



California State Treasurer Fiona Ma, CPA

# News Release

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Contact: [Joe DeAnda](#)  
(916) 653-2995

## State Treasurer Fiona Ma Announces First Loans Offered through Revitalized State Small Business Program

***\$1 Billion+ Program Incentivizes Lenders to Invest in Small Businesses with a Focus on Manufacturing, Very Small Businesses & Socially and Economically Disadvantaged Individuals***

**SACRAMENTO** – State Treasurer Fiona Ma today announced that the initial three loans to California small businesses have been offered by California lenders under the \$1.181 billion State Small Business Credit Initiative 2.0 (SSBCI 2.0). The California Pollution Control Financing Authority (CPCFA), chaired by Treasurer Ma, is implementing the SSBCI 2.0 program in partnership with the state’s Infrastructure and Economic Development Bank (IBank).

“With \$1 billion behind the State Small Business Credit Initiative 2.0 from CPCFA and IBank, we are growing California’s small businesses, strengthening our economy, and creating entrepreneurship opportunities for communities that have historically been denied access to capital,” said Treasurer Ma. “For every \$1 spent incentivizing financial institutions, SSBCI 2.0 enables \$10 in private capital lending to small businesses. This type of capital is the lifeblood of small businesses and I’m thrilled to see California financial institutions take part.”

These three loans are the first CPCFA has committed to back under the SSBCI 2.0 program, via the [CalCAP Collateral Support program](#) (CalCAP CS).

- A Celtic Bank loan of \$2,000,000 to a Los Angeles small business in the formal wear and costume rental industry. In addition to the eight jobs retained, this small business anticipates adding four more jobs. The loan is for working capital, to be used for acquisition of fixed assets for lease.
- An Innovative Lease Services loan of \$123,337.50 to a Chico small business producing structural steel and precast concrete. This construction business also provides land clearing and fire prevention services. It has seven employees and anticipates adding another seven jobs with the equipment purchase loan for a dump truck.
- A Celtic Bank loan of \$2,000,000 to a San Francisco small business in the software publishing sector. This small business anticipates adding 10 additional jobs as well as retaining four jobs. The loan is for working capital for general business purposes.

CPCFA's CalCAP CS program incentivizes lenders to use private capital to make loans to small businesses by pledging cash to cover collateral shortfalls and is funded by a [10-year, \\$1.181 billion award from the United States Department of the Treasury](#).

SSBCI 2.0 is designed to increase small businesses' access to capital, including businesses in the manufacturing sector, businesses owned by socially and economically disadvantaged individuals (SEDI), and very small businesses (VSB) characterized as having 10 or fewer employees. [An additional \\$25 million funding from the federal American Rescue Plan Act of 2021](#) will allow the California Office of the Small Business Advocate to support small businesses eligible for SSBCI 2.0 by providing technical assistance to address financial, accounting, and legal questions in overcoming barriers to entrepreneurship.

Financial institutions and organizations that serve California's small business community can [view a recorded webinar](#) co-hosted by CPCFA and IBank – with an introduction by Treasurer Ma. By watching, financial institutions will learn from the experiences of currently participating lenders on how the CPCFA and IBank SSBCI 2.0 programs reduce risk, empowering them serve California's small businesses.

[CPCFA's SSBCI webpage](#) includes information on participation for financial institutions, as well as information for small businesses on accessing technical support and making plans to apply for capital.

### **More Program Information**

[CPCFA](#) administers programs which incentivize the investment of capital in certain economic activities, including loans to small businesses and bond issuances for private projects providing a public benefit. While originally formed to spur projects which addressed industrial air and water pollution, the programs now support a broad range of businesses.

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*Fiona Ma is California's 34th State Treasurer. She was first elected on November 6, 2018, with more votes (7,825,587) than any other candidate for treasurer in the state's history and reelected on November 8, 2022. She is the first woman of color and the first woman Certified Public Accountant (CPA) elected to the position. The State Treasurer's Office was created in the California Constitution in 1849. It provides financing for schools, roads, housing, recycling and waste management, hospitals, public facilities, and other crucial infrastructure projects that better the lives of residents. California is poised to become the world's fourth-largest economy and Treasurer Ma is the state's primary banker. Presently, her office processes more than \$3 trillion in banking transactions. She provides transparency and oversight for the government's investment portfolio and accounts, as well as for the state's surplus funds. Treasurer Ma oversees an investment portfolio that currently averages over \$200 billion—a significant portion of which is beneficially owned by more than 2,200 local governments in California. She serves as agent of sale for all State bonds and is trustee of billions of dollars of state indebtedness.*

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