

## HOUSE BILL No. 2328

By Committee on Insurance and Financial Institutions

2-1

---

9 AN ACT establishing the small business association assistance plan.

10

11 *Be it enacted by the Legislature of the State of Kansas:*

12 Section 1. (a) The secretary of commerce is hereby authorized to  
13 make no interest loans for the purpose of financing the initial costs as-  
14 sociated with the forming and organizing of small business associations  
15 to assist small business members of the association to obtain access to  
16 quality and affordable health care plans.

17 (b) Such loans shall be made upon such terms and conditions as the  
18 secretary of commerce may deem appropriate, except that such loans shall  
19 be made interest free. Such loans shall be made from funds credited to  
20 the small business association assistance plan fund.

21 (c) There is hereby established in the state treasury the small business  
22 association assistance plan fund. The secretary of commerce shall admin-  
23 ister such fund and expenditures from the small business association as-  
24 sistance plan fund for the purpose of providing no interest loans in ac-  
25 cordance with this section. All expenditures from the small business  
26 association assistance plan fund shall be made in accordance with approp-  
27 riation acts upon warrants of the director of accounts and reports issued  
28 pursuant to vouchers approved by the secretary of commerce or the des-  
29 ignee of the secretary.

30 (d) On July 1, 2007, the director of accounts and reports shall transfer  
31 \$1,000,000 from the state general fund to the small business association  
32 assistance plan fund.

33 (e) On or before the 10th day of each month, the director of accounts  
34 and reports shall transfer from the state general fund to the small business  
35 association assistance plan fund interest earnings based on:

36 (1) The average daily balance of moneys in the small business asso-  
37 ciation assistance plan fund for the preceding month; and

38 (2) the net earnings rate for the pooled money investment portfolio  
39 for the preceding month.

40 (f) For the purpose of this section “small business” means any busi-  
41 ness that employs 50 or less employees.

42 (g) The secretary of commerce may adopt rules and regulations to  
43 implement the provisions of this section.

1     Sec. 2. This act shall take effect and be in force from and after its  
2     publication in the statute book.