

## HR 5297

Small Business Jobs Act of 2010

**Congress:** 111 (2009–2011, Ended)

**Chamber:** House

**Policy Area:** Finance and Financial Sector

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### Sponsor

**Name:** Rep. Frank, Barney [D-MA-4]

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

### Cosponsors (20 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Bean, Melissa L. [D-IL-8]	D · IL		May 13, 2010
Rep. Dahlkemper, Kathleen A. [D-PA-3]	D · PA		May 13, 2010
Rep. Ellison, Keith [D-MN-5]	D · MN		May 13, 2010
Rep. Green, Al [D-TX-9]	D · TX		May 13, 2010
Rep. Gutierrez, Luis V. [D-IL-4]	D · IL		May 13, 2010
Rep. Hinojosa, Ruben [D-TX-15]	D · TX		May 13, 2010
Rep. Klein, Ron [D-FL-22]	D · FL		May 13, 2010
Rep. Maffei, Daniel B. [D-NY-25]	D · NY		May 13, 2010
Rep. Maloney, Carolyn B. [D-NY-14]	D · NY		May 13, 2010
Rep. Meeks, Gregory W. [D-NY-6]	D · NY		May 13, 2010
Rep. Miller, Brad [D-NC-13]	D · NC		May 13, 2010
Rep. Moore, Dennis [D-KS-3]	D · KS		May 13, 2010
Rep. Moore, Gwen [D-WI-4]	D · WI		May 13, 2010
Rep. Perlmutter, Ed [D-CO-7]	D · CO		May 13, 2010
Rep. Peters, Gary C. [D-MI-9]	D · MI		May 13, 2010
Rep. Scott, David [D-GA-13]	D · GA		May 13, 2010
Rep. Waters, Maxine [D-CA-35]	D · CA		May 13, 2010
Rep. Watt, Melvin L. [D-NC-12]	D · NC		May 13, 2010
Del. Norton, Eleanor Holmes [D-DC-At Large]	D · DC		May 20, 2010
Rep. Clarke, Yvette D. [D-NY-11]	D · NY		May 24, 2010

### Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Reported By	May 28, 2010

## Subjects & Policy Tags

### Policy Area:

Finance and Financial Sector

### Related Bills

Bill	Relationship	Last Action
111 S 2862	Related bill	<b>Sep 29, 2010:</b> Placed on Senate Legislative Calendar under General Orders. Calendar No. 633.
111 S 2869	Related bill	<b>Sep 29, 2010:</b> Placed on Senate Legislative Calendar under General Orders. Calendar No. 634.
111 HRES 1640	Related bill	<b>Sep 23, 2010:</b> Motion to reconsider laid on the table Agreed to without objection.
111 HR 5832	Related bill	<b>Jul 22, 2010:</b> Referred to the House Committee on Small Business.
111 HRES 1448	Related bill	<b>Jun 17, 2010:</b> Motion to reconsider laid on the table Agreed to without objection.
111 HRES 1436	Procedurally related	<b>Jun 15, 2010:</b> Motion to reconsider laid on the table Agreed to without objection.
111 HR 5332	Related bill	<b>May 20, 2010:</b> Sponsor introductory remarks on measure. (CR H3665-3666)
111 HR 5302	Related bill	<b>May 13, 2010:</b> Referred to the House Committee on Financial Services.
111 S 2917	Related bill	<b>Feb 22, 2010:</b> Held at the desk.
111 HR 4302	Related bill	<b>Dec 14, 2009:</b> Referred to the House Committee on Small Business.
111 S 2780	Related bill	<b>Nov 17, 2009:</b> Read twice and referred to the Committee on Small Business and Entrepreneurship.
111 HR 4068	Related bill	<b>Nov 16, 2009:</b> Referred to the House Committee on Ways and Means.
111 S 2771	Related bill	<b>Nov 16, 2009:</b> Read twice and referred to the Committee on Finance.

**Small Business Jobs Act of 2010 - Title I: Small Businesses - Subtitle A: Small Business Access to Credit - Small Business Job Creation and Access to Capital Act of 2010 - Part I: Next Steps for Main Street Credit Availability - (Sec. 1111)** Amends the Small Business Act to increase temporarily (until January 1, 2011) to 90% the maximum Small Business Administration (SBA) participation in a loan on a deferred basis under the section 7(a) (general small business loans) guaranteed loan program. Reduces SBA participation in a loan on a deferred basis, after December 31, 2010, from 90% back to: (1) 75% of a loan balance exceeding \$150,000; and (2) 85% of a loan balance equal to or less than \$150,000.

