

HR 3567

Small Business Investment Expansion Act of 2007

Congress: 110 (2007–2009, Ended)

Chamber: House

Policy Area: Commerce

Introduced: Sep 18, 2007

Current Status: Received in the Senate and Read twice and referred to the Committee on Small Business and Entrepreneurship

Latest Action: Received in the Senate and Read twice and referred to the Committee on Small Business and Entrepreneurship. (Sep 28, 2007)

Official Text: <https://www.congress.gov/bill/110th-congress/house-bill/3567>

Sponsor

Name: Rep. Altmire, Jason [D-PA-4]

Party: Democratic • State: PA • Chamber: House

Cosponsors (3 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Graves, Sam [R-MO-6]	R · MO		Sep 18, 2007
Rep. Velazquez, Nydia M. [D-NY-12]	D · NY		Sep 18, 2007
Rep. Towns, Edolphus [D-NY-10]	D · NY		Sep 24, 2007

Committee Activity

Committee	Chamber	Activity	Date
Small Business and Entrepreneurship Committee	Senate	Referred To	Sep 28, 2007
Small Business Committee	House	Markup By	Sep 25, 2007

Subjects & Policy Tags

Policy Area:

Commerce

Related Bills

Bill	Relationship	Last Action
110 HRES 682	Procedurally related	Sep 27, 2007: Motion to reconsider laid on the table Agreed to without objection.

Small Business Investment Expansion Act of 2007 - **Title I: Small Business Investment Company Program** - (Sec. 101) Amends the Small Business Investment Act of 1958 to increase the maximum amounts of outstanding leverage made available by the Small Business Administration (SBA) to: (1) any one small business investment company (SBIC) which provides loans to small businesses; and (2) two or more SBICs that are commonly controlled.

(Sec. 102) Increases the total amount of debentures and participating securities issued by an SBIC that may be guaranteed by the SBA in the case of an SBIC that certifies that not less than 50% of its aggregate investments will be made in small businesses that are either: (1) majority owned by socially or economically disadvantaged individuals, veterans, or current or former members of the National Guard or reserves; or (2) located in a low-income geographic area.

(Sec. 103) Requires each SBIC, as a condition of an application for leverage, to certify that not less than 25% of the aggregate dollar amount of its financings will be provided to smaller enterprises.

(Sec. 104) Requires the SBA Administrator to give consideration to investments in small businesses that are creating new technologies, manufactured goods, or materials, or providing services to reduce carbon emissions, reduce the use of non-renewable resources, minimize environmental impact, and relate people with the natural environment.

(Sec. 105) Revises the aggregate SBA investment limits with respect to SBICs.

Title II: New Markets Venture Capital Program - (Sec. 201) Requires (under current law, authorizes) the Administrator to participate in the new markets venture capital program (a program under which investment companies provide capital financing to small businesses). Requires a report from the Administrator to Congress evaluating the success of the new markets venture capital program (program, for purposes of this title).

(Sec. 202) Requires the Administrator, in selecting companies for program participation, to approve at least one company from each SBA geographic region.

(Sec. 203) Requires each conditionally approved company engaged primarily in development of and investment in small manufacturers to raise at least \$3 million in capital for such purposes from private investors.

(Sec. 204) Makes the SBA definition of "low-income geographic area" the same as the definition of "low-income community" under the Internal Revenue Code.

(Sec. 205) Directs the SBA's Chief Counsel for Advocacy to study and report to Congress on the availability of equity capital in low-income urban and rural areas.

(Sec. 206) Authorizes the Administrator to make grants to conditionally-approved companies for participation in the program. Includes within authorized SBA operational assistance under the program assistance on how to implement energy efficiency and sustainable practices that reduce the use of non-renewable resources or minimize environmental impact and reduce overall costs and increase health of employees.

(Sec. 207) Requires the Administrator to prescribe standard documents for companies applying for final new markets venture capital company approval.

(Sec. 208) Eliminates the 30% minimum amount of matching commitments for operational assistance that a program

company must raise before receiving final approval.

(Sec. 209) Revises the program's operational assistance grant formula.

(Sec. 210) Reauthorizes appropriations of \$30 million (under current law, \$150 million) to fund debenture guarantees and \$5 million (under current law, \$30 million) for operational assistance grants for FY2008-FY2010.

Title III: Angel Investment Program - (Sec. 301) Establishes within the Investment Division of the SBA the Office of Angel Investment, headed by a Director, to provide support for the development of angel investment opportunities for small businesses.

Requires the Director to establish and carry out a program, to be known as the Angel Investment Program, to provide financing to approved angel groups. Limits to \$2 million the financing to an angel group. Provides a matching funds requirement. Establishes an Angel Investment Fund. Authorizes appropriations.

Requires the Director to establish and maintain a searchable database, to be known as the Federal Angel Network, to assist small businesses in identifying angel investors. Authorizes appropriations.

Requires: (1) the Director to establish and carry out a program to make grants for the development of new or existing angel groups and to increase awareness and education about angel investing; and (2) each grant recipient to report to the Administrator describing the use of grant funds. Authorizes appropriations.

