

# VIRGINIA ACTS OF ASSEMBLY -- 2016 SESSION

## CHAPTER 519

*An Act to amend and reenact § 2.2-2311.1 of the Code of Virginia, relating to the Virginia Small Business Financing Authority; Small, Women-owned, and Minority-owned Business Loan Fund.*

[H 1263]

Approved March 29, 2016

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

**1. That § 2.2-2311.1 of the Code of Virginia is amended and reenacted as follows:**

**§ 2.2-2311.1. Creation, administration, and management of the Small, Women-owned, and Minority-owned Business Loan Fund.**

A. For the purposes of this section:

"Eligible small business" means any person engaged in a for-profit business enterprise in the Commonwealth and such enterprise has (i) \$10 million or less in annual gross income under generally accepted accounting principles for up to each of its last three fiscal years or lesser time period if it has been in existence less than three years, (ii) fewer than 250 employees, or (iii) a net worth of \$1 million or less, or such business enterprise 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 Small, Women-owned, and Minority-owned Business Loan Fund.

"Minority-owned business" means a for-profit small business concern that is majority-owned by one or more individuals of an ethnic or racial minority. In the case of a corporation, a majority of the stock shall be owned by one or more such individuals and the management and daily business operations shall be controlled by one or more of the individuals of an ethnic or racial minority who own it.

"Women-owned business" means a for-profit small business concern that is majority-owned by one or more women. In the case of a corporation, a majority of the stock shall be owned by one or more women and the management and daily business operations shall be controlled by one or more of the women who own it.

B. There is created ~~in the state treasury~~ a permanent ~~nonreverting~~ revolving loan fund to be known as the Small, Women-owned, and Minority-owned Business Loan Fund. ~~The Fund shall be established on the books of the Comptroller.~~ The Fund shall be comprised of (i) moneys appropriated to the Fund by the General Assembly, (ii) *moneys collected by the Authority as a result of loan repayments*, (iii) all income from the investment of moneys held by the Fund, and ~~(iii)~~ (iv) any other moneys designated for deposit to the Fund from any source, public or private. ~~All moneys 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 to provide direct loans to eligible small, women-owned, and minority-owned businesses. The Fund shall be managed and administered by the Authority with guidance from the Director of the Department of Small Business and Supplier Diversity. ~~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.~~

C. The Authority, or its designated agents, shall determine the qualifications, terms, and conditions for the use of the Fund and the accounts thereof.