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**TITLE 6.7. INFRASTRUCTURE FINANCE [63000 - 64132]** ( Title 6.7 added by Stats. 1994, Ch. 94, Sec. 1. )

**DIVISION 1. THE BERGESON-PEACE INFRASTRUCTURE AND ECONOMIC DEVELOPMENT BANK ACT [63000 - 63089.99]** ( Heading of Division 1 amended (as added by Stats. 1994, Ch. 94) by Stats. 1994, Ch. 749, Sec. 1. )

**CHAPTER 6. Small Business Financial Assistance Act of 2013 [63088 - 63089.99]** ( Chapter 6 added by Stats. 2013, Ch. 537, Sec. 4. )

**ARTICLE 9. Disaster Loan Guarantees [63089.90- 63089.90.]** ( Article 9 added by Stats. 2013, Ch. 537, Sec. 4. )

**63089.90.** (a) Pursuant to Section 8684.2 and the contract between a corporation and the bank, a corporation may, in an area affected by a state of emergency within the state and declared a disaster by the President of the United States, the Administrator of the United States Small Business Administration, or the United States Secretary of Agriculture, or declared to be in a state of emergency by the Governor of California, provide loan guarantees from funds allocated in Section 63089.55 to small businesses, small farms, nurseries, and agriculture-related enterprises that have suffered actual physical damage or significant economic injury as a result of the disaster.

(b) The bank board may adopt directives and requirements to implement the disaster loan guarantee program authorized by this section. Any regulations adopted under Chapter 1 (commencing with Section 14000) of Part 5 of Division 3 of Title 1 of the Corporations Code shall remain in effect until the bank adopts directives and requirements, however, these regulations shall have no effect after June 1, 2015.

(c) A corporation shall not issue a disaster loan guarantee unless and until it determines that the following conditions are satisfied:

- (1) The borrower cannot reasonably obtain a disaster loan without some form of credit enhancement.
- (2) The borrower has demonstrated a reasonable prospect of repayment.
- (3) The guaranteed loan will be used exclusively in this state.
- (4) The disaster loan qualifies as a small business loan or employment incentive loan.

(d) Allocations pursuant to subdivision (a) shall be deemed to be for extraordinary emergency or disaster response operations costs incurred by the issuance of disaster loan guarantees.

(Added by Stats. 2013, Ch. 537, Sec. 4. (AB 1247) Effective October 4, 2013.)