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**TITLE 10. CALIFORNIA INDUSTRIAL DEVELOPMENT FINANCING ACT [91500 - 91562]** ( Title 10 added by Stats. 1980, Ch. 1358. )

**CHAPTER 1. California Industrial Development Financing [91500 - 91562]** ( Chapter 1 added by Stats. 1980, Ch. 1358. )

**ARTICLE 3. Small Business Financing [91560 - 91562]** ( Heading of Article 3 renumbered from Article 4 by Stats. 2018, Ch. 645, Sec. 6. )

**91560.** (a) The Legislature finds and declares that small businesses may have difficulty establishing adequate security for bonds issued by an authority in their behalf; that establishing common reserve funds will help to provide reasonable security for these bonds and will help to make the authority's services available to various small businesses that may be otherwise unable to use them.

(b) For the purpose of establishing and maintaining the common reserve funds it deems necessary or desirable to secure its bonds or any issuance thereof, an authority, pursuant to its project agreements with companies, may levy fees or other charges on, or require deposits from, companies receiving financing for projects under this title. Before levying any of these fees or charges or requiring deposits, an authority shall adopt regulations for the operation of the common reserve funds and governing the amounts and any payment schedule for the fees, charges, or deposits.

(c) Subject to any prior contractual obligations to any of its bondholders, an authority may establish one or more common reserve funds for any or all of its bonds. Each authority shall establish its liability limits of the common reserve fund with respect to any single issue of bonds issued by the authority.

(d) Each common reserve fund established pursuant to this section shall be deposited in a special account that shall be established by the Controller. Notwithstanding any other provision of law, all interest or other increment earned by investment or deposit of moneys in such an account pursuant to any provision of Part 2 (commencing with Section 16300) of Division 4 of Title 2 or pursuant to any other provision of law shall be credited to, and deposited in, the account.

(Amended by Stats. 2018, Ch. 645, Sec. 7. (AB 1547) Effective September 21, 2018.)

**91561.3.** Each local authority may enter into joint powers agreements with other local authorities to issue pooled bonds in response to small business loan requests.

(Amended by Stats. 2018, Ch. 645, Sec. 9. (AB 1547) Effective September 21, 2018.)

**91561.5.** For purposes of this article, "small business" means small business as defined in Section 14837.

(Amended by Stats. 2018, Ch. 645, Sec. 10. (AB 1547) Effective September 21, 2018.)

**91562.** A small business loan issued pursuant to this chapter, shall be for no less than seventy-five thousand dollars (\$75,000), nor more than five hundred thousand (\$500,000).

(Added by Stats. 1984, Ch. 1166, Sec. 6.)