

1996 SESSION

ENROLLED

HOUSE JOINT RESOLUTION NO. 208

Continuing the Joint Subcommittee Studying Capital Access and Business Financing.

Agreed to by the House of Delegates, February 8, 1996
Agreed to by the Senate, February 21, 1996

WHEREAS, the Joint Subcommittee Studying Capital Access and Business Financing, created pursuant to Senate Joint Resolution No. 370 (1995) and House Joint Resolution No. 591 (1995), met during 1995 to discuss issues relating to promoting business development and growth; and

WHEREAS, during its deliberations, the subcommittee learned about the significant difficulties Virginians have in getting access to capital to start new businesses; and

WHEREAS, the subcommittee also heard testimony from business owners about the positive experiences they have had with the capital access programs already offered by the Commonwealth; and

WHEREAS, a number of options for promoting capital access and lowering barriers to financing businesses were explored; and

WHEREAS, some of these options included changes to existing programs which are very popular; and

WHEREAS, a seed and early stage capital fund and a loan guarantee program through direct appropriations or the provision of tax credits were also discussed; and

WHEREAS, the subcommittee expressed a desire that many of these issues be explored in greater depth before recommending them to the General Assembly; now, therefore, be it

RESOLVED by the House of Delegates, the Senate concurring, That the Joint Subcommittee Studying Capital Access and Business Financing be continued. As part of the study, the Secretary of Commerce and Trade, in cooperation with the Department of Economic Development and other appropriate state agencies, is requested to study the formation of a seed and early stage capital fund and the implementation of a loan guarantee program to foster business development. The Secretary shall provide the results of his analysis to the subcommittee in the course of its continued deliberations.

The membership of the joint subcommittee shall continue as initially appointed. Vacancies shall be filled by the initial appointing authority.

The Office of the Secretary of Commerce and Trade and the Department of Economic Development shall provide staff support to the joint subcommittee. All agencies of the Commonwealth shall assist the subcommittee, upon request.

The direct cost of this study shall not exceed \$2,000.

The joint subcommittee shall complete its work in time to submit its findings and recommendations to the Governor and the 1997 Session of the General Assembly as provided in the procedures of the Division of Legislative Automated Systems for the processing of legislative documents.

Implementation of this resolution is subject to subsequent approval and certification by the Joint Rules Committee. The Committee may withhold expenditures or delay the period for the conduct of the study.

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