



# HOUSE BILL 774: Business Microloan Program.

2023-2024 General Assembly

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<b>Committee:</b>	House Commerce. If favorable, re-refer to Rules, Calendar, and Operations of the House	<b>Date:</b>	April 27, 2023
<b>Introduced by:</b>	Reps. Lofton, Harris	<b>Prepared by:</b>	Bill Patterson
<b>Analysis of:</b>	First Edition		Committee Co-Counsel

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**OVERVIEW:** *House Bill 774 would direct the Joint Legislative Economic Development and Global Engagement Oversight Committee to study the establishment of a microloan program for low-income entrepreneurs having limited access to credit markets.*

**CURRENT LAW:** The Joint Legislative Economic Development and Global Engagement Oversight Committee ("Committee") studies issues and strategies relating to North Carolina economic development and global engagement in order to make recommendations to the General Assembly on ways to promote cost-effective economic development initiatives, economic growth, and stimulating job creation in the global economy.

**BILL ANALYSIS:** House Bill 774 would direct the Committee to study the potential costs and benefits of establishing a program to fund microloans and statewide business trainings by nonprofit economic development entities for low-income entrepreneurs lacking access to commercial credit markets, to support them in growing their business and employment and establishing credit to facilitate traditional banking relationships.

The committee's study would include a determination of the following:

- The proper term of the microloan.
- Whether a recipient who has repaid a microloan can receive additional microloans.
- The maximum amount of the microloan and its interest rate.
- Recipient income eligibility requirements.
- Responsibilities of recipients that would promote successful outcomes.
- Any other matter deemed effective in promoting the program's purposes.

The Committee would report its findings and any recommended legislation upon the convening of the 2024 Regular Session of the 2023 General Assembly.

**EFFECTIVE DATE:** This act is effective when it becomes law.

Jeffrey Hudson  
Director



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Legislative Analysis  
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