

119TH CONGRESS
2D SESSION

S. 2232

AN ACT

To expand the surety bond program under the Small Business Investment Act of 1958, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Expanding the Surety
3 Bond Program Act of 2025”.

4 **SEC. 2. EXPANSION OF THE SURETY BOND PROGRAM.**

5 Part B of title IV of the Small Business Investment
6 Act of 1958 (15 U.S.C. 694a et seq.) is amended—

7 (1) in section 411 (15 U.S.C. 694b)—

8 (A) in subsection (a)(1)—

9 (i) in subparagraph (A)—

10 (I) by striking “\$6,500,000” and
11 inserting “\$18,000,000”; and

12 (II) by inserting “, subject to the
13 exception in subparagraph (B)” after
14 “United States Code”; and

15 (ii) by striking subparagraph (B) and
16 inserting the following:

17 “(B) (i) In any fiscal year in which the Administrator
18 submits a formal request, including budget justification
19 documents submitted by the Administrator to Congress,
20 for supplemental funds under section 412(d), the amount
21 described in subparagraph (A) shall be reduced by 33 per-
22 cent.

23 “(ii) The limit described in clause (i) shall apply until
24 the first of either—

1 “(I) 12 months after the date on which the Ad-
 2 ministrator submits the formal request described in
 3 that clause; or

4 “(II) 150 days after the date on which—

5 “(aa) the requested funds are provided,
 6 and the Administrator attests that the fee col-
 7 lection activities of the Administration are suffi-
 8 cient to maintain a deficit-neutral revolving
 9 fund; or

10 “(bb) the Administrator notifies Congress
 11 that funds are no longer required and attests
 12 that the fee collection activities of the Adminis-
 13 tration are sufficient to maintain a deficit-neu-
 14 tral revolving fund.

15 “(iii) After the expiration of the period described in
 16 clause (ii), the limit described in clause (i) shall revert to
 17 the amount designated in subparagraph (A).”; and

18 (B) in subsection (e)—

19 (i) in paragraph (1), by striking the
 20 comma at the end and inserting a semi-
 21 colon;

22 (ii) in paragraph (2), by striking
 23 “\$6,500,000,” and inserting “the amount
 24 described in subparagraph (A) or (B)(i) of
 25 subsection (a)(1), as applicable;”; and

1 (iii) in paragraph (3), by striking “,
2 or” and inserting “; or”;

3 (2) in section 412 (15 U.S.C. 694c)—

4 (A) in subsection (a), in the third sentence,
5 by striking “, excluding administrative ex-
6 penses,”;

7 (B) by redesignating subsection (b) as sub-
8 section (c);

9 (C) by inserting after subsection (a) the
10 following:

11 “(b) Not more than 2 percent of the amount in the
12 fund described in subsection (a) on the first day of each
13 fiscal year may be obligated during that fiscal year to
14 cover costs incurred by the Administration in connection
15 with the management and administration of this part, in-
16 cluding costs related to information technology and sys-
17 tems, outreach activities, and relevant contracts.”; and

18 (D) by adding at the end the following:

19 “(d) If the Administrator notifies any committee of
20 the Senate or the House of Representatives that supple-
21 mental funding is necessary to carry out the Surety Bond
22 Program authorized under section 411(a)(3), the Adminis-
23 trator shall, on the same date, notify in writing the Com-
24 mittee on Small Business and Entrepreneurship of the
25 Senate and the Committee on Small Business of the

1 House of Representatives regarding the need for the sup-
2 plemental funds.”; and

3 (3) by adding at the end the following:

4 **“SEC. 413. REPORT.**

5 “(a) SMALL BUSINESS ADMINISTRATION.—Not later
6 than 90 days after the first day of each fiscal year, the
7 Administrator shall submit to the Committee on Small
8 Business and Entrepreneurship of the Senate and the
9 Committee on Small Business of the House of Representa-
10 tives a report covering the period of the previous fiscal
11 year describing the status and activities carried out under
12 this part and the financial health of the revolving fund
13 created under section 412(a), which shall include—

14 “(1) with respect to guarantees under this
15 part—

16 “(A) the total dollar value in the aggregate
17 among all sureties;

18 “(B) the total dollar value issued by sure-
19 ties participating in the Prior Approval Pro-
20 gram;

21 “(C) the total dollar value issued by sure-
22 ties participating in the Preferred Surety Bond
23 Guarantee Program authorized under section
24 411(a)(3);

25 “(D) the average bond size; and

1 “(E) the number of issued bonds that ex-
2 ceed the limits established under subparagraphs
3 (A) and (B) of section 411(a)(1);

4 “(2) with respect to claims paid—

5 “(A) the total dollar value of claims paid
6 in the aggregate;

7 “(B) the total dollar value of claims origi-
8 nating from bonds issued by sureties partici-
9 pating in the Prior Approval Program and the
10 number of such claims; and

11 “(C) the total dollar value of claims origi-
12 nating from bonds issued by sureties partici-
13 pating in the Preferred Surety Bond Guarantee
14 Program authorized under section 411(a)(3)
15 and the number of such claims.

16 “(3) information on the solvency of the revolv-
17 ing fund, including—

18 “(A) the revolving fund balance at the end
19 of the reporting period;

20 “(B) net cash flow;

21 “(C) administrative expenses incurred; and

22 “(D) the revolving fund balance at the end
23 of the reporting period, adjusted for administra-
24 tive expenses under subparagraph (C);

1 “(4) the number of sureties participating in the
2 Prior Approval Program;

3 “(5) the number of sureties participating in the
4 Preferred Surety Bond Guarantee Program author-
5 ized under section 411(a)(3); and

6 “(6) information on administrative expenses, in-
7 cluding—

8 “(A) a description of administrative ex-
9 penses claimed from the revolving fund under
10 section 412(b) as of the end of the reporting
11 period; and

12 “(B) the total cost of administrative ex-
13 penses claimed.

14 “(b) GOVERNMENT ACCOUNTABILITY OFFICE.—Not
15 later than 270 days after the date of enactment of the
16 Expanding the Surety Bond Program Act of 2025, the
17 Comptroller General of the United States shall submit to
18 the Committee on Small Business and Entrepreneurship
19 of the Senate and the Committee on Small Business of
20 the House of Representatives a report on the current proc-
21 esses of the Small Business Administration for approving
22 applicants to the Surety Bond Program, including rec-

- 1 ommendations for improving program efficiency and sim-
- 2 plifying paperwork requirements.”.

Passed the Senate April 29, 2026.

Attest:

Secretary.

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