

# 1999 SESSION

INTRODUCED

992495805

## HOUSE BILL NO. 2506

Offered January 21, 1999

*A BILL to amend the Code of Virginia by adding a section numbered 2.1-64.34:1, relating to Capital Access Fund for Disadvantaged Businesses.*

Patrons—Drake, Albo, Baker, Black, Byron, Cantor, Davies, Devolites, Griffith, Howell, Ingram, Johnson, Jones, S.C., Katzen, Morgan, Nixon, Phillips, Purkey, Putney, Reid, Rust, Spruill, Wardrup, Wilkins and Woodrum; Senators: Bolling, Gartlan, Hanger, Hawkins, Miller, K.G., Stosch, Ticer, Trumbo, Wampler, Watkins and Williams

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 2.1-64.34.1 as follows:**

*§ 2.1-64.34.1. Creation, administration, and management of the Capital Access Fund for Disadvantaged Businesses.*

*A. There is hereby created in the state treasury a permanent nonreverting fund to be known as the Capital Access Fund for Disadvantaged Businesses (the "Fund"). The Fund shall be comprised of (i) moneys appropriated to the Fund by the General Assembly, (ii) receipts by the Fund from loans made by it, (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 loans and loan guarantees for disadvantaged businesses pursuant to guidelines to be jointly developed by the Director of the Department of Minority Business Enterprise and the Virginia Small Business Financing Authority and approved by the Secretary of Commerce and Trade. The Fund shall be administered and managed by the Department of Minority Business Enterprise (the "Department") or any entity operating under a contract or agreement with the Department. The Auditor of Public Accounts shall annually audit the accounts of the Fund when the records of the Department are audited.*

*B. The Department, or its designated agent, is empowered to collect moneys due to the Fund. Proceedings to recover moneys due to the Fund may be instituted in the name of the Fund in any appropriate circuit court.*

*C. A portion of the Fund balance may be used to cover the costs of administering the Fund. The amount shall not exceed the lesser of actual costs incurred for the previous fiscal year or five percent of the average fund balance during that year.*

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