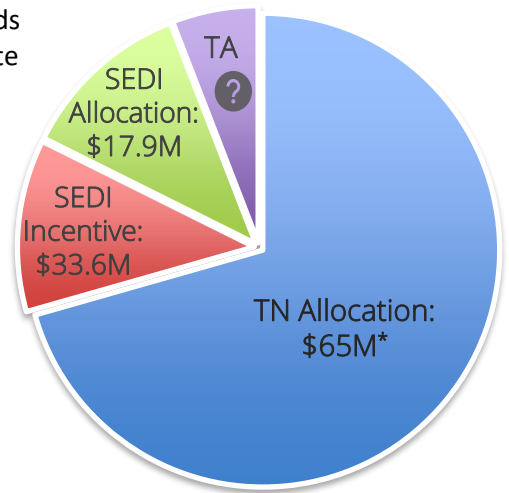
For SSBCI 2.0, the U.S. Department of Treasury (Treasury) was allocated \$10 billion to provide funding for small business financing, and technical assistance to help small and diverse businesses become capital ready.

Tennessee: \$65,390,433*

- Employment-based allocation: \$60,573,813
- Very Small Business allocation: \$4,816,620

Additional Pending Allocations:

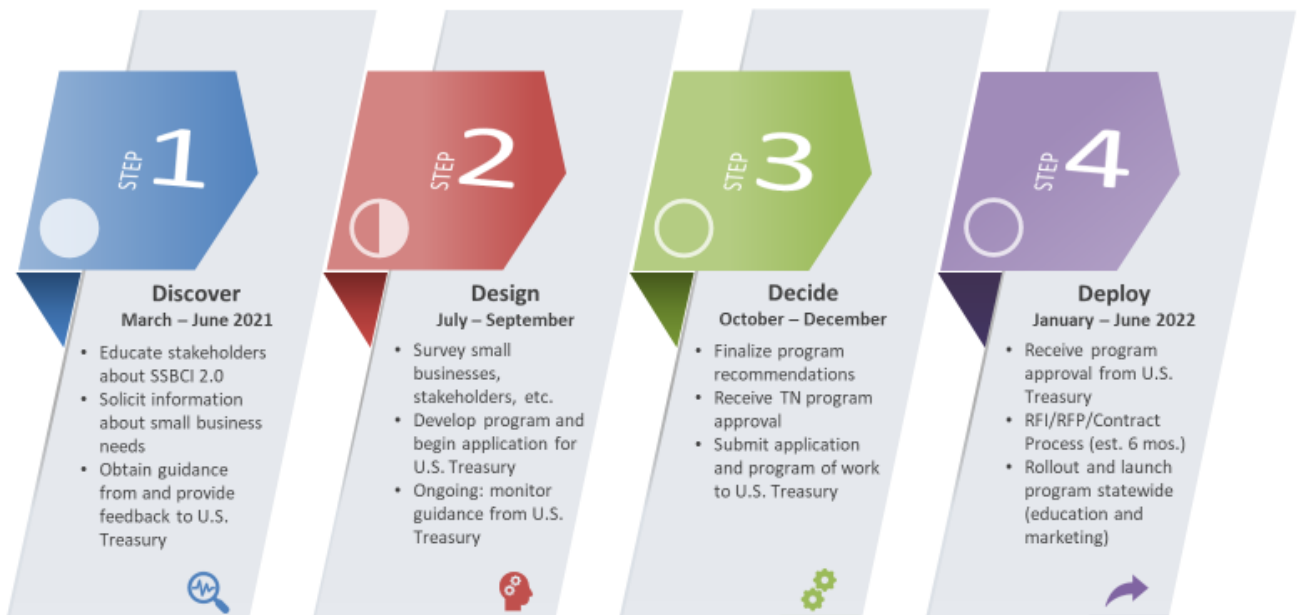
- Technical Assistance (TA): TBD, awaiting guidance
- SEDI Business Allocation: \$33.6M, awaiting guidance
- SEDI Business Incentives: \$17.9M, performance-based



TN Allocations

Awaiting written guidance from Treasury

Development timeline:



These funds are not available directly to individual businesses from TNECD. Information and updates will be shared on the website. For more information and updates visit tn.gov/ecd/small-business/ssbci.



Rural Opportunity Fund | Pathway Lending

Tennessee ranks No. 1 for small business employment growth over the last year.

