

more kindly to it. Certainly, if these amendments are adopted, I will feel more kindly to it. But, at any rate, the first amendment, and there are two amendments being sponsored by Senator Engel and I, jointly. The first amendment is 1738. That amendment is printed in the Journal. I hope you have had a chance to read it. It is a little difficult to understand without working through the E & R amendments. So I'll spend a little bit of time with you and, hopefully, be able to point out to you what it does in an adequate way. If you have questions after I'm done attempting to explain it, certainly wouldn't blame you, but we'll see how it goes. The first portion of the amendment is what I would characterize as rather technical. It certainly focuses the process on the purposes for which the funds are being created. And essentially what it's designed to do is change those provisions which say that the commission shall adopt policies and procedures for administration of the fund. Well, it seemed to me that it was desirable that those...the focus of those policies and procedures ought to be the purposes that we've stated up in Section 4, so we're simply adding that language to focus the commission in its effort to adopt policies and procedures on the purposes that we have legislatively declared. The second part of Section 1 is substantive. It limits the businesses that can qualify for grants or loans. It limits those to businesses employing less than 100 employees to a grant from the fund. They would still be eligible for loans. I'm sorry. And it does have additional language which protects communities. I understand that sometimes they need to undertake activity for utility or transportation infrastructure. That language is added. In the...moving on to Section 2 of the amendment, the first part is a restriction that says that no qualified business shall receive more than \$500,000, directly or indirectly, in terms of loans or grants, simply a restriction so that no one would qualify for the entire fund and, in fact, they couldn't qualify for more than \$500,000 of the fund. The second part of Section 2 of the amendment, I think, is a substantive provision. It says that a cost-benefit analysis will be performed prior to the approval of any grant. I don't think you need to do a cost-benefit analysis on loans. There is an implicit cost-benefit analysis on loans due to the interest that's going to be paid. The cost-benefit analysis, I would characterize it here, quite frankly, as a toothless tiger. I understand that, but I wish to keep in front of the body the idea that we should have a cost-benefit analysis in these kinds of efforts and, hopefully, over the summer we will be able to develop something more substantive to bring to