

HR 3739

Job Creation and Economic Development Through CDC Modernization Act of 2009

Congress: 111 (2009–2011, Ended)

Chamber: House

Policy Area: Commerce

Introduced: Oct 7, 2009

Current Status: Provisions of Measure Incorporated into H.R. 3854.

Latest Action: Provisions of Measure Incorporated into H.R. 3854. (Oct 21, 2009)

Official Text: <https://www.congress.gov/bill/111th-congress/house-bill/3739>

Sponsor

Name: Rep. Buchanan, Vern [R-FL-13]

Party: Republican • State: FL • Chamber: House

Cosponsors

No cosponsors are listed for this bill.

Committee Activity

Committee	Chamber	Activity	Date
Small Business Committee	House	Reported by	Oct 8, 2009

Subjects & Policy Tags

Policy Area:

Commerce

Related Bills

Bill	Relationship	Last Action
111 HR 3854	Text similarities	Nov 2, 2009: Received in the Senate and Read twice and referred to the Committee on Small Business and Entrepreneurship.

Job Creation and Economic Development Through CDC Modernization Act of 2009 - Amends the Small Business Act to provide FY2010-FY2011 authorized program levels for guarantees of debentures made by the Small Business Administration (SBA) under the certified development company (CDC) program under such Act and the Small Business Investment Act of 1958 (SBIA).

Rewrites the provisions of title V (Loans to State and Local Development Companies) of the SBIA.

Permits only CDCs certified by the SBA Administrator to issue debentures. Defines a CDC and outlines requirements necessary for CDC certification, including having no more than 200 employees, being nonprofit, in good standing in the state(s) in which it is operating, and maintaining a Board of Directors. Provides CDC operational requirements, including avoidance of conflicts of interests by a CDC, its officers, employees, and contractors. Authorizes CDCs to service and package SBA-guaranteed loans to small businesses. Requires CDCs to carry out economic development activities by providing long-term financing to small businesses in urban and rural areas through the issuance of debentures.

Allows a CDC to apply for status as an accredited CDC after meeting CDC operational standards and additional standards prescribed by the Administrator, including being a CDC for at least 12 months, and having the ability to process, close, and service SBA-guaranteed loans to small businesses.

Allows a CDC to apply for status as a premier CDC upon meeting additional standards prescribed by the Administrator, including establishment of a loan loss reserve sufficient to protect against the risk of loss on SBA-guaranteed debentures. Establishes a Bureau of Premier Certified Development Company Lender Oversight in the SBA's Office of Lender Oversight.

Directs the Administrator to permit accredited or premier CDCs to engage in multistate loan or debenture issue operations, under certain conditions.

Authorizes the Administrator to guarantee the payment of principal and interest on debentures issued by CDCs, under certain terms and conditions.

Prohibits CDCs from issuing debentures unless the project funded creates or preserves jobs, improves the economy of the locality, or meets one or more specified economic development public policy goals. Provides project funding requirements, including rules for debentures funding projects in low-income areas.

Directs the Administrator to sell to private investors debentures issued by CDCs. Allows for the pooling of debentures for such purposes. Revises provisions concerning CDC foreclosure and liquidation of defaulted loans.

Names the program created by SBIA title V the CDC Economic Development Loan Program.

Requires the Administrator to study and review the small business optional size standard set forth under the Code of Federal Regulations for eligibility of a small business for financing under SBIA title V. Sets forth an interim alternative size standard.

## Actions Timeline

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- **Oct 21, 2009:** Provisions of Measure Incorporated into H.R. 3854.
- **Oct 8, 2009:** Subcommittee Consideration and Mark-up Session Held.
- **Oct 8, 2009:** Forwarded by Subcommittee to Full Committee by Voice Vote .
- **Oct 7, 2009:** Introduced in House
- **Oct 7, 2009:** Referred to the House Committee on Small Business.
- **Oct 7, 2009:** Referred to the Subcommittee on Finance and Tax.