Source: Paychex Small Business Jobs Index, October 2019

What is the Rural Opportunity Fund?

In partnership with the State of Tennessee and member banks of the Tennessee Bankers Association, Pathway Lending provides loans to small businesses in rural and distressed areas of the state through the Tennessee [Rural Opportunity Fund \(ROF\)](#). Loans and lines for credit ranging from \$5,000 to \$5M for Tennessee's rural businesses. (pathwaylending.org)

Why does it matter?

- Access to capital...access to capital for Tennessee's rural small businesses
- To assist companies in the retention and expansion of its operations to retain and create jobs

To learn more about Pathway Lending and its resources visit pathwaylending.org.

Important to understand:

- In addition to providing capital to rural businesses, Pathway Lending is also tasked with an education element including assisting to de-risk the local lending environment and utilization of Community Reinvestment Act (CRA) dollars. These educational opportunities are geared towards helping to open access to capital to borrowers at the local level and help direct CRA funds into new areas in Tennessee.
- Pathway Lending is a CDFI with an economic development mission; they are a non-traditional lender. That means is that if the ROF dollars were not available, the businesses that received an ROF loan would not have been able to secure funding. Not being able to secure funding can lead to many outcomes from businesses to closure to laying off employees. Pathway works with businesses considered un-bankable businesses to get them to a place where they can obtain funding through more traditional avenues.

Update on loan fund:

Administered by Pathway Lending, ROF was expanded with an additional investment from the State. The State's \$7.5M will be matched with at least \$11.25M in private capital to create an \$18.75M expansion of the revolving loan fund. This investment provides access to capital to support the growth and expansion of rural business that would not have been able to access capital from other sources.

As of June 30, 2020, 84 loans were been originated totaling almost \$25.4M+. Of the 120 loans, 17 were originated to businesses whose primary operations are in At-Risk (tier 3) or Distressed Counties (tier 4); six loans were originated to women-owned businesses and four to minority-owned business. Additionally, the funding enabled those businesses to create and/or retain 566 jobs in rural communities.

• • •

🌟 **NOTE: Access to Education, Resources and Tools**

"Federal COVID-19 relief through the CARES Act used the banking system as the primary channel for Paycheck Protection Program (PPP) loans. This had an adverse impact on the ability of rural enterprises to access that relief. [...] While this improved in the second round, it illustrates a structural disadvantage in rural small businesses' ability to access the capital they need to launch, innovate, survive, and thrive.."

Source: *Two local leaders discuss how smarter federal policy can save rural America during COVID-19, Brookings, August 2020*



Driving Innovation | Mobile platforms

a public-private partnership

Driving Innovation is a mobile program that supports economic and workforce development in Tennessee’s rural communities. The three mobile innovation labs focus on STEAM education, entrepreneurship and small business support, and community placemaking that target at-risk and distressed counties.

The mobile platforms are:

- theLab: STEAM education
- theVenture: entrepreneurship and small business support
- theAMP: community placemaking



In FY2021 theVenture has provided virtual assistance for new and ongoing support for businesses impacted, with particular focus on areas that are distressed and at-risk. These mobile labs have the ability to tour the state and equip rural areas to support small business owners, advance STEAM education, and enhance their community’s spaces.



Cameron House

Sunrise Media, Owner

“Our Jackson Home created an opportunity to showcase my video talent and made Jackson feel more like a place I can see myself planting in for the long term.”



Natalie Butts

The Yellow Canary, Owner

“theCO helped expand what I thought was possible for my retail business through the CO.STARTERS classes”



Tiwong Nance

Dev Catalyst Student '17

“Getting an internship at Twilio all started with the San Francisco Tech Tour. Before Dev Catalyst I would have never thought I’d be here.”



Amanda Love

Humboldt Chamber Director

“Driving Innovation collaborated with me to bring a hands-on marketing workshop to business owners in our area.”

For more information visit tndrivinginnovation.com.



*** NOTE: Access to Education, Resources and Tools**

Need funding to continue programming. The mobile platforms are unfunded for FY2022.



ESO Summit | a Tennessee ESO and Ecosystem Check-up

"We are in a "new need environment," agreed the ESOs.



WELCOME 2021 ESO Summit a Tennessee ESO and Ecosystem Check-up: How are we doing?

The **Tennessee District Office** of the US Small Business Administration (SBA) and **BERO**, an office of the **Tennessee Department of Economic and Community Development** invites ESOs statewide to a half-day check-up and working session.

