April 16, 2019

Honorable Luz Rivas

Chair, Legislative Ethics Committee

State Capitol

Sacramento, CA 94249

**Re: AB 1259 (Rivas) California New Market Tax Credit** — **SUPPORT**

Dear Assemblywoman Rivas:

On behalf of the California Association of Micro Enterprise Opportunity (CAMEO), I am writing to express our support for your bill, AB 1259. Your bill would establish the California New Market Tax Credit that that would drive investment to community development entities (CDEs) in low income communities. AB1259builds off the success of similar federal tax credits and further incentivizes much needed investment in low income communities throughout California.

CAMEO is California’s statewide network made up of over 230 organizations, agencies, and individuals dedicated to furthering microbusiness development in the state. Annually, CAMEO members serve about 21,000 very small businesses with training, business and credit assistance and loans.

Accessing capital is a top challenge for small businesses because of their unique needs. This credit allows for more access to capital for small and micro businesses by working with CDFs and CDFIs. This bill incentivizes valuable investment in community development entities, in communities that do not normally benefit from this type of investment. This tax credit would empower CDEs to help small businesses and communities that need it the most.

For these reasons, CAMEO supports AB 1259. If you have any questions regarding these requests, please feel free to contact Heidi Pickman, 415.992.4480 or at hpickman@microbiz.org.

Sincerely,



 Carolina Martinez, CEO