In the Senate of the United States,

July 23, 2015.

Resolved, That the bill from the House of Representatives (H.R. 2499) entitled "An Act to amend the Small Business Act to increase access to capital for veteran entrepreneurs, to help create jobs, and for other purposes.", do pass with the following

AMENDMENT:

At the end, add the following:

SEC. 4. BUSINESS LOANS PROGRAM.

(a) SECTION 7(a) FUNDING LEVELS.—The third proviso under the heading "BUSINESS LOANS PROGRAM ACCOUNT" under the heading "SMALL BUSINESS ADMINISTRATION" under title V of division E of the Consolidated and Further Continuing Appropriations Act, 2015 (Public Law 113–235; 128 Stat. 2371) is amended by striking "$18,750,000,000" and inserting "$23,500,000,000".

(b) LOAN LIMITATIONS.—Section 7(a)(1) of the Small Business Act (15 U.S.C. 636(a)(1)) is amended—

(1) in subparagraph (A)—

(A) by striking "No financial assistance" and inserting the following:

"(i) IN GENERAL.—No financial assistance"; and

(B) by adding at the end the following:

"(ii) LIQUIDITY.—On and after October 1, 2015, the Administrator may not guarantee a loan under this subsection if the lender determines that the borrower is unable to obtain credit elsewhere solely because the liquidity of the lender depends upon the guaranteed portion of the loan being sold on the secondary market."; and

(2) by adding at the end the following:

"(C) LENDING LIMITS OF LENDERS.—On and after October 1, 2015, the Administrator may not guarantee a loan under this subsection if the sole purpose for requesting the guarantee is to allow the lender to exceed the legal lending limit of the lender.".

(c) REPORTING.—

(1) DEFINITIONS.—In this subsection—

(A) the term "Administrator" means the Administrator of the Small Business Administration;

(B) the term "business loan" means a loan made or guaranteed under section 7(a) of the Small Business Act (15 U.S.C. 636(a));

(C) the term "cancellation" means that the Administrator approves a proposed business loan, but the prospective borrower determines not to take the business loan; and

(D) the term "net dollar amount of business loans" means the difference between the total dollar amount of business loans and the total dollar amount of cancellations.

(2) REQUIREMENT.—During the 3-year period beginning on the date of enactment of this Act, the Administrator shall submit to Committee on Small Business and Entrepreneurship and the Committee on Appropriations of the Senate and the Committee on Small Business and the Committee on Appropriations of the House of Representatives a quarterly report regarding the loan programs carried out under section 7(a) of the Small Business Act (15 U.S.C. 636(a)), which shall include—

(A) for the fiscal year during which the report is submitted and the 3 fiscal years before such fiscal year—

(i) the weekly total dollar amount of business loans;

(ii) the weekly total dollar amount of cancellations;

(iii) the weekly net dollar amount of business loans—

(I) for all business loans; and

(II) for each category of loan amount described in clause (i), (ii), or (iii) of section 7(a)(18) of the Small Business Act (15 U.S.C. 636(a)(18));

(B) for the fiscal year during which the report is submitted—

(i) the amount of remaining authority for business loans, in dollar amount and as a percentage; and

(ii) estimates of the date on which the net dollar amount of business loans will reach the maximum for such business loans based on daily net lending volume and extrapolations based on year to date net lend-

ing volume, quarterly net lending volume, and quarterly growth trends;

(C) the number of early defaults (as determined by the Administrator) during the quarter covered by the report;

(D) the total amount paid by borrowers in early default during the quarter covered by the report, as of the time of purchase of the guarantee;

(E) the number of borrowers in early default that are franchisees;

(F) the total amount of guarantees purchased by the Administrator during the quarter covered by the report; and

(G) a description of the actions the Administrator is taking to combat early defaults administratively and any legislative action the Administrator recommends to address early defaults.

Attest:

Secretary.

114TH CONGRESS
1ST SESSION

H.R. 2499

AMENDMENT