Raises from \$1.5 million to \$4.5 million (through December 31, 2010, after which only to \$3.75 million) the ceiling on the total amount outstanding and committed (by participation or otherwise) to the borrower from the business loan and investment fund. Raises from \$2 million to \$5 million the maximum gross loan amount.

Raises from \$1.5 million to \$5 million the maximum loan amounts for the section 504 (state and local development company) program.

Increases from \$35,000 to \$50,000 the maximum amount of a microloan (to a start-up, newly-established, and growing small business) under the Microloan program. Increases from \$3.5 million to \$5 million the maximum total amount of loans to one intermediary participating in the Microloan program.

(Sec. 1114) Amends the American Recovery and Reinvestment Act of 2009 to extend through December 31, 2010: (1) the reduction or elimination of certain fees related to SBA loan guarantees; and (2) the Economic Stimulus Lending Program to guarantee up to 90% of qualifying small business loans made by eligible lenders.

(Sec. 1115) Amends the Small Business Investment Act of 1958 to apply single-business investment limits to SBA-recognized new markets venture capital companies of 10% of the sum of a company's regulatory capital plus the total amount of leverage projected in the participation agreement.

(Sec. 1116) Directs the SBA Administrator to establish for prospective borrowers an alternative small business size standard that uses maximum tangible net worth and average net income as an alternative to the use of industry standards.

(Sec. 1117) Directs the SBA Administrator, upon pool assembler request, if the amount of the guaranteed portion of any loan under the section 7(a) general small business loan program is more than \$500,000, to divide the loan guarantee into increments of \$500,000 and 1 increment of any remaining amount less than \$500,000, in order to permit the maximum amount of any loan in a pool to be not more than \$500,000. Allows increments of loan guarantees to different borrowers that are so divided to be included in the same pool.

(Sec. 1118) Expresses the sense of Congress that the SBA Administrator should establish a website that: (1) lists SBA lenders and provides loan rate information, and (2) allows prospective borrowers to compare rates on SBA-guaranteed loans.

(Sec. 1119) Amends the American Recovery and Reinvestment Act of 2009 to terminate the authority of the Administrator regarding the Secondary Market Guarantee Authority two years after the date of the first sale of a pool of first lien position 504 loans guaranteed to a third-party investor.

**Part II: Small Business Access to Capital** - (Sec. 1122) Amends the Small Business Investment Act of 1958 regarding the local development business loan program to allow a small business borrower to refinance a previous business debt: (1) that was incurred at least two years before the loan application; (2) that is a commercial loan; (3) that is not guaranteed by a federal agency; (4) whose proceeds were used to acquire a fixed asset for the business's benefit; (5) that is collateralized by fixed assets; and (6) for which the borrower has been current on all payments for at least one year. Allows the Administrator to provide financing under such program for a project that does not involve small business expansion, if the borrower meets certain job creation or retention goals. Prescribes an alternate job retention goal for which a borrower may qualify.

**Part III: Other Matters** - (Sec. 1131) Establishes a three-year pilot program of direct loans to private, nonprofit entities (intermediaries), which shall in turn make loans of up to \$200,000 each to startup, newly established, and growing small businesses for working capital, real estate, or the acquisition of materials, supplies, or equipment.

(Sec. 1133) Amends the Small Business Act to authorize the SBA Administrator to guarantee the timely payment of an open-end extension of credit to a small business concern, the proceeds of which may be used for the purchase of eligible retail goods for resale (floor plan pilot program extension).

(Sec. 1134) Amends the Riegle Community Development and Regulatory Improvement Act of 1994 to direct the Secretary of the Treasury to guarantee payments on bonds or notes issued by a qualified issuer, if their proceeds are used to make loans to eligible community development financial institutions for eligible community or economic development purposes or to refinance loans or notes issued for such purposes.

Requires each qualified issuer to establish a risk-share pool, capitalized by contributions from eligible community development financial institution participants of an amount equal to 3% of the guaranteed amount outstanding on the such notes and bonds. Authorizes appropriations through FY2014.

(Sec. 1135) Raises temporarily, for only one year, the maximum amount of an express loan from \$350,000 to \$1 million.

(Sec. 1136) Prohibits the use of Troubled Asset Relief Program (TARP) funds under the Emergency Economic Stabilization Act of 2008 or tax increases during 2010 to carry out specified sections of the loan programs under this Act.

**Subtitle B: Small Business Trade and Exporting** - Small Business Export Enhancement and International Trade Act of 2010 - (Sec. 1201) Amends the Small Business Act to: (1) require the SBA Office of International Trade to implement export promotion programs that increase the number of small businesses that export as well as the volume of their exports; and (2) establish an Associate Administrator for International Trade as the head of the Office.

