

SENATE APPROPRIATIONS COMMITTEE FISCAL NOTE

BILL NO. Senate Bill 248

PRINTER NO. 212

AMOUNT

See Fiscal Impact

FUND

Second Stage Loan Program

DATE INTRODUCED

January 31, 2023

PRIME SPONSOR

Senator Mastriano

DESCRIPTION

Senate Bill 248 amends Title 64 (Public Authorities and Quasi-Public Corporations) to establish the Veteran-Owned Business Loan Guarantee Program within the Commonwealth Financing Authority (CFA).

This bill provides for loan guarantees to commercial lending institutions to provide loans to veteran-owned businesses. The guarantee may not exceed 50% of the outstanding principal amount of a loan that has been issued and may not exceed \$250,000 for any loan. Funds totaling \$5 million from the Second Stage Loan Program within the CFA shall be utilized for this program.

This legislation also provides for the lending institution enrollment process, the loan application and the necessary information required by the board for loan approval.

This act shall take effect in 60 days.

FISCAL IMPACT:

Senate Bill 248 allocates \$5 million from the Second Stage Loan Program within the CFA for use in the Veteran-Owned Business Loan Guarantee Program. The Second Stage Loan Program within the CFA was established with \$50 million to provide loan guarantees to second stage manufacturers, advanced technology and life sciences businesses through commercial lending institutions.