

113TH CONGRESS
2D SESSION

H. R. 4652

To increase lending to small businesses.

IN THE HOUSE OF REPRESENTATIVES

MAY 9, 2014

Mr. TIERNEY (for himself, Mr. CICILLINE, Ms. DELAURO, Mr. LARSEN of Washington, Mr. LOEBSACK, Mr. MCGOVERN, Ms. NORTON, Mr. RANGEL, Mr. SARBANES, Ms. SCHAKOWSKY, Mr. TONKO, Ms. TSONGAS, Mr. CAPUANO, Mr. PAYNE, Mr. CÁRDENAS, Mr. COURTNEY, Ms. DUCKWORTH, Mr. HASTINGS of Florida, Mr. LOWENTHAL, Mr. MICHAUD, Mr. OWENS, Mr. POCAN, Ms. SHEA-PORTER, and Mr. LEWIS) introduced the following bill; which was referred to the Committee on Small Business

A BILL

To increase lending to small businesses.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Increasing Small Busi-
5 ness Lending Act”.

6 **SEC. 2. FEE REDUCTIONS.**

7 (a) ADMINISTRATIVE PROVISIONS SMALL BUSINESS
8 ADMINISTRATION.—Until September 30, 2015, and to the
9 extent that the cost of such elimination or reduction of

1 fees is offset by appropriations, with respect to each loan
2 guaranteed under section 7(a) of the Small Business Act
3 (15 U.S.C. 636(a)) and section 3 of this Act, for which
4 the application is approved on or after the date of enact-
5 ment of this Act, the Administrator shall—

6 (1) in lieu of the fee otherwise applicable under
7 section 7(a)(23)(A) of the Small Business Act (15
8 U.S.C. 636(a)(23)(A)), collect no fee or reduce fees
9 to the maximum extent possible; and

10 (2) in lieu of the fee otherwise applicable under
11 section 7(a)(18)(A) of the Small Business Act (15
12 U.S.C. 636(a)(18)(A)), collect no fee or reduce fees
13 to the maximum extent possible.

14 (b) TEMPORARY FEE ELIMINATION FOR THE 504
15 LOAN PROGRAM.—

16 (1) IN GENERAL.—Until September 30, 2015,
17 and to the extent the cost of such elimination in fees
18 is offset by appropriations, with respect to each
19 project or loan guaranteed by the Administrator
20 pursuant to title V of the Small Business Investment
21 Act of 1958 (15 U.S.C. 695 et seq.) for which an
22 application is approved or pending approval on or
23 after the date of enactment of this Act—

24 (A) the Administrator shall, in lieu of the
25 fee otherwise applicable under section 503(d)(2)

1 of the Small Business Investment Act of 1958
2 (15 U.S.C. 697(d)(2)), collect no fee; and

3 (B) a development company shall, in lieu
4 of the processing fee under section
5 120.971(a)(1) of title 13, Code of Federal Reg-
6 ulations (relating to fees paid by borrowers), or
7 any successor thereto, collect no fee.

8 (2) REIMBURSEMENT FOR WAIVED FEES.—

9 (A) IN GENERAL.—To the extent that the
10 cost of such payments is offset by appropria-
11 tions, the Administrator shall reimburse each
12 development company that does not collect a
13 processing fee pursuant to paragraph (1)(B).

14 (B) AMOUNT.—The payment to a develop-
15 ment company under subparagraph (A) shall be
16 in an amount equal to 1.5 percent of the net
17 debenture proceeds for which the development
18 company does not collect a processing fee pur-
19 suant to paragraph (1)(B).

20 (c) APPLICATION OF FEE ELIMINATIONS.—To the
21 extent that amounts are made available to the Adminis-
22 trator for the purpose of fee eliminations or reductions
23 under subsection (a), the Administrator shall—

24 (1) first use any amounts provided to eliminate
25 or reduce fees paid by small business borrowers

1 under clauses (i) through (iii) of paragraph (18)(A),
2 to the maximum extent possible;

3 (2) then use any amounts provided to eliminate
4 or reduce fees under paragraph (23)(A) paid by
5 small business lenders with assets less than
6 \$1,000,000,000 as of the date of enactment; and

7 (3) then use any remaining amounts appro-
8 priated under this Act to reduce fees paid by small
9 business lenders other than those with assets less
10 than \$1,000,000,000.

11 **SEC. 3. ECONOMIC STIMULUS LENDING PROGRAM FOR**
12 **SMALL BUSINESSES.**

13 (a) IN GENERAL.—The Administrator may guarantee
14 up to 90 percent of qualifying small business loans made
15 by eligible lenders.

16 (b) DEFINITIONS.—For purposes of this section:

17 (1) The term “Administrator” means the Ad-
18 ministrator of the Small Business Administration.

19 (2) The term “qualifying small business loan”
20 means any loan to a small business concern pursu-
21 ant to section 7(a) of the Small Business Act (15
22 U.S.C. 636) or title V of the Small Business Invest-
23 ment Act of 1958 (15 U.S.C. 695 and following) ex-
24 cept for such loans made under section 7(a)(31).

1 (3) The term “small business concern” has the
2 same meaning as provided by section 3 of the Small
3 Business Act (15 U.S.C. 632).

4 (c) NONAPPLICATION OF SECTION TO CERTAIN
5 LOANS.—

6 (1) ALIENS UNLAWFULLY PRESENT IN THE
7 UNITED STATES.—A loan guarantee may not be
8 made under this section for a loan made to a con-
9 cern if an individual who is an alien unlawfully
10 present in the United States—

11 (A) has an ownership interest in that con-
12 cern; or

13 (B) has an ownership interest in another
14 concern that itself has an ownership interest in
15 that concern.

16 (2) FIRMS IN VIOLATION OF IMMIGRATION
17 LAWS.—No loan guarantee may be made under this
18 section for a loan to any entity found, based on a
19 determination by the Secretary of Homeland Secu-
20 rity or the Attorney General to have engaged in a
21 pattern or practice of hiring, recruiting or referring
22 for a fee, for employment in the United States per-
23 sons knowing those persons are or would be aliens
24 unlawfully present in the United States.

1 (d) CRIMINAL BACKGROUND CHECKS.—Before ap-
2 proval of any loan guarantee under this section, the Ad-
3 ministrators may verify the applicant’s criminal back-
4 ground, or lack thereof, through the best available means,
5 including, if possible, use of the National Crime Informa-
6 tion Center computer system at the Federal Bureau of In-
7 vestigation.

8 (e) APPLICATION OF OTHER LAW.—Nothing in this
9 section shall be construed to exempt any activity of the
10 Administrator under this section from the Federal Credit
11 Reform Act of 1990 (title V of the Congressional Budget
12 and Impoundment Control Act of 1974; 2 U.S.C. 661 and
13 following).

14 (f) SMALL BUSINESS ACT PROVISIONS.—The provi-
15 sions of the Small Business Act applicable to loan guaran-
16 tees under section 7 of that Act and regulations promul-
17 gated thereunder as of the date of the enactment of this
18 Act shall apply to loan guarantees under this section ex-
19 cept as otherwise provided in this section.

20 (g) SUNSET.—Loan guarantees may not be issued
21 under this section later than one year after the date of
22 the enactment of this Act.

1 **SEC. 4. AUTHORIZATION OF APPROPRIATIONS.**

2 There are authorized to be appropriated such sums
3 as may be necessary to carry out this Act.

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