



CALIFORNIA STATE TREASURER JOHN CHIANG

# NEWS RELEASE

FOR IMMEDIATE RELEASE

PR 18:34  
June 18, 2018

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## New Milestones Achieved in Treasurer Chiang's CalCAP Program Helping Small Businesses Prosper

**SACRAMENTO** – For every \$1 in California Capital Access Program (CalCAP) money distributed in 2017, \$18 of private investments were leveraged by California small businesses, establishing a new milestone for the program.

At the same time, since 2015 when State Treasurer John Chiang assumed office the number of loans has skyrocketed by 45 percent with nearly half of all loans enrolled now going to small businesses in disadvantaged communities.

“California’s nearly 4 million small businesses are the backbone of our economy. They employ nearly half our work force,” said Treasurer Chiang. “Yet, it can be extremely challenging for many small business owners to obtain start-up, working capital, or expansion financing. The CalCAP program is there to encourage and support lenders to make these small businesses the loans they need to hire our neighbors, improve our communities, and grow our economy.”

The California Pollution Control Financing Authority (CPCFA), which is overseen by the Treasurer, administers CalCAP. The program enables financial institutions to make loans to small businesses they might not otherwise approve.

CalCAP motivates lenders to invest in small businesses by providing a financial ‘backstop’ that protects lenders in the event of a loan default. Lenders can breathe easier and often offer borrowers better credit terms and conditions than they might otherwise offer. Not only that, CalCAP’s model relies wholly on each lender’s credit policy, encouraging prudent lending. CalCAP is also sustainable. Once a loan matures, CalCAP’s deposits are recirculated, supporting additional loans to more businesses.

CalCAP has helped more than 35,000 small businesses in 56 counties across California, from rural areas to major cities, obtain loans through participating financial institutions.

CalCAP also provides for specialty programs targeted toward creating more charging stations for electric vehicles, helping at-risk small businesses comply with requirements of the federal Americans with Disabilities Act, assisting small businesses and property owners with financing the costs to seismically retrofit existing buildings and homes, and retrofitting polluting diesel trucks.

Small business owners and lenders seeking more information on CalCAP can email the State Treasurer's Office at [CalCAP@treasurer.ca.gov](mailto:CalCAP@treasurer.ca.gov) or call 916.653.5610.

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