(Sec. 1204) Requires the Associate Administrator in promoting export assistance programs through SBA district and regional offices, the small business development center network, Export Assistance Centers (one-stop shops for U.S. exporters), the network of women's business centers, chapters of the Service Corps of Retired Executives (SCORE), state and local export promotion programs, and partners in the private sector. Requires the Associate Administrator to establish annual goals.

Directs the Associate Administrator to appoint at least one trade financial specialist within the SBA to oversee international loan programs and assist SBA employees with trade finance issues.

Directs the SBA Administrator to: (1) establish an export and trade counseling certification program for employees of lead small business development centers and lead women's business centers; and (2) ensure that each lead small business

development center has at least 10% of its employees (with a minimum of 5 employees) certified in providing export assistance.

Requires the Associate Administrator to develop performance measures to support small business export growth goals for Office activities.

(Sec. 1205) Directs the SBA Administrator, in coordination with the Secretary of Commerce, to ensure that the number of export finance specialists assigned to the Export Assistance Centers is at least the number that were assigned on January 1, 2003. Requires at least three specialists in each SBA region.

Directs the SBA Administrator to study for each state: (1) its volume of exports; (2) the availability of export finance specialists; (3) the number as well as percentage of exporters that are small business concerns; (4) changes, if any, in the number of exporters that are small business concerns at 10-year intervals; (5) the total value of the exports by small business concerns; and (6) the percentage of the total volume of exports attributable to small business concerns, and changes, if any, in those percentages at 10-year intervals. Requires recommendations to Congress on how to eliminate gaps between the supply of and demand for export finance specialists in the 15 states with the greatest volume of exports as well as in the 15 states with the lowest volume of exports.

(Sec. 1206) Increases from \$1.75 million to \$4.5 million the total amount of a small business loan outstanding and committed (by participation or otherwise) to the borrower from the business loan and investment fund. Increases from \$1.25 million to \$4 million the limit on the use of such a loan for working capital, supplies, or financings.

Caps SBA participation in an international trade loan at 90%.

Authorizes the SBA to make a guaranteed loan for working capital that will allow an eligible small business concern engaged in or adversely affected by international trade to improve its competitive position. Allows such a loan to be secured by a second lien position on the property or equipment financed by the loan or on other assets of the small business concern, if the lien gives adequate assurance of the payment of the loan. (Currently, a first lien position or first mortgage on the property, equipment, or other business assets is required.)

Names the foreign market development loan guarantee program the Export Working Capital Program, allowing a maximum loan guarantee of \$5 million.

Makes eligible to participate in the Preferred Lenders Program any lender participating in the Delegated Authority Lender Program of the Export-Import Bank of the United States.

Establishes the Export Express Program to authorize the SBA Administrator to guarantee loans to small businesses for export development activities. Requires the guarantee of 90% of a loan of up to \$350,000, and 75% of a higher loan up to \$500,000.

Directs the SBA Administrator to publish an annual list of the banks and participating lending institutions that have made such loans guaranteed by the SBA during the preceding year.

(Sec. 1207) Directs the Associate Administrator to establish a three-year pilot State Trade and Export Promotion Grant Program to make grants to states to carry out export promotion programs for small businesses, including those owned and controlled by women and socially and economically disadvantaged individuals.

Authorizes appropriations for FY2011-2013.

(Sec. 1208) Requires the SBA Administrator to report to Congress on rural export promotion programs for small businesses.

(Sec. 1209) Requires a small business development center that counsels a small business concern on international trade issues to: (1) consult with state trade agencies and Export Assistance Centers to provide appropriate services to the small business concern; and (2) refer the small business concern to a state trade agency or an Export Assistance Center, as necessary, for further counseling or assistance.

**Subtitle C: Small Business Contracting - Part I: Contract Bundling** - (Sec. 1312) Amends the Small Business Act to require each federal agency to include in each solicitation for any multiple award contract above the agency's substantial bundling threshold a provision soliciting bids from any responsible source, including responsible small business concerns and teams or joint ventures of small business concerns.

Directs the Federal Acquisition Regulatory Council to amend a specified Federal Acquisition Regulation to: (1) establish a Government-wide policy regarding contract bundling, including the solicitation of teaming and joint ventures; and (2) require that such policy be published on each federal agency website.

Requires the Administrator for Federal Procurement Policy to report triennially to certain congressional committees regarding procurement center representatives and commercial market representatives, including the identification of each area to which the SBA has assigned such a representative.

