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HOUSE BILL NO. 2213

Offered January 15, 2015

A *BILL to amend the Code of Virginia by adding a section numbered 2.2-2311.1, relating to the Virginia Small Business Financing Authority; Small Business Loan Guarantee Fund.*

Patron—Head

Referred to Committee on General Laws

Be it enacted by the General Assembly of Virginia:**1. That the Code of Virginia is amended by adding a section numbered 2.2-2311.1 as follows:****§ 2.2-2311.1. *Small Business Loan Guarantee Fund.***

There is hereby created in the state treasury a special nonreverting fund to be known as the Small Business Loan Guarantee Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the Comptroller. All moneys appropriated to the Fund by the General Assembly, all income from the investment of moneys held by the Fund, and any other moneys designated for deposit to the Fund from any source, public or private, shall be paid into the state treasury and credited to the Fund. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purpose of providing loan loss reserves, interest rate write downs, and loan guarantees for up to 90 percent of the principal amount of any commercial loan or line of credit made by a community bank. Such guarantees shall not exceed \$200 million or a term of five years. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the Executive Director of the Authority.

INTRODUCED

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