

Introduced by Senator WigginsFebruary 22, 2007

An act relating to small business, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 556, as introduced, Wiggins. Small business: State Assistance Fund for Enterprise, Business and Industrial Development.

Existing law, the State Assistance Fund for Enterprise Act of 1989 (the act), creates the State Assistance Fund for Enterprise, Business and Industrial Development Corporation. Under existing law, the corporation is managed by a board of directors consisting of a member of the Governor's cabinet, or his or her designee; one member of the Energy Commission; and 4 public members. Existing law creates the State Enterprise Loan Fund as a separate account in the General Fund and continuously appropriates its revenues for purposes of the act. Under existing law, the Controller is required to transfer a specified sum of money from the General Fund to the State Enterprise Loan fund, subject to certain conditions.

This bill would require the Controller to transfer \$3,000,000 from the General Fund to the State Enterprise Loan Fund and would require the corporation to certify that this revenue will be used solely to make new loans to eligible small businesses in this state. Because the bill would increase the amount of revenue in a continuously appropriated fund, it would make an appropriation.

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Notwithstanding Section 32812 of the Financial
2 Code, the Controller shall transfer the sum of three million dollars
3 (\$3,000,000) from the General Fund to the State Enterprise Loan
4 Fund created pursuant to Section 32811 of the Financial Code.
5 The State Assistance Fund for Enterprise, Business and Industrial
6 Development Corporation created pursuant to Division 15.5
7 (commencing with Section 32000) of the Financial Code shall
8 certify that the money transferred to the fund shall be used for the
9 sole purpose of making new loans to eligible small businesses in
10 this state.

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