This summit is for ESOs, **Entrepreneur Support Organizations** in Tennessee, who work hands-on with small businesses and entrepreneurs. What does that mean? This means you are a **nonprofit organization**, an **education-connected organization**, and/or a **government-connected organization** that supports businesses to start, grow, and expand.

We will have two plenary sessions, two working sessions, and a good break between for networking, and checking-in on your own things.

Thanks for registering on [Eventbrite](#) and bearing with us for the reschedule!

Mental health resources at everyone's disposal...

- Dial 211: statewide, helps people access essential community resources (utility assistance, gas, mental health, domestic violence, human trafficking, among many other social services)
- Red Line: 800.889.9789 call or text, substance abuse and detox hotline
- Community Mental Health links to state resources [here](#)
- [Crisis text line](#): text HOME to 741741 to reach a crisis counselor, serves anyone, in any type of crisis, providing access to free, 24/7 support via a medium people already use and trust
- [Suicide Prevention Lifeline](#): Call 800-273-8255 or if you prefer, go to the website to use the chat feature.

COVID has had major impacts across all sectors of life in the U.S. The people who have worked with businesses directly, specifically ESOs, have been substantially impacted as well. Across Tennessee, they found creative and innovated responses to help their existing clients but surging numbers of new business clients – and they acquired a lot of new clients.

The summit was initially slated for June 18, 2021, but it was rescheduled for July 23, 2021. The summit was primarily two facilitated work sessions that respectively followed the plenary and panelists sessions.

Plenary 1- Theme: "How are you doing?"

Subject Matter: Holistic approach to business and personal support, managing crisis for businesses and for yourself, and what to expect coming out of crisis
Working Session #1: How are you doing?

Plenary speaker, Josh Barnes, US SBA provided the arc of crisis:



Plenary II –

Theme: "What are we doing?"

Design: ESO Panel Discussion

Working Session #2: What are we doing?

It provided a platform for ESOs to discuss topics, to learn and walk away with new connections, resources and tools as well as inform future steps. Mental health was a focus of the Summit – for the ESOs themselves and the businesses with whom they work. Mental health resources were shared, collaborations encouraged, and notes taken. The summit was well-received, and the plan is to hold one the future in FY2022, FY2023.

BERO | Program data and reports



Program Data

The department shall maintain complete and consistent program data. (TCA §4-26-104(C)(b)(2))

Data continues to be organized in a similar fashion as is presented here. BERO is housed within the rural and community development, previously strategy, division of TNECD.

Reports

The enabling statute for the Office of Business Enterprise, otherwise known and referred to as the Business Enterprise Resource Office (BERO) requires several written reports. The reports fall under the following:

- TCA [§4-26-105](#). Reports.
- TCA [§4-26-106](#). Disadvantaged business loan guarantee program.
- TCA [§4-26-107](#). Guidelines and reports to the government operations committees of the senate and house of representatives.
- TCA [§4-3-728](#). Community development block grants to disadvantaged businesses.

TCA §4-26-105 Reports.

(a) The department shall make a written report to the governor, the speaker of the senate, the speaker of the house of representatives, the chair of the commerce and labor committee of the senate, the chair of the business and utilities committee of the house of representatives, and any governor's advisory committee on minority economic development, at least once each year, such report to be made no later than December 1.

(b) The report shall advise the officials and committees mentioned in subsection (a) on the administration and operation of this chapter.

The Office of Business Enterprise, otherwise known and referred to as the Business Enterprise Resource Office (BERO), was created in the Department of Economic and Community Development (TNECD) by Chapter 135 of the Public Acts of 1977, codified as TCA §4-26-101 et seq.

Comment

Given the era of BERO's establishment and the changes that have taken place in the 40 years since its original statute, suggested revisions for consideration were submitted to the department by BERO prior to the issuance of this report.

Staffing

The office is composed of a dedicated director charged with managing the statutory duties of the office.

BERO | Program data and reports



Reports – 2 (continued)

TCA §4-26-106. Disadvantaged business loan guarantee program.

(d) The commissioner shall annually submit to the governor and the speakers of the senate and house of representatives, within ninety (90) days after the end of the fiscal year, a complete and detailed report setting forth the operations, transactions and accomplishments of the disadvantaged business loan guarantee fund.

