

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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SENATE BILL 1464

Short Title: Treasurer Invest in Rural SBIC.

(Public)

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Sponsors: Senator Hoyle.

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Referred to: Rules and Operations of the Senate.

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May 25, 2000

A BILL TO BE ENTITLED

1 AN ACT TO AUTHORIZE THE STATE TREASURER TO INVEST IN A SMALL  
2 BUSINESS INVESTMENT COMPANY THAT INVESTS IN RURAL, NORTH  
3 CAROLINA BUSINESSES.  
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5 The General Assembly of North Carolina enacts:

6 Section 1. G.S. 147-69.2(b) is amended by adding a new subdivision to read:

7 "(12) With respect to assets of the Escheat Fund, securities of a qualified  
8 SBIC, or a limited partnership interest in which a qualified SBIC is the  
9 only general partner, not to exceed fifteen million dollars (\$15,000,000).  
10 This maximum dollar amount does not apply to or restrict the  
11 reinvestment in accordance with this subdivision of any income from  
12 these investments. For the purposes of this subdivision, a qualified  
13 SBIC is a small business investment company as defined in the Small  
14 Business Investment Act of 1958, 15 U.S.C. § 661, et seq., that is  
15 domiciled or has an office in North Carolina and whose primary purpose  
16 is to provide mezzanine financing to growing companies located in rural  
17 North Carolina. An investment made pursuant to this subdivision must  
18 be conditioned on the qualified SBIC's reinvestment of the invested  
19 funds only in businesses located in rural North Carolina. In the event of  
20 a loss to the Escheat Fund by reason of an investment made pursuant to

1                    this subdivision, it is the intention of the General Assembly to hold the  
2                    Escheat Fund harmless from any such loss by appropriating to the  
3                    Escheat Fund funds equivalent to the loss."

4                    Section 2. This act is effective when it becomes law.