



CalCAP for Small Business and CalCAP Collateral Support Program Lender Webinar

November 28, 2023

Agenda

- SSBCI Funding Updates
- Importance of SEDI Certification
- New Collateral Support Program Updates
- New UST Reporting Requirements
- Updated Small Business and Collateral Support Program Documents
- Questions and Comments

SSBCI Funding Updates

1st Tranche Calculations



CalCAP Collateral Support:
\$109M



CalCAP for Small Business:
\$27M



SEDI-Owned:
\$30M

Expended as of 09/30/23

Expended: \$9.9M

Expended: \$446K

Expended: \$152K

Importance of SEDI Certification

California SEDI Goal: 48.87%

- 50% of every SSBCI funded loan should be considered SEDI
- Link to SEDI form: <https://www.treasurer.ca.gov/cpcfca/calcap/sb/sedi.pdf>

Businesses/Individuals can qualify in many ways:

1. Business enterprise that is owned and controlled by individuals who have had their access to credit on reasonable terms diminished as compared to others in comparable economic circumstances, due to their: Membership of a group that has been subjected to racial or ethnic prejudice or cultural bias within American society, gender, veteran status, limited English proficiency, disability, long-term residence in an environment isolated from the mainstream of American society, membership of a federally or state-recognized Indian Tribe, long-term residence in a rural community, residence in a U.S. territory, residence in a community undergoing economic transitions (including communities impacted by the shift towards a net-zero economy or deindustrialization), or membership of another underserved community.
2. Business enterprise that is owned and controlled by individuals whose residences are in CDFI Investment Areas.*
3. Business enterprise that will build, open, or operate a location in a CDFI Investment Area.*

* <https://home.treasury.gov/policy-issues/small-business-programs/state-small-business-credit-initiative-ssbci/2021-ssbci/cdfi-fund-investment-areas>

New Collateral Support Program Updates

- **The minimum loan amount is now \$25,000** (previously \$50,000)
- **The size of Cash Pledge is now 40% of the loan amount** (previously 30% or 40%)
- **SEDI qualified loans will now receive an additional 10% contribution** (previously only SAC qualified loans received the additional contribution)
- **The maximum amount of cash pledge is \$10,000,000** (previously \$2,500,000)
- **Term of loan can be up to 5 years** (previously 4 years)
- **Recapture will occur at the end of the term of the support, 5 years maximum** (previously recapture occurred yearly)

New US Treasury Reporting Requirements

- **Small Business EIN/Tax ID #** (Do not provide SSN)
- **Form of Business** (Corporation, Sole-Proprietorship, Limited Liability Company etc.)
- **Loan Origination Fees** (Not including SB program fees or CSP closing fees)
- **Loan APR**

Updated Small Business & Collateral Support Program Documents

Starting January 2, 2024

Small Business Program

- CalCAP SB Loan Enrollment Application: <https://www.treasurer.ca.gov/cpcfca/calcap/sb/enrollment.pdf>
- CalCAP SB Lender Certification: https://www.treasurer.ca.gov/cpcfca/calcap/sb/lender_cert.pdf
- CalCAP SB Borrower Certification: <https://www.treasurer.ca.gov/cpcfca/calcap/sb/certification.pdf>

Collateral Support Program

- CalCAP CS Request: <https://www.treasurer.ca.gov/cpcfca/calcap/collateral/request.pdf>
- CalCAP CS Lender Certification: <https://www.treasurer.ca.gov/cpcfca/calcap/collateral/lender.pdf>
- CalCAP CS Borrower Certification: <https://www.treasurer.ca.gov/cpcfca/calcap/collateral/borrower.pdf>



CALIFORNIA POLLUTION CONTROL FINANCING AUTHORITY

CalCAP Collateral Support (CalCAP CS)

Cash pledges to financial institutions to backstop loans made to California's small businesses which lack collateral



Updated Webpage Format

Contact Information

Please send program inquiries to calcap@treasurer.ca.gov

Quick Links

[Brochure for CalCAP Collateral Support \(PDF\)](#)

[Current CalCAP Regulations](#)

[State Small Business Credit Initiative \(SSBCI 2.0\)](#)

Program Updates

[11.07.23 Notice of Proposed Rulemaking Section 8078](#)

[10.02.23 OAL Approval to Amend Sections 8078.29, 2078.31 - .33](#)

CalCAP Collateral Support is a credit enhancement program which is a part of the State Small Business Credit Initiative (SSBCI 2.0). Credit enhancement builds relationships between small businesses and financial institutions. Financial institutions invest in California's small businesses; small businesses grow the California economy.

CalCAP Collateral Support provides a risk management tool to financial institutions for use when a small business is in a strong position to obtain capital except for having too little collateral. It is available to participating financial institutions for loans from \$25,000 to \$20,000,000, for a wide array of business needs.

General Information

Small Businesses

Financial Institutions

Questions or Comments?



A wooden @ symbol is positioned on the right side of the image, resting on a light-colored wooden surface. In the background, a hand is visible, blurred, suggesting a person is working at a desk. The overall scene is brightly lit, with a warm, natural light.

Stay Connected

Email: CalCAP@treasurer.ca.gov

X: @CalCPCFA

Recordings and Presentations:

<https://www.treasurer.ca.gov/cpcfca/calcap/events.asp>