HISTORY: Acts 1990, ch.1071, § 1.

Comment

This loan program remains unfunded within TNECD.

* **SSBCI 2.0:** The TN mission for those dollars is to support and expand an inclusive continuum of access to capital for small businesses and entrepreneurs throughout Tennessee.

TCA §4-26-107. Guidelines and reports to the government operations committees of the senate and house of representatives.

The office of business enterprise shall provide guidelines to address any impediments by other state agencies to the conduct of the office of business enterprise to the members of the government operations committees of the senate and the house of representatives. The office of business enterprise shall also provide periodic reports to the government operations committees of the senate and house of representatives relative to the audit findings of the office of the comptroller. [Acts 2006, ch. 935, § 3.]

Comment:

There is nothing to report relative to this section.

TCA §4-3-728. Community development block grants to disadvantaged businesses.

BERO shall annually report on advisements regarding disadvantaged businesses and the number of or amount of community block grants received by disadvantaged businesses.

Community Development Block Grants (CDBG)

TNECD awards CDBGs to rural municipalities and communities for infrastructure, health and safety projects, and downtown improvement. The communities in turn contract with a company for its CDBG project performance.

Per federal guidelines under Section 570.491 of the State Community Development Block Grant (CDBG) Rule requires states to submit to HUD data on the racial, ethnic, and gender characteristics of persons who are applicants for, participants in or beneficiaries of CDBG programs. The following shows what the participation report reflected for the applicants and *does not include* entitlement communities. Entitlement areas are Shelby County and Memphis, Jackson, Clarksville, Davidson County, Murfreesboro, Franklin, Hendersonville, Oak Ridge, Knox County and Knoxville, Chattanooga, Cleveland, Morristown, Kingsport, Bristol and Johnson City.

BERO | Program data and reports



Reports – 3 (continued)

As the following data does not include the entitlement communities' data, it is not an accurate representation of the total DBE participation in projects funded through HUD CDBG dollars statewide.

Contract Awards for Federal FY2021

In the U.S. Department of Housing and Urban Development (HUD) report, Contract and Subcontractor Activity for non-entitlement communities, the CDBG awards were reported for the federal fiscal year, October 1, 2020 to September 30, 2021. There were 229 total contracts made to 136 unique firms totaling \$53,061,434.25. Of the 229 contracts, 15 (or 6.6 percent) were awarded to 11 firms classified as women-owned totaling \$1,843,650.67 (3.5 percent of the total spend). There were no contracts awarded to minority-owned firms. Of the 229 total contracts, there were 42 total unique subcontracts, totaling \$3,307,521.59 (6.2 percent of the total spend).

HUD uses the following racial and ethnic designations for its reporting: White Americans, Black Americans, Native Americans, Hispanic Americans, Asian/Pacific Americans and Hasidic Jews.

[\(CDBG\)](#)

Comment:

BERO partnered with the Governor's Office of Diversity Business Enterprise (Go-DBE) to make CDBG opportunities available to a larger numbers of DBEs by posting contracting opportunities in the Current Procurement Opportunities section of [Go-DBE's webpage](#).

Note: The data requested in this section does not include the entitlement communities' data, it is not an accurate representation of the total DBE participation in projects funded through HUD CDBG dollars statewide. See comment in TCA [§4-26-105](#) Reports.

* **NOTE: Access to Education, Resources and Tools**

Embrace a regional mindset. Rural America is staggeringly diverse with economic, historical, demographic, and cultural contexts that differ from one region to another. Both national and local policymakers must be sensitive to regional variation while also considering how individual rural communities exist within a regional economy or system. Urban markets are essential to rural economies, just as rural resources are central to the viability of urban centers. In addition, assembling the critical mass of people, ideas, resources, and connections needed for success requires working across sectors and geographic boundaries in less densely populated places. Smart rural policy requires a regional mindset and a comfort with nuance.

Source: *Redesign Required: Principles for Reimagining Federal Rural Policy in the COVID-19 Era*, Aspen Institute, April 14, 2020.



