



HOUSE COMMITTEE ON APPROPRIATIONS
2009-10 Legislative Session

FISCAL NOTE

HOUSE BILL: 2401 **PRINTER'S NO:** 3500 **PRIME SPONSOR:** R. Taylor

FISCAL IMPACT SUMMARY	FY 2009/10	FY 2010/11
Expenditure Increase/(Decrease):		
General Fund	\$0	\$0

OVERVIEW:

House Bill 2401 amends Title 12 (Commerce) and Title 64 (Public Authorities and Quasi-Public Corporations) recapitalizing the Small Business First Program and makes amendments to increase program eligibility.

This act shall take effect in 60 days.

ANALYSIS:

House Bill 2401 provides of the Commonwealth Financing Authority (CFA) with the authority to provide funding of the Small Business First Program. The CFA may incur indebtedness for the Small Business First Program, up to a limit of \$40 million. The bill would not impact Commonwealth funds because it simply reallocates \$40 million of bonding authority from the Second Stage Loan Guarantee Program to the Small Business First Program. The indebtedness limit for the Second Stage Loan Program is reduced from \$50 million to \$10 million.

The bill also extends eligibility to retail and commercial businesses, redefines small businesses as enterprises employing 200 or less employees from the current 100, removes the restriction that hospitality projects must employ at least five employees, and removes the restriction that restaurant or food service operations must be in operation for at least five years. These provisions are not anticipated to adversely impact Commonwealth funds.

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 House Appropriations Committee, (D)

DATE: April 26, 2010

General Note and Disclaimer: *This Fiscal Note was prepared pursuant to House Rule 19(a), and the elements considered and reported above are required by Section 5 of the rule. Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*