

**Table 11.14
SELECTED PUBLIC/PRIVATE PARTNERSHIP PROGRAMS**

<i>State</i>	<i>Program</i>	<i>Description</i>
Alabama	The Retirement Fund	The Retirement Systems of Alabama is a public/private partnership that totals \$22 billion for the Public Pension Fund.
Arizona	The Governor's Strategic Partnership for Economic Development (GSPED)	The Governor's Strategic Partnership for Economic Development (GSPED) is a public/private partnership that enhances the competitiveness of Arizona's economy through export-driven industry clusters and linking activities with workforce development.
Arkansas	The Arkansas Capital Corporation (ACC)	The Arkansas Capital Corporation (ACC) is a privately owned, non-profit organization established in 1957 to serve as an alternative source of financing for businesses in Arkansas. Its main goal is to improve the economic climate in the state by providing long-term, fixed-rate loans to Arkansas businesses. As a preferred lender for the Small Business Administration, ACC makes loans to existing operations and business start-ups for everything from new construction and equipment to working capital. ACC loans may be used in combination with bank loans, municipal bond issues, or other sources of financing.
Delaware	Delaware ACCESS Program	The Delaware Access Program is designed to give banks a flexible and extremely non-bureaucratic tool to make business loans that are somewhat riskier than a conventional bank loan, in a manner consistent with safety and soundness. It is designed to use a small amount of public resources to generate a large amount of private bank financing, thus providing access to bank financing for many Delaware businesses that might otherwise not be able to obtain such access.
Florida	Enterprise Florida Innovation Public/Private Partnership	The Innovation Partnership is a nonprofit corporation that centers on the creation and expansion of innovative, technology-based firms in the state such as biochemical, computer, microelectronics and software development. The partnership provides seed capital, expertise and direct production problem assistance. The partnership created Innovation and Commercialization Corporations (ICCs), which provide management, financial and marketing services for the commercialization of technologies developed at universities, federal laboratories and private firms.
Hawaii	Strategic Development Corporation	The Hawaii Strategic Development Corporation provides equity funding to private limited partnership venture capitalists who, in turn, invest in Hawaii companies.
Indiana		The Indiana Department of Commerce partners with public utilities to promote economic development.
Kansas	Kansas Venture Capital, Inc. (KVC)	The KVC is a state-wide risk capital system designed to meet the special needs of businesses throughout Kansas. The system seeks to create private risk capital for investment in smaller Kansas businesses. All funds invested by KVC must be invested in Kansas businesses solely for the purpose of enhancing productive capacity within the state, or for the purpose of adding value to goods or services produced or processed within the state. Most corporate businesses that meet the Small Business Administration's definition of a small business qualify for KVC assistance. Any type of business can apply to the KVC for assistance.
Maine	Maine & Company	Maine & Company, a private non-profit corporation dedicated to attracting new businesses into the state, oversees the Maine Investment Exchange (MIX). MIX is a joint venture project created by private businesses from throughout Maine. Their mission is to provide a regularly scheduled forum to bring together providers of risk capital with qualified entrepreneurs seeking capital. The monthly forum provides for prospective investors to hear several presentations given by qualified entrepreneurs seeking investment capital. Investors include: personal investors, personal advisor, venture capital firms, corporations and banks.
Massachusetts	Capital Access Program	The program provides participating banks with a cash collateral guarantee. The program is designed to encourage banks to make loans to small businesses and is available to Massachusetts companies with annual sales less than \$5 million that have borrowing needs up to \$500,000.
	Massachusetts Capital Resource Company	This private company established in conjunction with the state acts as an economic catalyst by providing capital to businesses throughout the commonwealth.
	Massachusetts Business Development Corporation	This private corporation under state charter provides loans to firms unable to obtain full financing from conventional lenders.
Michigan	Capital Access Program	Participating banks throughout Michigan offer the Capital Access Program directly to companies that need credit enhancement. Similar to loan loss reserve fund, the bank, company and the Michigan Economic Development Corporation place a small percentage of the loan into a reserve that makes it possible for the company to receive fixed asset and working capital financing.

See footnotes at end of table.

