INTRODUCED

April 27, 2011

**S. 824**

Introduced by Senators Land, Leatherman, Setzler, Nicholson, Hutto, Jackson and Ford

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**A** **JOINT RESOLUTION**

TO DESIGNATE THE SOUTH CAROLINA JOBS‑ECONOMIC DEVELOPMENT AUTHORITY AS THE AUTHORIZED AGENCY TO IMPLEMENT THE STATE SMALL BUSINESS CREDIT INITIATIVE WITHIN AND ON BEHALF OF THE STATE OF SOUTH CAROLINA; TO AUTHORIZE THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY TO EXECUTE AND DELIVER THE REQUISITE APPLICATION AND THE STATE SMALL BUSINESS CREDIT INITIATIVE ALLOCATION AGREEMENT FOR PARTICIPATING STATES, AND ALL OTHER RELATED AGREEMENTS, DOCUMENTS, CERTIFICATES, AND UNDERTAKINGS, ON BEHALF OF THE STATE OF SOUTH CAROLINA; AND TO AUTHORIZE THE SOUTH CAROLINA JOBS-ECONOMIC DEVELOPMENT AUTHORITY TO CONTRACT WITH THE BUSINESS DEVELOPMENT CORPORATION OF SOUTH CAROLINA TO ADMINISTER THE PROGRAMS PERMITTED UNDER AND SUPPORTED BY THE STATE SMALL BUSINESS CREDIT INITIATIVE.

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. The General Assembly finds:

(1) Pursuant to the Small Business Jobs Act of 2010, the United States Congress created the State Small Business Credit Initiative and appropriated $1.5 billion to be allocated by the United States Department of the Treasury to provide direct support to states for use in programs designed to increase access to credit for small businesses.

(2) The United States Treasury has allocated the amount of $17,990,415 as the “South Carolina Small Business Credit Initiative Allocation” to be made available to the State of South Carolina upon compliance by the State with the requirements of the Small Business Jobs Act of 2010.

(3) The State may use this allocation to fund Capital Access Programs and Other Credit Support Programs, which may include collateral support programs, loan guarantee programs, or other similar programs.

(4) In order to receive the allocation, the State must apply for and in connection therewith must designate a department, agency, authority, or political subdivision of the State to implement the Capital Access Programs and Other Credit Support Programs described in the application.

(5) The State may further designate in its application an entity to administer the Capital Access Programs and Other Credit Support Programs described in the application.

(6) The South Carolina Jobs‑Economic Development Authority has the functions and duties under applicable law, specifically Section 41‑43‑70 of the 1976 Code, to “promote and develop the business and economic welfare of this State, encourage and assist through loans, investments, research, technical and managerial advice, studies, data compilation and dissemination, and similar means, in the location of new business enterprises in this State and in rehabilitation and assistance of existing business enterprises and in the promotion of the export of goods, services, commodities, and capital equipment produced within the State, so as to provide maximum opportunities for creation and retention of jobs and improvement of the standard of living of the citizens of the State, and act in conjunction with other persons and organizations, public or private, in the promotion and advancement of industrial, commercial, agricultural, and recreational development in this State.”

(7) The South Carolina Jobs‑Economic Development Authority has the necessary authority and functions to implement the State Small Business Credit Initiative within and on behalf of the State.

(8) The Board of Directors of the South Carolina Jobs‑Economic Development Authority has by resolution determined that implementing the State Small Business Credit Initiative within the State would be consistent with the South Carolina Jobs‑Economic Development Authority’s functions and duties, and would be within the South Carolina Jobs‑Economic Development Authority’s enumerated powers.

(9) The Board of Directors of the South Carolina Jobs‑Economic Development Authority has by resolution further authorized and directed the Executive Director of the South Carolina Jobs‑Economic Development Authority to assist the State in applying for the South Carolina Small Business Credit Initiative Allocation and designating the South Carolina Jobs‑Economic Development Authority as the Implementing Entity.

(10) The Board of Directors of the South Carolina Jobs‑Economic Development Authority has by resolution further determined that the Business Development Corporation of South Carolina has substantial expertise and experience in administering programs comparable to the Capital Access Program permitted under and supported by the State Small Business Credit Initiative, and that administering the State Small Business Credit Initiative within the State would be consistent with said corporation’s functions and duties and would be within said corporation’s specific expertise and experience. Therefore, the Board of Directors of the South Carolina Jobs‑Economic Development Authority has authorized the South Carolina Jobs‑Economic Development Authority to contract with said corporation to administer the State Small Business Credit Initiative within the State.

SECTION 2. The South Carolina Jobs‑Economic Development Authority is designated, authorized, and directed to implement the State Small Business Credit Initiative within the State. The South Carolina Jobs‑Economic Development Authority is authorized to apply for and receive the South Carolina Small Business Credit Initiative Allocation; to execute and deliver the requisite application, the State Small Business Credit Initiative Allocation Agreement for Participating States, and all other agreements, documents, certificates, and undertakings related thereto, on behalf of the State; to implement one or more Capital Assistance Programs and/or Other Credit Support Programs as permitted under and supported by the State Small Business Credit Initiative; and to contract with the Business Development Corporation of South Carolina in order to administer such programs.

SECTION 3. The Board of Directors of the South Carolina Jobs‑Economic Development Authority may designate by resolution the appropriate officer, including, if so determined, the Executive Director of the South Carolina Jobs‑Economic Development Authority, to execute and deliver, on behalf of the State, the application, the State Small Business Credit Initiative Allocation Agreement, and all other agreements, documents, certificates, and undertakings related thereto.

SECTION 4. This joint resolution takes effect upon approval by the Governor.

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