

loans. I'm assuming it would be through the Department of Economic Development and I can get that answer for you, if you give me a little time.

SENATOR WEHRBEIN: Okay. And is this banks...this, I assume is a supplemental loan in many cases where banks will have loaned to the maximum for a business and it's intended to be a supplemental kind of bridging loan?

SENATOR ENGEL: This isn't to compete with any financial institution. It's just...maybe they can get the package together, they can't quite get enough together to bring it over the top and that's where this would come into play.

SENATOR WEHRBEIN: So it might be a bridge...

SENATOR ENGEL: It would be like...well you probably defined it right there, a bridging.

SENATOR WEHRBEIN: And interest rates, when it says low interest do you know what...

SENATOR ENGEL: And the interest rate that they have figured is half of the prime rate whatever the prime rate is at that time.

SENATOR WEHRBEIN: Okay, so that would be defined. Okay.

SENATOR ENGEL: And this present time I think it would be right around 5 percent.

SENATOR WEHRBEIN: I didn't sign on the bill. It's not that I'm necessarily opposed to it, but I am concerned with perhaps the need for putting some more parameters into it. I do not take lightly the fact that it will be \$3 million each year. I do not take lightly the fact that it is for probably a good purpose. I understand there is a need in the small business world to make these what I would call bridging loans. Perhaps that's an incorrect term but that's how I would see it that those companies that are coming in or expanding on the verge of needing more financing but it's not readily available through regular course of business. On the other hand I would also assume with that comes some potential risk that we would need to be prepared to meet. Whether that needs to be written in at this point I'm not sure. I do think that I probably will be looking at this a little more carefully with you and working on