

13-241.

(a) There is an Equity Participation Investment Program Fund established as a nonlapsing, revolving fund.

(b) The Fund consists of:

(1) Money drawn from the Small Business Development Guaranty Fund;

(2) Money appropriated by the State to the Fund;

(3) Money made available to the Fund through federal programs or private contributions;

(4) Income from investments that the State Treasurer, on instruction of the Authority, makes from moneys in the Fund;

(5) Proceeds from the sale, disposition, lease or rental by the Authority of collateral related to equity participation financing provided by the Authority;

(6) Premiums, fees, royalties, and repayments of principal, interest and investments paid by and on behalf of [franchise] enterprises to the Authority under the terms of equity participation financing provided by the Authority; and

(7) Any other moneys made available under this Program.

(c) The Fund shall be self-sustaining and shall achieve investment returns on its portfolio in the form of:

(1) Royalties from [franchises] ENTERPRISES in amounts to be determined by the Authority; and

(2) If a debt security is used, interest payments.

(d) The Authority may, from time to time as needed for the Program, withdraw amounts from the Small Business Development Guaranty Fund, not to exceed a total of \$2,000,000, and deposit these amounts into the Equity Participation Investment Program Fund.

(e) The Authority shall use the Fund and income from the Fund:

(1) In the purchase of qualified securities issued by [a franchise] AN ENTERPRISE for the purpose of providing equity participation financing as permitted under the Program;

(2) To provide guarantees of investments to expand the capital resources of qualified [franchises] ENTERPRISES;