



BERMUDA

BERMUDA SMALL BUSINESS DEVELOPMENT CORPORATION AMENDMENT  
ACT 2011

2011 : 28

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WHEREAS it is expedient to amend the Bermuda Small Business Development Corporation Act 1980;

Be it enacted by The Queen's Most Excellent Majesty, by and with the advice and consent of the Senate and the House of Assembly of Bermuda, and by the authority of the same, as follows:

Citation

1 This Act may be cited as the Bermuda Small Business Development Corporation Amendment Act 2011.

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Amends section 1

2 Section 1 of the Bermuda Small Business Development Corporation Act 1980 (the “principal Act”) and the title of that Act are amended by deleting “Small Business” and substituting “Economic”.

Amends section 2

3 Section 2 of the principal Act is amended—

(a) by inserting, in alphabetical order the following—

“economic empowerment zone” means an area of land which is designated by the Minister pursuant to section 2A of the Economic Development Act 1968;

“medium-sized business” means a Bermudian-owned and owner-operated business enterprise with at least three of the following attributes—

(a) gross annual revenue of between \$1,000,000 and \$5,000,000;

(b) net assets of less than \$2,500,000;

(c) an annual payroll of between \$500,000 and \$2,500,000;

(d) between a minimum of 11 and a maximum of 50 employees; and

(e) been in operation for a minimum of 10 years;” and

(b) by deleting “Small Business” and substituting “Economic” in the definitions of “Corporation” and “Minister”.

Amends section 3

4 Section 3 of the principal Act is amended—

(a) in subsection (1), by deleting “Small Business” and substituting “Economic”; and

(b) by inserting after subsection (4), the following—

“(5) The body corporate constituted under section 3 of the Bermuda Small Business Development Corporation Act 1980 as the Bermuda Small Business Development Corporation is preserved and continues in existence as a body corporate for the purposes of this Act and is to be known as the Bermuda Economic Development Corporation.

(6) The corporate identity and the rights and obligations of the body corporate are not affected by its change of name.”.

Amends section 4

5 Section 4(1) of the principal Act is amended—

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- (a) in paragraph (a), by inserting after “businesses” the words “, medium-sized businesses and entities within economic empowerment zones”;
- (b) in paragraph (b), by deleting “and”;
- (c) by inserting after paragraph (b), the following—
  - “(ba) to operate and manage markets;
  - (bb) to oversee and manage the development and implementation of the economic empowerment zones; and”;
- (d) in paragraph (c), by inserting after “Small Businesses” the words “, Medium-Sized Businesses and Economic Empowerment Zone Business Entities, which may be divided accordingly”.

Amends section 5

6 Section 5(2)(b) of the principal Act is amended by inserting after “lend money” the words “, make grants”.

Amends section 6

7 Section 6 of the principal Act is amended by inserting after subsection (2), the following—

“(3) The Board may establish committees, which may include committees in respect of small businesses, medium-sized businesses and entities within economic empowerment zones.”.

Amends section 8

8 Section 8 of the principal Act is amended by deleting in—

- (a) subsection (1), “a General Manager” and substituting “an Executive Director”; and
- (b) subsections (2) and (3), “General Manager” and substituting “Executive Director”, wherever it occurs.

Amends section 13

9 Section 13 of the principal Act is amended—

- (a) in the heading, by inserting after “lend” the words “, grant”;
- (b) in subsection (1), by inserting after “lend money” the words “, make grants”;
- (c) in subsection (2), by inserting after “lend money to any person,” the words “make a grant to any person”;
- (d) in subsection (7)—
  - (i) by inserting after “lend,” the words “make grants”; and

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- (ii) by inserting after “the loan” the words “, grant”;
- (e) in subsection (8), by inserting after “In lending money” the words “, making grants”; and
- (f) by inserting the following subsection—
  - “(10) The Corporation may issue a grant-
    - (a) where an application has been made to the Corporation and financial assistance is needed to-
      - (i) prepare a Business Plan;
      - (ii) develop and implement a renovation plan or development plan;
      - (iii) develop and implement a marketing plan or branding or rebranding plan;
      - (iv) pay a retainer for accounting services;
      - (v) incorporate a business;
      - (vi) obtain legal business advice; and
      - (vii) develop and implement other non-working capital schemes; and
    - (b) in order to finance business development and formation in areas or industries as the Minister directs.”.

Amends section 15

10 Section 15 of the principal Act is amended—

- (a) in the heading, by inserting after “lent” the words “or grant made”;
- (b) in subsection (1)—
  - (i) in paragraph (a), by inserting after “ “loan”),” the words “or any grant made by the Corporation”; and
  - (ii) in paragraph (b), by inserting after “ “the borrower)” the words “or the person to whom the grant was made,”; and
- (c) in subsection (3), by inserting after “borrower” the words “or person to whom the grant was made,”.

Amends section 16

11 Section 16 of the principal Act is amended—

- (a) in the heading, by inserting after “of” the words “grants and”;
- (b) by inserting before “loan” the words “grant or”, wherever it occurs before paragraph (a);

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- (c) in paragraph (a), by inserting before “loan” the words “grant or”; and
- (d) by inserting after “addressed to” the words “the person to whom the grant was made or”.

Amends section 17

12 Section 17 (3) of the principal Act is amended by deleting “under a lease or tenancy as office accommodation, but shall not have power to acquire or hold land for any other purpose” and substituting “, subject to the approval of the Minister, any land in Bermuda that the Board considers necessary, in order to-

- (a) allow the Corporation to create facilities conducive to supporting and expanding business;
- (b) assist with the physical and economic regeneration of economic empowerment zones and other economically depressed areas; and
- (c) create market sites”.

Amends Schedule I

13 Schedule I to the principal Act is amended in paragraph (11) by deleting “The Corporation shall be deemed to be a Government authority listed in Part II of the First Schedule to” and substituting “The members of the Corporation are to be paid in accordance with”.

Consequential amendments

14 (1) The following Acts are amended by deleting “Small Business” and substituting “Economic” in—

- (a) section 2(b), 2A(1) and 2B of the Economic Development Act 1968;
- (b) the Table to section 5 under the heading “Class C” in paragraph (j) of the Payroll Tax Rates Act 1995; and
- (c) paragraph 1(2)(d) of the First Schedule to the National Training Board Act 1997.

(2) The First Schedule to the Government Authorities (Fees) Act 1971 is amended in Part B - Government Authorities, by inserting in alphabetical order the words “Bermuda Economic Development Corporation - established under section 3 of the Bermuda Economic Development Corporation Act 1980”.

(3) Section 2(i) of the Public Service Superannuation Act 1981 (Application) Order 1985, is amended by deleting “Small Business” and substituting “Bermuda Economic”.

Validation

15 The issue of any grant by the Bermuda Small Business Development Corporation is deemed to have been lawfully issued.

[Assent Date: 04 August 2011]

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[Operative Date: 04 August 2011]