STATE GOVERNMENT IN REVIEW

SELECTED PUBLIC/PRIVATE PARTNERSHIP PROGRAMS — Continued

<i>State</i>	<i>Program</i>	<i>Description</i>
Minnesota	Capital Access Program	This program is used to encourage loans from private lending institutions to businesses, particularly small-and medium sized-businesses, to foster economic development. When loans are enrolled in the program by participating lending institutions, the lender obtains additional financial protection through a special fund created by the lender, borrower and the State. The lender and borrower contribute between 3 percent and 7 percent of the loan to the fund. The amount of funds contributed by the borrower/lender must be equal; however, the funds contributed by the bank may be recovered from the borrower as additional fees or through interest rates
Mississippi	The Mississippi Department of Economic and Community Development (MDECD) International Development Division	The MDECD and local economic development organizations partner frequently on business recruitment and expansion projects. The public/private partnership also includes: individual businesses participating in foreign investment and trade missions, business leaders serve on Workforce Development Councils (created under the Workforce and Education Act of 1994) to help direct worker training efforts; MDECD and universities are partnering with companies in the MS Space Commerce Initiative to build a remote sensing based industry sector in the state; State agencies and universities partner with private sector controlled non-profit technology development corporations.
Missouri	Missouri FIRST Linked Deposit For Small Businesses	The State Treasurer has reserved a portion of available linked deposit funds for small businesses. State funds are deposited with participating lending institutions at up to 3% below the one-year Treasury Bill rate, with the lender passing on this interest savings to the small business borrower. A company must have less than 25 employees, be headquartered in Missouri, and be operating for profit. Small Business MISSOURI FIRST Linked Deposit loans are available for working capital. The maximum loan amount is \$100,000.
Montana		The State Commerce Department Regional Development Officers assist clients with finding private capital.
Nebraska	The Nebraska Investment Finance Authority (NIFA)	The Nebraska Investment Finance Authority (NIFA) provides low interest financing for eligible industrial projects. NIFA was created by state law, and its Board of Directors is chaired by the Director of the Department of Economic Development. The Department of Economic Development also uses Nebraska's Community Development Block Grant (CDBG) funds to provide loan guarantees for bank financing of projects it favors.
New Jersey	Statewide Loan Pool for Business	The Statewide Loan Pool for Business targets businesses that create or maintain jobs; are located in a financially targeted municipality; or represent a targeted industry such as manufacturing, industrial, agricultural or one of the other sectors targeted for assistance by the EDA. Through an arrangement between EDA and New Jersey banks, loans from \$50,000 up to \$1 million for fixed assets and up to \$500,000 for working capital are available.
New York	Project Long Island	Project Long Island was begun last year by the LIA to identify and strengthen the high technology manufacturing industries already on Long Island that have the best chance of rapid growth and rapid job creation during the next five years. The industries are biotechnology/bioengineering, emerging electronics, graphic communications, medical imaging and health information systems, and computer software.
	New York-Interamerican Commerce for Consulting Engineers (NYICCE)	This is a trade development initiative including partnerships between ESD, the American Consulting Engineers, and it's New York member organization, the Consulting Engineers Council of New York State, Inc., the New York Association of Consulting Engineers, Inc., The US Department of Commerce and the Pan-American Federation of Consulting Engineers. The three year initiative is designed to build business relationships between consulting engineering firms in New York and Latin America to increase exports of their services.
	New York State's Energy Research and Development Authority (NYSERDA)	This program advances network technologies and applications that enable collaboration and promote technology transfer for research and education, expand these to government, industry, and the broader community. New York State's Energy Research and NYSERDA provides grants to NYS firms seeking to develop or commercialize Development Authority (NYSERDA) innovative products or processes that will lead to improvements in energy or waste minimization.
	Emerging Industry or NYS	This six-member association (NY Biotechnology Association, NY New Media Assoc., Photonics Development Corp. Environmental Business Association of NYS, NY Software Industry Association, Aerospace Diversification & Defense Conversion Association) represents the dynamic high technology sectors of NYS's economy. Each is partially funded by ESD and involved in a number of initiatives to facilitate the job growth and economic prosperity of their constituents.
North Carolina		These partnerships are a joint public/private economic development initiative comprised of North Carolina counties. The counties of North Carolina have been organized into seven regional partnerships for economic development. North Carolina's regional partnerships enable regions to compete effectively for new investment and to devise effective economic development strategies based on regional opportunities and advantages.

See footnotes at end of table.

SELECTED PUBLIC/PRIVATE PARTNERSHIP PROGRAMS — Continued

<i>State</i>	<i>Program</i>	<i>Description</i>
Oklahoma	Capital Access Program	The Oklahoma Capital Investment Board manages this easy-to-use economic service that encourages additional business lending activity. It provides a "credit insurance" reserve for Oklahoma banks through a fee-matching arrangement for loans enrolled in the program. It gives banks additional resources to finance economic development and community reinvestment activities.
Oregon	Capital Access Program	The Capital Access Program is designed to increase the availability of loans from banks to small businesses in Oregon. The program provides a form of loan portfolio insurance so lenders may make business loans that carry higher than conventional risks, but that are within the soundness and safety requirements of federal and state banking regulations.
Pennsylvania	Team Pennsylvania	Team Pennsylvania, headquartered in Harrisburg just minutes from the State Capitol's Complex, is a dynamic public-private partnership that brings together Pennsylvania's businesses, its government and community and economic development leaders. Guided by a board of directors chaired by Governor Ridge, Team Pennsylvania builds a vision for the future in the Commonwealth by providing the resources businesses need to launch or expand business success in the Commonwealth.
Puerto Rico	The Government Development Bank	The Government Development Bank's Low interest industrial revenue bonds (AFICA is the Spanish acronym) AFICA program for Puerto Rico tax exempt industrial revenue bonds, as well financing for privatization and infrastructure projects.
	The Economic Development Bank	The Economic Development Bank offers financing to small businesses and collaborates with the Puerto Rico Industrial Development Corporation in the Venture Capital Initiative that develops public/private-financing packages for high technology venture capital financing. Special Fund money may be used for research and development, management buy-outs, venture capital enterprises, financing of strategic industries and risk-sharing programs with small business.
Texas		These partnerships are through the Texas Capital Access Fund, Texas Linked Deposit Fund, and the Industrial Revenue Bond Program.
Virginia	Job Training Partnership	The Virginia Economic Development Department is an authority that can partner with private sector to support economic development.
Washington	The State Business Development Team	The State Business Development Team works in partnership with local Economic Development Councils, local and state government agencies, port authorities, and utility companies on business development activities such as arranging site visits by potential business investors, and assisting businesses in accessing local business recruitment incentives.

Source: Compiled by The Council of State Governments from CSG's 1999 national survey of state economic development and business-incentive leaders (50 states and three territories responding).