BERO Recommends | For further review 2021

- AEO Works. June 2020. “Resilient: Small Businesses Strengthening Local Economies.” Virtual Conference. aeoworks.org/2020virtualconference.
- American Express OPEN. 2019. “The 2019 State of Women-Owned Businesses Report: Key Trends.” about.americanexpress.com/files/doc_library/file/2019-state-of-women-owned-businesses-report.pdf.
- Aspen Ideas Festival. July 2021. “American Future.” Festival conversations, video. aspeninstitute.org/tag/2021-aspen-ideas-festival.
- Aspen Partnership for an Inclusive Economy. 2020—2021. Video, blogs, sessions.
 - “[ReSet 2021: Resetting for Equity and Inclusion](#).” February 2021. Video.
 - “[Scaling Lending to Entrepreneurs of Color](#).” October 19, 2020. Video.
 - “[Immigrants and Rural Economies Weathering the Pandemic Together](#).” August 19, 2020. Video.
- Brown, Daniel. 2019. “Small Business Facts: Spotlight on Community Banking.” SBA Office of Advocacy, Office of Economic Research. advocacy.sba.gov/2019/09/26/small-business-facts-spotlight-on-community-banking.
- Chen, Don and Shuaib Siddiqui. 2019. “Impact Investing: Building an Inclusive Economy by Supporting Entrepreneurs of Color.” Stanford Social Innovation Review. ssir.org/articles/entry/building_an_inclusive_economy_by_supporting_entrepreneurs_of_color.
- COVID Recession: Tracking Tennessee’s Economic Recovery to Date. July 29, 2021. The Sycamore Institute. Report. sycamoreinstitutetn.org/tennessee-covid-economic-recovery.
- Fairlie, Robert W. July 2020, rev. August 2020. “The Impact of COVID-19 on Small Business Owners: The First Three Months after Social-Distancing Restrictions.” NBER Working Paper No. 27462. nber.org/papers/w27462.
- Hadden Loh, Tracy and Anthony F. Pippa. August 11, 2020. “Two local leaders discuss how smarter federal policy can save rural America during COVID-19.” Blog. brookings.edu/blog/the-avenue/2020/08/11/two-local-leaders-discuss-how-smarter-federal-policy-can-save-rural-america-during-covid-19.
- Liu, Sifan and Joseph Parilla. May 20, 2020. “Small businesses have received uneven relief from COVID-19 federal aid.” Blog. brookings.edu/blog/the-avenue/2020/05/29/how-the-paycheck-protection-program-is-coming-to-ground-in-the-nations-large-metro-areas.
- National Women’s Business Council (NWBC). 2020 Annual Report. nwbc.gov/2020/12/21/2020-annual-report.
- Opportunity Insights: Economic Tracker (real-time). November 2020. “Track the Recovery: Small Business Open.” tracktherecovery.org.
- Racism and the Economy Series. 2020—2021. The Federal Reserve Banks. atlantafed.org/news/conferences-and-events/conferences/racism-and-the-economy
 - Video. [Focus on Entrepreneurship](#). June 2, 2021. (Topics: [reimagining supplier diversity](#), [underserved capital markets](#), etc.)
 - Video. [Racism and the Economy](#), October 7, 2020
- Topolsky, Janet. “Turning Points: Doing Rural Development Differently.” Investing in Rural Prosperity. Federal Reserve Bank of St Louis and Federal Board of Governors. 2021. pp. 151—166. stlouisfed.org/community-development/publications/inve_st-in-rural.
- U.S. Census Bureau. 2020 – 2022. “Small Business Pulse Survey: Tracking Changes During The Coronavirus Pandemic.” census.gov/data/experimental-data-products/small-business-pulse-survey.html



Resources to Know About | COVID-19 and disasters

Encourage business to seek assistance sooner rather than later to find support

As businesses manage their day-to-day operations, the following are some quick references for high-level information that can (and has been) shared:

For small, innovation, creative, main street, startups

These websites offer guidance from health officials, various updates and resources to support small businesses and startups, webinars and other virtual learning opportunities. Check them regularly as they are updating as applicable.

- [Center for Profitable Agriculture](#): COVID-19 resources for ag-related businesses
- [Co.Starters' Recovery Guide](#)*: a “continuously curating of resources to help small businesses regain their footing after disaster”
- [HelloAlice: COVID-19 Small Business Resource Center](#)*: funding and guidance on how to support entrepreneurs and small business owners through the impacts of coronavirus
- [NFIB](#): A membership-based small business association suppling COVID-19; some things are for members only
- [Pathway Lending/Women’s and Veteran’s Business Outreach Centers](#): from lending to providing a wide-range of services, which include in-depth business counseling, classroom training, and peer-to-peer learning to help entrepreneurs start, expand, and successfully manage their businesses.
- [SBA](#) and [TSBDC](#): up-to-date resource providers to help with preparing and [submitting SBA loans](#) (for COVID-19 and tornados)
- [State of Tennessee](#): a reliable point of entry for businesses seeking assistance
** especially robust breadth of resources including private grants*

For larger businesses

- [TN Chamber](#) updates: They are doing a good job of providing daily updates for the businesses and chambers
- [UT-CIS](#): List resources by Industry and Field (i.e. guidance for manufactures, OSHA guidance, industrial disinfectant use, etc.)

