

HELPING SMALL BUSINESSES

Small Business Administration Loans

To encourage small business lending in underserved areas of the state, the Pooled Money Investment Account (PMIA), managed by the State Treasurer's Office, purchases the guaranteed portion of securitized small business loans. This program provides a secondary Small Business Administration (SBA) market while offering diverse and prudent investment alternatives for the PMIA.

The PMIA is comprised of all monies flowing through the Treasurer's bank accounts, including funds from the Local Agency Investment Fund (LAIF) for local governments and special districts. Funds are invested consistent with the goals of safety, liquidity and yield.

Community Bank Small Business Loan Program

The California Capital Access Program (CalCAP) offers community banks and other lenders a mechanism to provide loans to small businesses which may not otherwise be able to obtain a loan. CalCAP provides portfolio insurance for bank loans made to small businesses to assist them in growing their business, from "micro-loans" of \$500 to \$2.5 million loans. The money can be used for start-up cash, to finance the acquisition of land or for other capital needs. The California Pollution Control Financing Authority (CPCFA) in the Treasurer's Office administers the CalCAP program.

For more information: (916) 654-5610
www.treasurer.ca.gov/cpcfaca/cap.asp

Small Business Industrial Development Bonds

The California Industrial Development Financing Advisory Commission (CIDFAC) approves tax-exempt industrial development bonds to small manufacturers creating jobs and resources in underserved communities.

For more information: (916) 653-3843
www.treasurer.ca.gov/cidfac

Recycle and Solid Waste Company Bonds

CPCFA approves tax-exempt bonds to small waste management and recycling firms to expand services.

For more information: (916) 654-5610
www.treasurer.ca.gov/cpcfaca



EXPANDING OPPORTUNITY

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PROVIDING CAPITAL IN UNDERSERVED COMMUNITIES¹

Community Banking

\$2 billion in minority-owned financial institutions
21 community banks, savings and loans, and credit unions

Healthcare Financing

\$3 million, 6 low-interest loans
\$46 million, 156 low-interest loans (1988 – June 30, 2007)
\$40 million and 146 grants to clinics serving California's neediest in 2006

EXPANDING UNDERWRITING AND INVESTMENT OPPORTUNITIES¹

Underwriter Small Firm Program

41 firms

30 minority/women/disabled veterans' enterprises
Appointed to 12 sales, totaling more than \$14.2 billion in bonds

Investment Division – Broker Dealer Program

13 minority/women/disabled veterans' enterprises,
including 11 small firms

HELPING SMALL BUSINESSES¹

Small Business Administration Loans

\$635 million (1992 through June 30, 2007)
\$100 million (150 loans purchased in 2007)

Community Bank Small Business Loan Program

\$706 million (1999 through June 30, 2007)
4,329 loans
2,156 women/minority-owned businesses

Small Business Industrial Development Bonds

\$75 million
1,943 manufacturing jobs created or retained

Recycle and Solid Waste Company Bonds

\$161 million
12 waste management and recycling firms

PROVIDING CAPITAL IN UNDERSERVED COMMUNITIES

Community Banking

The Time Deposit Program offers a unique opportunity to invest California tax dollars in California communities. Under this program, the Pooled Money Investment Account (PMIA) provides lenders funds to boost small businesses, finance home mortgages and auto loans, and invest in other areas of local economies. The deposits provide safe and attractive returns for the PMIA. By investing in financial institutions in underserved areas, the Treasurer's Office injects capital into communities which sorely need such resources.

For more information: (916) 653-3147
www.treasurer.ca.gov/pmia-laif



Healthcare Financing

The California Health Facilities Financing Authority (CHFFA) provides a variety of programs to nonprofit healthcare facilities including tax-exempt revenue bonds, low-interest loans and grants. The Healthcare Expansion Loan Program II (HELP II) provides three percent, fixed-rate loans to California's non-profit small and rural health facilities. HELP II helps clinics provide a wide variety of important services, including drug abuse treatment, services for developmentally disabled adults, HIV/AIDS outreach and geriatric services. CHFFA also administers the Community Clinic Grant Program, which helps small clinics expand and renovate outdated facilities, purchase critical healthcare equipment and upgrade technology.

For more information: (916) 653-2799
www.treasurer.ca.gov/chffa

EXPANDING UNDERWRITER AND INVESTMENT OPPORTUNITIES

Underwriter Small Firm Program

The State Treasurer's Office maintains a small firm designation policy for the underwriter pool. Minimum qualifications include being independently owned and operated, and having average annual gross receipts of \$30 million dollars or less during the previous three years.

The State Treasurer's Office establishes pools (bond counsel, financial advisor and underwriter) of firms eligible to provide services related to the sale of bonds. Firms may apply for pool membership on an ongoing basis. Pool applications may be downloaded from the State Treasurer's website at www.treasurer.ca.gov/publications/index.asp

For more information: (916) 653-3451
www.treasurer.ca.gov/investing.asp

Disabled Veteran Business Enterprises (DVBE)

State law establishes a participation goal of three percent for DVBE firms in contracts for professional bond services awarded by state agencies. DVBE certification may be obtained through the Department of General Services' website at <http://www.pd.dgs.ca.gov/smbus/dvbecert.htm>

Investment Division - Broker Dealer Participation

The PMIA conducts thousands of transactions in the course of a fiscal year. The State Treasurer's Office conducts an open evaluation process to select qualified, new broker dealers to provide investment services for the PMIA. To be considered as a potential broker dealer, firms must present their most recent audited financial statements, a written summary outlining the firm's capabilities and a current U.S. Securities and Exchange Commission Form BD. All broker dealers working with the State Treasurer's Office must adhere to the highest ethical and professional standards.

For more information: (916) 653-3147
www.treasurer.ca.gov/investing.asp



¹ All numbers are for January 1, 2006 through June 30, 2007 unless otherwise noted