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## HOUSE BILL NO. 2153

Offered January 9, 2019

Prefiled January 8, 2019

A BILL to amend the Code of Virginia by adding a section numbered 2.2-2311.2, relating to the Small Business Financing Authority; Virginia Small Business Emergency Bridge Loan Fund created.

Patrons—Stolle; Senator: Lewis

Referred to Committee on Appropriations

**Be it enacted by the General Assembly of Virginia:**

**1. That the Code of Virginia is amended by adding a section numbered 2.2-2311.2 as follows:**

**§ 2.2-2311.2. Creation, administration, and management of the Virginia Small Business Emergency Bridge Loan Fund.**

A. For the purposes of this section:

"Disaster" means the same as that term is defined in § 44-146.16.

"Eligible small business" means a for-profit business enterprise in the Commonwealth which (i) has (a) no more than \$10 million in annual gross income under generally accepted accounting principles in each of the last three fiscal years or a lesser time period if it has been in existence less than three years, (b) fewer than 250 employees, or (c) a net worth of \$1 million or less, or (ii) meets such other satisfactory requirements as the Board shall determine from time to time upon a finding that such business enterprise is in need of assistance.

"Fund" means the Virginia Small Business Emergency Bridge Loan Fund.

B. There is hereby created a permanent revolving loan fund to be known as the Virginia Small Business Emergency Bridge Loan Fund. The Fund shall be comprised of (i) moneys appropriated to the Fund by the General Assembly, (ii) moneys collected by the Virginia Small Business Financing Authority as a result of loan repayments, (iii) all income from the investment of moneys held by the Fund, and (iv) any other moneys designated for deposit to the Fund from any source, public or private. 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 to provide short-term direct loans to eligible small businesses impacted by a disaster for which a state of emergency as defined in § 44-146.16 has been declared for the Commonwealth by the Governor. The Fund shall be managed and administered by the Virginia Small Business Financing Authority with guidance from the Director of the Department of Small Business and Supplier Diversity and in coordination with the Virginia Department of Emergency Management.

C. Loans shall be for a minimum amount of \$1,000 up to a maximum amount of \$10,000. Loans shall be interest-free and shall be repaid to the Fund by the end of the loan term. The Authority shall establish the loan term, which shall be for a minimum of 90 days but shall not exceed 180 days. The Authority, or its designated agents, shall determine additional qualifications, terms, and conditions for the use of the Fund and accounts thereof.

INTRODUCED

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