

VIRGINIA ACTS OF ASSEMBLY -- 1999 SESSION

CHAPTER 785

An Act to amend and reenact §§ 9-228.1 and 9-228.4 of the Code of Virginia, relating to the Virginia Export Loan Guarantee Fund.

[H 2233]

Approved March 28, 1999

Be it enacted by the General Assembly of Virginia:

1. That §§ 9-228.1 and 9-228.4 of the Code of Virginia are amended and reenacted as follows:

§ 9-228.1. Creation, administration, and management of Virginia Export Fund.

In addition to any other fund or account the Authority may create pursuant to § 9-228, there shall be a permanent fund known as the Virginia Export ~~Loan Guarantee~~ Fund (the Fund). The Fund shall be comprised of (i) sums appropriated to it by the General Assembly, (ii) receipts by the Fund from *loans or* loan guarantees made against it, (iii) all income from the investment of moneys held by the Fund, and (iv) any other sums designated for deposit to the Fund from any source, public or private. The Fund shall be administered and managed by the Authority, and all moneys in the Fund shall be used to provide *loans or* loan guarantees as provided in § 9-228.4. Any balances remaining in the Fund shall not revert to the general fund but shall be retained in order to make additional *loans or* loan guarantees.

§ 9-228.4. Loans and guarantees made against the Fund.

A. The Fund shall be used to *make loans or to provide a* guarantee for up to ninety percent of the principal amount of any commercial loan or line of credit made by a lender for the purpose of facilitating the sale of goods, products, or services outside of the United States by persons, firms, or corporations utilizing a Virginia air, land, or sea port to ship such goods, products, or services. Such guarantee shall not exceed one million dollars.

B. The Authority shall determine the terms and conditions of any *loans or* loan guarantee made against the Fund and may allow for use of the Fund in single or multiple transactions. No *loan shall exceed a term of twelve months, nor shall a* loan guarantee ~~shall~~ exceed a term of eighteen months. *In the case of loans, the Authority shall charge an annual interest rate. In the case of guarantees,* the Authority shall charge an annual guarantee fee. However, the Authority may waive such *guarantee* fees in an economically distressed area as defined in § 58.1-439. In connection with applications for *loans or* loan guarantees made against the Fund, the Authority is authorized to require the production of any document, instrument, certificate, legal opinion, or other information it deems necessary or convenient.

C. All *loans or* loan guarantees made against the Fund shall be approved by the Board or an authorized committee or subcommittee thereof.