



CALIFORNIA  
**CAPITAL**  
**ACCESS**  
PROGRAM



**Over 90%**  
**of the Loans Enrolled in**  
**CalCAP for Small Business**  
**are Loans to Businesses**  
**with 10 or Fewer Employees**

-Loan enrollment data from 2010 to 2021

# CalCAP SB Provides a Timely Solution to a Wide Array of Underwriting Concerns for Loans to Small Businesses

## Credit Enhancement

CalCAP SB is a credit enhancement program funded by the State Small Business Credit Initiative (SSBCI 2.0).

## How It Works

- CalCAP SB provides a credit enhancement to a participating financial institution (PFI) after a small business borrower (SBB), has applied to a PFI, and the PFI has underwritten, approved, and disbursed an eligible loan.
- Once a loan (or line of credit) is disbursed by the PFI and accepted for enrollment in CalCAP SB, contributions for that loan are added to the loan loss

reserve account for that PFI.

- The loan loss reserve grows as the PFI enrolls more loans. The loan loss reserve is available to pay the PFI's claim in the case of default.
- Prior to applying to a PFI, a SBB can work with a small business center to become "loan-ready."
- Once a SBB is "loan-ready," they decide to which PFI they will apply.

More information including links to resources for SBBs: [treasurer.ca.gov/cpcfca/calcap/sb/index.asp](https://treasurer.ca.gov/cpcfca/calcap/sb/index.asp)



## **Which Loans Qualify for CalCAP SB?**

### **Loans & Lines of Credit for Many Needs**

- Equipment purchase & other capital projects
- Inventory purchase & other working capital
- Ownership purchase by an ESOP or worker co-op
- Real estate acquisition, construction or renovation of buildings (residential excluded) for occupancy by the SBB
- Start-up costs

### **Loan Loss Reserve Contributions Based on Amount Loaned by PFI**

- Loans up to \$5,000,000 are eligible
- Up to \$2,500,000 may be enrolled
- Contributions of 2-3.5% each from PFI & SBB are matched by CalCAP SB for a total of 8-14% of the enrolled amount
- Additional contribution from the program if the SBB is located in a severely affected community (SAC)
- SAC includes emergency or disaster declarations, or high unemployment

### **Primary Business is a California Business**

Business activity funded by the loan must be created and retained in California

### **Employee Count is 1 to 500**

Business is classified as a small business by the U.S. Small Business Administration, or is a non-profit



## **CalCAP SB: CalCAP for Small Business**

is one of the California Capital Access Programs known as CalCAP. CalCAP SB and CalCAP Collateral Support serve an array of business sectors while others serve a specific use. CalCAP is administered by CPCFA.



## **CPCFA: California Pollution Control Financing Authority**

administers programs which incentivize capital investment in specific economic activities reflecting state and federal policy goals. Our name references our original conduit bond projects which addressed industrial air and water pollution.



## **STO: State Treasurer's Office**

CPCFA was approved as part of the STO in 1972, and began taking action March 7, 1973. The Treasurer chairs the CPCFA Board.

### **Contact Us**

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