For communities

- [Aspen Institute](#): COVID-19 Resources Useful for Rural People and Communities
- [Co.Starters' Recovery Guide](#): a “continuously curating of resources to help small businesses regain their footing after disaster”
- [National Main Street](#): they are compiling existing resources, opportunities, and community response examples to help Main Street districts during this crisis
- [Nonprofit Finance Fund](#): provides a COVID-19 guide for nonprofits
- [Restore Your Economy](#): IEDC managed, resources for working on economic recovery efforts for a disaster-impacted community
- [Retail Strategies](#): a good guide for retailers and communities that addresses federal small business loans; laws and advocacy; local resources for marketing, getting creative.

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** NOTE: Access to Education, Resources and Tools

In periodic check-ins with grantees and other ESOs (entrepreneur support organizations) a corollary outcome we have identified is that businesses that participated in some type of small business or entrepreneurial training, business counseling, or other formalized program are weathering better overall.

BERO ANNUAL REPORT FY2021

Enabling Statute



Tennessee Department of Economic & Community Development
Business Enterprise Resource Office (BERO)
Enabling Statute: Attachment A

Title 4 State Government
Chapter 26 Business Enterprise Office (2021)

4-26-101. Establishment.

There is established within the department of economic and community development an office of business enterprise.

HISTORY: Acts 1977, ch. 135, § 1; T.C.A., § 4-2601.

4-26-102. Chapter definitions.

As used in this chapter, unless the context otherwise requires:

- (1) "Bid bond" means a bond conditioned upon the entering into a contract by a bidder, if the bidder receives the award thereof, and furnishing the prescribed payment bond and performance bond;
- (2) "Commissioner" means the commissioner of economic and community development;
- (3) "Department" means the department of economic and community development;
- (4) "Director" means the director of the office of business enterprise;
- (5) "Disability" means a physical impairment that, in the written opinion of a person's licensed physician, substantially limits one (1) or more of the major life activities of such person and is expected to continue to exist for more than five (5) years. As used in this subdivision (5), "major life activities" means caring for oneself and performing manual tasks, which includes writing, walking, seeing, hearing, speaking, and breathing;
- (6) "Disadvantaged business" means a business that is solely owned, or at least fifty-one percent (51%) of the outstanding stock of which is owned, by a person who is either:
 - (A) By reason of social background unable to obtain technical, business or financial assistance of a quality or quantity similar to that available to the average business;
 - (B) Impeded from normal entry into the economic mainstream because of past practices of discrimination based on race, religion, ethnic background, sex or service in the armed forces during the Vietnam war; provided, that it is not the policy of this state to encourage employment outside the home of mothers of minor children;
 - (C) Unable to compete effectively because of tendencies of regular financing and commercial organizations to restrict their services to established businesses;
 - (D) In a state of chronically low income because of long residence in an urban area with high unemployment and low income; or
 - (E) Impeded from normal entry into the economic mainstream because of a disability;
- (7) "Obligee" means:
 - (A) In the case of a bid bond, the person requesting bids for the performance of a contract; or

(B) In the case of a payment bond or performance bond, the person who has contracted with a principal for the completion of the contract and to whom the obligation of the surety runs in the event of a breach by the principal of the conditions of a payment bond or performance bond;

(8) "Payment bond" means a bond conditioned upon the payment by the principal of money to persons under contract with the principal;

(9) "Performance bond" means a bond conditioned upon the completion by the principal of a contract in accordance with its terms;

(10) "Prime contractor" means the person with whom the obligee has contracted to perform the contract;

(11) (A) "Principal" means:

(i) In the case of a bid bond, a person bidding for the award of a contract; or

(ii) The person primarily liable to complete a contract for the obligee, or to make payments to other persons in respect of such contract, and for whose performance of such person's obligation the surety is bound under the terms of a payment or performance bond.

