

HR 1332

Small Business Lending Improvements Act of 2007

Congress: 110 (2007–2009, Ended)

Chamber: House

Policy Area: Commerce

Introduced: Mar 6, 2007

Current Status: Read the second time. Placed on Senate Legislative Calendar under General Orders. Calendar No. 129.

Latest Action: Read the second time. Placed on Senate Legislative Calendar under General Orders. Calendar No. 129. (May 1, 2007)

Official Text: <https://www.congress.gov/bill/110th-congress/house-bill/1332>

Sponsor

Name: Rep. Bean, Melissa L. [D-IL-8]

Party: Democratic • **State:** IL • **Chamber:** House

Cosponsors (7 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Chabot, Steve [R-OH-1]	R · OH		Mar 6, 2007
Rep. Velazquez, Nydia M. [D-NY-12]	D · NY		Mar 6, 2007
Rep. Bishop, Rob [R-UT-1]	R · UT		Mar 28, 2007
Rep. Filner, Bob [D-CA-51]	D · CA		Mar 28, 2007
Rep. Sánchez, Linda T. [D-CA-39]	D · CA		Apr 16, 2007
Rep. Lipinski, Daniel [D-IL-3]	D · IL		Apr 19, 2007
Rep. Maloney, Carolyn B. [D-NY-14]	D · NY		Apr 19, 2007

Committee Activity

Committee	Chamber	Activity	Date
Small Business Committee	House	Reported By	Apr 20, 2007

Subjects & Policy Tags

Policy Area:

Commerce

Related Bills

Bill	Relationship	Last Action
110 HRES 330	Procedurally related	Apr 25, 2007: Motion to reconsider laid on the table Agreed to without objection.

Small Business Lending Improvements Act of 2007 - **Title I: 7(A) Program** - (Sec. 101) Amends the Small Business Act relating to the 7(a) (business start-up loan) program to authorize the Administrator of the Small Business Administration (SBA) to offset (contribute to) borrower and lender fees associated with 7(a) loans when funds are made available to the SBA for such contributions. Requires the quarterly adjustment of any contributions made.

(Sec. 102) Directs the Administrator to carry out a rural lending outreach program to provide up to an 85 percent guaranty for loans of \$250,000 or less made by lenders to small businesses in rural areas. Requires the SBA to approve or decline such loan within 36 hours.

(Sec. 103) Directs the Administrator to carry out a permanent Community Express Program (currently a pilot program) for loans of \$250,000 or less to small businesses: (1) whose majority ownership is held by women, members of qualified Indian tribes, socially or economically disadvantaged individuals, veterans, or members of the reserves; or (2) located in a low- or moderate-income area. Requires the SBA to approve or decline such loans within 36 hours.

(Sec. 104) Requires the Administrator to carry out a Medical Professionals in Designated Shortage Areas Program to provide loans to small businesses that provide medical, dental, or psychiatric services and are located in a health professional shortage area (as defined under the Public Health Service Act). Directs the SBA to guarantee 90 percent of such loan, and reduces by half the borrower and lender fees.

(Sec. 105) Directs the Administrator to carry out an Increased Veteran Participation Program to small businesses whose majority ownership is held by veterans or members of the reserves. Directs the SBA to guarantee 90 percent of such loan, and eliminates the borrower and lender fees.

(Sec. 106) Directs the Administrator to establish, and permit a lender making a 7(a) loan to use, an alternative size standard (such as business net worth and average net income) for determining loan eligibility.

(Sec. 107) Requires the Administrator to carry out a program to provide support to regional SBA offices in assisting small business lenders who do not participate in the SBA's preferred lender program to participate in the 7(a) program.

Title II: Certified Development Company Economic Development Loan Program - (Sec. 201) Amends the Small Business Investment Act of 1958 (SBIA) to designate the financing program authorized under title IV of the SBIA as the Certified Development Company Economic Development Loan Program.

(Sec. 203) Provides eligibility requirements for designation as a certified development company (CDC) under the SBIA, including: (1) less than 500 employees; (2) a purpose of fostering economic development to create and preserve jobs and stimulate private investment; (3) nonprofit status; (4) in good standing with all local laws; (5) full-time professional management and staff; (6) a specific area of operations; and (7) ethical requirements, including conflict of interest standards.

(Sec. 204) Defines a "rural area" for SBIA purposes as any area other than a city or town with a population greater than 50,000 and the urbanized area contiguous and adjacent to such city or town.

(Sec. 205) Includes as an SBIA public policy goal the expansion of businesses in low-income communities that would be eligible for new market tax credit investments under the Internal Revenue Code.

(Sec. 206) Allows the ownership interest of two or more owners to be combined to determine whether a small business is

at least 51 percent owned by minorities, women, or veterans in order to qualify for assistance as a group listed in the public policy goals.

(Sec. 207) Permits an SBIA borrower to refinance a limited amount of existing indebtedness that was not previously guaranteed by the SBA.

(Sec. 208) Allows SBIA borrowers to provide more than the required amount of equity and to use the excess equity to reduce the amount of the first mortgage loan up to, but not less than, the amount of the SBA-guaranteed portion of the loan.

(Sec. 209) Requires any CDC which does not foreclose and liquidate defaulted loans under the SBIA to contract with a qualified third party to do so. Directs the SBA to reimburse a CDC for expenses paid in connection with such foreclosure and liquidation activities if such expenses were either approved in advance or were reasonable and appropriate.