Title IV: Surety Bond Program - (Sec. 401) Directs the Administrator to study and report to Congress on the current funding structure of the SBA's surety bond program.

(Sec. 402) Directs the Administrator to carry out the Preferred Surety Bond Program, under which the SBA delegates to the surety complete authority to issue, monitor, and service bonds subject to SBA guaranty without obtaining specific approval from the SBA. Limits the delegation authority term to two years (but allows continual renewals).

(Sec. 403) Provides that, for surety bonds made or executed with prior SBA approval, the Administrator shall not deny liability based upon information that was provided as part of the guaranty application.

(Sec. 404) Increases from \$2 million to \$3 million the bond guaranty threshold.

(Sec. 405) Provides authorized uses of bond guaranty fee contributions.

Title V: Venture Capital Investment Standards - (Sec. 501) Amends the Small Business Act to provide that, for purposes of determining whether a small business is independently owned and operated or meets specified small business size standards, the Administrator shall not consider a business to be affiliated with a venture capital operating company (or with any other business that the venture capital operating company has financed) if: (1) the venture capital operating company does not own 50% or more of the business; and (2) employees of the venture capital operating company do not constitute a majority of the board of directors of the business. Defines a business as "independently owned and operated" if it is owned in majority by natural persons or venture capital operating companies meeting specified requirements, including that there is no single venture capital operating company: (1) that owns 50% or more of the business; and (2) the employees of which constitute a majority of the board of directors of the business.

Title VI: Regulations - (Sec. 601) Directs the Administrator to issue revisions to all existing regulations as necessary to ensure their conformity with the amendments made by this Act.

Actions Timeline

- **Sep 28, 2007:** Received in the Senate and Read twice and referred to the Committee on Small Business and Entrepreneurship.
- **Sep 27, 2007:** Rule H. Res. 682 passed House.
- **Sep 27, 2007:** Considered under the provisions of rule H. Res. 682. (consideration: CR H10994-11008; text of measure as reported in House: CR H11001-11004)
- **Sep 27, 2007:** Rule provides for consideration of H.R. 3567 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 consideration of the bill are waived except those arising under clause 9 and 10 of rule XXI. The bill shall be considered for amendment under the five-minute rule.
- **Sep 27, 2007:** House resolved itself into the Committee of the Whole House on the state of the Union pursuant to H. Res. 682 and Rule XVIII.
- **Sep 27, 2007:** The Speaker designated the Honorable Ron Kind to act as Chairman of the Committee.
- **Sep 27, 2007:** GENERAL DEBATE - The Committee of the Whole proceeded with one hour of general debate on H.R. 3567.
- **Sep 27, 2007:** DEBATE - Pursuant to the provisions of H. Res. 682, the Committee of the Whole proceeded with 10 minutes of debate on the Chabot amendment.
- **Sep 27, 2007:** DEBATE - Pursuant to the provisions of H. Res. 682, the Committee of the Whole proceeded with 10 minutes of debate on the Inslee amendment.
- **Sep 27, 2007:** The House rose from the Committee of the Whole House on the state of the Union to report H.R. 3567.
- **Sep 27, 2007:** The previous question was ordered pursuant to the rule. (consideration: CR H11006)
- **Sep 27, 2007:** The House adopted the amendments en gross as agreed to by the Committee of the Whole House on the state of the Union.
- **Sep 27, 2007:** Mr. Walberg moved to recommit with instructions to Small Business. (consideration: CR H11006-11007; text: CR H11006)
- **Sep 27, 2007:** DEBATE - The House proceeded with 10 minutes of debate on the Walberg 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 that strike sections 382 and 384 of part C in title III.
- **Sep 27, 2007:** The previous question on the motion to recommit with instructions was ordered without objection. (consideration: CR H11007)
- **Sep 27, 2007:** On motion to recommit with instructions Failed by the Yeas and Nays: 183 - 213 (Roll no. 922).
- **Sep 27, 2007:** Passed/agreed to in House: On passage Passed by the Yeas and Nays: 325 - 72 (Roll no. 923).
- **Sep 27, 2007:** Motion to reconsider laid on the table Agreed to without objection.
- **Sep 27, 2007:** On passage Passed by the Yeas and Nays: 325 - 72 (Roll no. 923).
- **Sep 27, 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. 3567.
- **Sep 26, 2007:** Rules Committee Resolution H. Res. 682 Reported to House. Rule provides for consideration of H.R. 3567 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 consideration of the bill are waived except those arising under clause 9 and 10 of rule XXI. The bill shall be considered for amendment under the five- minute rule.
- **Sep 25, 2007:** Reported by the Committee on Small Business. H. Rept. 110-347.
- **Sep 25, 2007:** Placed on the Union Calendar, Calendar No. 216.
- **Sep 25, 2007:** Committee Consideration and Mark-up Session Held.
- **Sep 25, 2007:** Ordered to be Reported by Voice Vote.
- **Sep 18, 2007:** Introduced in House
- **Sep 18, 2007:** Referred to the House Committee on Small Business.
- **Sep 18, 2007:** Hearings Held by Committee on Small Business Prior to Introduction and Referrel (September 6, 2007)..