(B) A principal may be a prime contractor or a subcontractor;

(12) "Subcontractor" means a person who has contracted with a prime contractor or with another subcontractor to perform a contract; and

(13) "Surety" means the person who:

(A) Under the terms of a bid bond, undertakes to pay a sum of money to the obligee in the event the principal breaches the conditions of the bond;

(B) Under the terms of a performance bond, undertakes to incur the cost of fulfilling the terms of a contract in the event the principal breaches the conditions of the contract; or

(C) Under the terms of a payment bond, undertakes to make payment to all persons supplying labor and material in the prosecution of the work provided for in the contract if the principal fails to make prompt payment.

HISTORY: Acts 1977, ch. 135, § 2; T.C.A., § 4-2602; Acts 1987, ch. 369, § 2; 1993, ch. 488, § 1; 1994, ch. 767, §§ 1, 2.

4-26-103. Powers and duties.

The department is authorized to:

(1) Provide assistance to disadvantaged businesses by advising and counseling on all phases of procurement policies, by obtaining information concerning prime contractors in letting subcontracts and by encouraging the letting of subcontracts by prime contractors to disadvantaged businesses;

(2) Receive funding from sources other than the state;

(3) Make studies and conduct workshops, conferences and seminars, with owners and employees of disadvantaged businesses to enhance their understandings of business management, bidding, licensing procedures, procurement procedures and any other activities incident to their positions in business;

- (4) Develop training and educational programs in cooperation with institutions, associations, and other state, local and federal agencies, and coordinate the training efforts of the various organizations presently providing technical assistance to disadvantaged businesses;
- (5) Encourage and provide the direction and coordination necessary to secure franchises and dealerships from private firms for disadvantaged businesses;
- (6) Review and evaluate legislation and determine its effect upon disadvantaged businesses and make appropriate recommendations to the governor and the general assembly;
- (7) Employ such personnel as may be required to implement and administer this chapter; and
- (8) (A) Develop sources of capital for minority entrepreneurs;
- (B) Assist in setting up new minority banks, small business investment companies, as defined in 15 U.S.C. § 681(a), and minority enterprise small business investment companies, being the companies authorized in 15 U.S.C. § 681(d) [repealed]; and
- (C) Develop loan packages to assist minority business persons in the start-up or expansion of businesses, or any other financial counseling necessary to enable minority business operations to operate on a sound financial basis.
- (b) (1) The department shall continually evaluate the progress of disadvantaged businesses through monitoring and techniques of evaluation, such as surveys and feasibility studies.
- (2) The department shall maintain complete and consistent program data.

HISTORY: Acts 1977, ch. 135, § 3; T.C.A., § 4-2603; Acts 1988, ch. 532, §§ 3, 4.

4-26-104. Purpose and construction.

This chapter shall be liberally construed to carry out the following purposes and objectives that:

- (1) Disadvantaged businesses share in the American economic system of private enterprise through free and vigorous competition;
- (2) Such competition be fostered through the encouragement and development of disadvantaged businesses; and
- (3) The state aid, counsel and assist in every practical manner disadvantaged businesses in order to preserve free competition on equal terms with those businesses constituting the major part of the business community.

HISTORY: Acts 1977, ch. 135, § 4; T.C.A., § 4-2604.

4-26-105. Reports.

- (a) The department shall make a written report to the governor, the speaker of the senate, the speaker of the house of representatives, the chair of the commerce and labor committee of the senate, the chair of the commerce committee of the house of representatives, and any governor's advisory committee on minority economic development, at least once each year, such report to be made no later than December 1.
- (b) The report shall advise the officials and committees mentioned in subsection (a) on the administration and operation of this chapter.

HISTORY: Acts 1977, ch. 135, § 5; T.C.A., § 4-2605; Acts 2013, ch. 236, § 14; 2019, ch. 345, § 10.

4-26-106. Disadvantaged business loan guarantee program.