(Sec. 210) Allows SBIA borrowers to include loan and debenture closing costs, other than borrower's attorney fees, in the debenture.

(Sec. 211) Allows a borrower to obtain maximum SBIA financing and also obtain a 7(a) loan in the maximum amount permitted under that program.

(Sec. 212) Authorizes SBIA loans for projects which: (1) reduce energy consumption by at least ten percent; or (2) increase the use of design to produce buildings that reduce the use of non-renewable resources, minimize environmental impact, and relate with the natural environment. Makes such projects eligible for the \$4 million debenture under the CDC Economic Development Loan Program.

(Sec. 214) Extends through FY2008 the period during which CDCs will be permitted to: (1) base their loan loss reserves on the outstanding balance of debentures; and (2) use an alternative risk-based methodology to calculate such reserves.

Actions Timeline

- **May 1, 2007:** Read the second time. Placed on Senate Legislative Calendar under General Orders. Calendar No. 129.
- **Apr 30, 2007:** Read the first time. Placed on Senate Legislative Calendar under Read the First Time.
- **Apr 26, 2007:** Received in the Senate.
- **Apr 25, 2007:** Rule H. Res. 330 passed House.
- **Apr 25, 2007:** Considered under the provisions of rule H. Res. 330. (consideration: CR H4108-4120)
- **Apr 25, 2007:** Rule provides for consideration of H.R. 1332 with 1 hour of general debate. Previous question shall be considered as ordered without intervening motions except motion to recommit with or without instructions. Measure will be considered read. Specified amendments are in order. All points of order against the bill are waived except those arising under clause 9 or 10 of rule XXI. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Small Business now printed in the bill.
- **Apr 25, 2007:** House resolved itself into the Committee of the Whole House on the state of the Union pursuant to H. Res. 330 and Rule XVIII.
- **Apr 25, 2007:** The Speaker designated the Honorable Ed Pastor to act as Chairman of the Committee.
- **Apr 25, 2007:** GENERAL DEBATE - The Committee of the Whole proceeded with one hour of general debate on H.R. 1332.
- **Apr 25, 2007:** DEBATE - Pursuant to the provisions of H.Res. 330, the Committee of the Whole proceeded with 10 minutes of debate on the Matheson amendment.
- **Apr 25, 2007:** DEBATE - Pursuant to the provisions of H.Res. 330, the Committee of the Whole proceeded with 10 minutes of debate on the Cuellar amendment.
- **Apr 25, 2007:** DEBATE - Pursuant to the provisions of H.Res. 330, the Committee of the Whole proceeded with 10 minutes of debate on the Inslee amendment.
- **Apr 25, 2007:** The House rose from the Committee of the Whole House on the state of the Union to report H.R. 1332.
- **Apr 25, 2007:** The previous question was ordered pursuant to the rule. (consideration: CR H4105-4106)
- **Apr 25, 2007:** The House adopted the amendment in the nature of a substitute as agreed to by the Committee of the Whole House on the state of the Union. (text: CR H4113-4116)
- **Apr 25, 2007:** Mr. McCrery moved to recommit with instructions to Small Business.
- **Apr 25, 2007:** DEBATE - The House proceeded with 10 minutes of debate on the McCrery motion to recommit with instructions. The instructions contained in the motion seek to require the bill to be reported back to the House with amendments inserting a new paragraph clarifying that the Administrator shall consider any small business concern that can demonstrate that it is adversely affected by a raise in the Federal minimum wage to be economically disadvantaged.
- **Apr 25, 2007:** On motion to recommit with instructions Failed by the Yeas and Nays: 197 - 224 (Roll no. 262). (consideration: CR H4118-4119; text: CR H4118)
- **Apr 25, 2007:** Passed/agreed to in House: On passage Passed by recorded vote: 380 - 45 (Roll no. 263).
- **Apr 25, 2007:** On passage Passed by recorded vote: 380 - 45 (Roll no. 263).
- **Apr 25, 2007:** Motion to reconsider laid on the table Agreed to without objection.
- **Apr 25, 2007:** The Clerk was authorized to correct section numbers, punctuation, and cross references, and to make other necessary technical and conforming corrections in the engrossment of H.R. 1332.
- **Apr 24, 2007:** Rules Committee Resolution H. Res. 330 Reported to House. Rule provides for consideration of H.R. 1332 with 1 hour of general debate. Previous question shall be considered as ordered without intervening motions except motion to recommit with or without instructions. Measure will be considered read. Specified amendments are in order. All points of order against the bill are waived except those arising under clause 9 or 10 of rule XXI. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Small Business now printed in the bill.
- **Apr 20, 2007:** Reported (Amended) by the Committee on Small Business. H. Rept. 110-104.
- **Apr 20, 2007:** Placed on the Union Calendar, Calendar No. 64.
- **Mar 15, 2007:** Committee Consideration and Mark-up Session Held.
- **Mar 15, 2007:** Ordered to be Reported (Amended) by Voice Vote.
- **Mar 8, 2007:** Committee Hearings Held.
- **Mar 6, 2007:** Introduced in House
- **Mar 6, 2007:** Referred to the House Committee on Small Business.

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