- (a) (1) The general assembly finds that conventional funding sources for emerging and expanding disadvantaged businesses are limited or nonexistent.
- (2) The general assembly further finds that promoting and encouraging economic opportunity and development within the state's minority community is a worthy public purpose.
- (3) Such economic opportunity and development serve the health, safety and welfare of all citizens through creation of long-term employment opportunities, reduction of unemployment, diminished demand for costly social services and increased revenue collections.
- (b) (1) There is created within the state treasury a restricted account not to exceed fifty thousand dollars (\$50,000) to be known as the "disadvantaged business loan guarantee account."
- (2) Amounts in the account at the end of any fiscal year shall not revert to the general fund but shall remain available to the department for the purposes set forth in this section.
- (3) Amounts in the account shall be invested for the benefit of the account by the state treasurer pursuant to § 9-4-603. The account shall be administered by the commissioner.
- (c) (1) There is created within the department the disadvantaged business loan guarantee program.
- (2) The purpose of the loan guarantee program is to ensure the availability of conventional financial resources to emerging and expanding disadvantaged businesses by guaranteeing loans for disadvantaged businesses.
- (3) To qualify for a loan guarantee, a disadvantaged business must demonstrate to the satisfaction of the commissioner that the loan will be fully repaid and will produce economic benefit for the community and state.
- (4) The department is authorized to determine the total dollar amount of loans to be guaranteed, subject to a maximum of five (5) times the balance of appropriated funds within the loan guarantee account, plus income, less expenses associated with the program.
- (5) The department is authorized to charge a premium to the borrower to help defray the cost of administering the program.
- (6) The department may establish other terms and conditions for guarantees of loans.
- (7) The total aggregate amount of the loan guarantee may not exceed eighty percent (80%) of any loan.
- (8) All documentation evidencing a loan guarantee shall clearly state that such guarantee is an obligation of the disadvantaged business loan guarantee account and not of the general fund or the state of Tennessee, and that any amounts required to be paid pursuant to the loan guarantee are subject to the availability of sufficient funds within the guarantee account.
- (d) The commissioner shall annually submit to the governor and the speakers of the senate and house of representatives, within ninety (90) days after the end of the fiscal year, a complete and detailed report setting forth the operations, transactions and accomplishments of the disadvantaged business loan guarantee fund.

HISTORY: Acts 1990, ch. 1071, § 1.

4-26-107. Guidelines and reports to the government operations committees of the senate and house of representatives.

The office of business enterprise shall provide guidelines to address any impediments by other state agencies to the conduct of the office of business enterprise to the members of the government operations committees of the senate and the house of representatives. The office of business enterprise shall also provide periodic reports to the government operations committees of the senate and house of representatives relative to the audit findings of the office of the comptroller.

HISTORY: Acts 2006, ch. 935, § 3.

Additional TCA relative to BERO:**Title 4 State Government****Chapter 3 Creation, Organization and Powers of Administrative Departments and Divisions****Part 7 Department of Economic and Community Development****4-3-728. Community development block grants to disadvantaged businesses.**

(a) Notwithstanding any provision of the law to the contrary, in the allocation and use of community development block grants it is the policy of this state that a substantial portion of such grants shall be utilized whenever reasonably possible for the development of contracts with disadvantaged businesses as defined in § 4-26-102.

(b) The office of business enterprise in the department of economic and community development shall advise the commissioner, or any other official with authority to allocate or disperse community block grants, of disadvantaged businesses that should be considered as recipients of such block grants.

(c) The office of business enterprise shall annually report not later than December 1, to the general assembly, of all such advisements regarding disadvantaged businesses and the number of or amount of community block grants received by disadvantaged businesses.

HISTORY: Acts 1984, ch. 873, § 1.

4-3-732. Enhanced policymaking role for minority business.

Notwithstanding the provisions of any law to the contrary, the director of the office of business enterprise, created by § 4-26-101, may, in the discretion of the commissioner, serve as a full, voting member of each committee, board, task force, group or other entity that is formally or informally attached to or established within the department for the purpose of formulating, adopting or recommending state policies to enhance economic and community development. The general assembly urges the department of economic and community development to develop an enhanced policymaking role for minority business.

HISTORY: Acts 1996, ch. 976, § 1.

Title 7 Consolidated Governments and Local Governmental Functions and Entities Local Government Functions**Chapter 53 Industrial Development Corporations****Part 3 Operation and Powers****7-53-313. Purpose.**

(b) To assist industrial development corporations in achieving such purposes and objectives, the department of economic and community development and the office of business enterprise, established by § 4-26-101, shall be available to provide technical assistance and consultation.

HISTORY: Acts 1999, ch. 298, § 1.



Questions? Visit tn.gov/ecl/bero or email ecl.bero@tn.gov