Directs the Comptroller General to report to Congress on the procurement center representative program.

Instructs the Administrator to implement a 3-year pilot electronic procurement center representative program.

(Sec. 1313) Directs the head of each federal agency to ensure that its decisions regarding consolidation of contract requirements are made with a view to providing small business concerns with appropriate opportunities to participate as prime contractors and subcontractors.

Prohibits a federal agency head from carrying out an acquisition strategy that includes a consolidation of contract requirements with a value of more than \$2 million unless the senior procurement executive or Chief Acquisition Officer first conducts market research, identifying alternative contracting approaches involving a lesser degree of consolidation of contract requirements, and certifying that steps will be taken to include small business concerns in the acquisition strategy.

Authorizes a senior procurement executive or Chief Acquisition Officer to determine that an acquisition strategy involving a consolidation of contract requirements is necessary and justified if the benefits of the acquisition strategy substantially exceed the benefits of alternative contracting approaches.

(Sec. 1314) Directs the Administrator to establish a Small Business Teaming Pilot Program of grants to eligible organizations to assist and guide to teams or joint ventures of small business concerns seeking to compete for larger procurement contracts.

Authorizes appropriations for FY2010-FY2015.

**Part II: Subcontracting Integrity** - (Sec. 1321) Directs the Administrator to promulgate regulations relating to, and the Federal Acquisition Regulatory Council to amend the Federal Acquisition Regulation to establish a policy on, subcontracting compliance relating to small business concerns, including assignment of compliance responsibilities

among contracting offices, small business offices, and program offices and periodic oversight and review.

**Part III: Acquisition Process** - (Sec. 1331) Amends the Small Business Act to direct the Administrator and the Administrator for Federal Procurement Policy to establish regulatory guidance under which federal agencies may, at their discretion, set aside part or parts of a multiple award contract, and reserve contract awards, for small business concerns, including the subcategories of small business concerns.

(Sec. 1332) Instructs the Director of the Office of Management and Budget (OMB) to issue guidelines regarding the analysis of purchase card expenditures to identify opportunities for achieving and accurately measuring fair participation of small business concerns in purchases in an amount not exceeding the micro-purchase threshold.

(Sec. 1334) Requires a prime contractor for a covered contract to notify in writing the relevant contracting officer if: (1) the prime contractor pays a reduced price to a subcontractor for goods and services, or (2) the payment to a subcontractor is more than 90 days past due for goods or services provided for the covered contract for which the federal agency has paid the prime contractor.

(Sec. 1335) Amends the Business Opportunity Development Reform Act of 1988 to repeal authority for the Small Business Competitiveness Demonstration Program.

**Part IV: Small Business Size and Status Integrity** - (Sec. 1341) States a presumption that, in every contract, subcontract, cooperative agreement, cooperative research and development agreement, or grant which is classified as intended for award to small business concerns, there shall be a loss to the United States based on the total amount expended on such instrument whenever a non-small business concern willfully sought and received the award by misrepresentation.

(Sec. 1342) Requires each certified small business concern to certify its size and small business status annually by means of a confirming entry on the SBA Online Representations and Certifications Application database.

(Sec. 1343) Requires the Federal Acquisition Institute to develop courses for acquisition personnel concerning proper classification of business concerns and small business size and status for purposes of federal contracts, subcontracts, grants, cooperative agreements, and cooperative research and development agreements.

(Sec. 1344) Requires the Administrator to conduct a rolling detailed review, every 18 months, of updated size standards for small business concerns, including at least 2 public forums located in different U.S. geographic regions.

(Sec. 1345) Directs Comptroller General to study the mentor-protege program for small business concerns participating in certain SBA programs, as well as other relationships and strategic alliances pairing a larger business and a small business concern partner to gain access to federal government contracts, to determine whether the programs and relationships are effectively supporting the goal of increasing the participation of small business concerns in federal contracting.

**Subtitle D: Small Business Management and Counseling Assistance** - (Sec. 1401) Authorizes the Administrator, upon request by an intermediary, to waive the requirement to obtain non-federal funds for a fiscal year, including successive fiscal years.

Prohibits the Administrator from waiving the requirement to obtain such funds if granting the waiver would undermine the credibility of the microloan program.

(Sec. 1402) Authorizes the Administrator to make grants to small business development centers to provide targeted technical assistance to small business concerns seeking access to capital or credit, federal procurement opportunities, energy efficiency audits to reduce energy bills, opportunities to export products or provide services to foreign customers, adopting, making innovations in, and using broadband technologies, or other assistance. Exempts grant recipients from the requirement to provide non-federal matching funds.

Authorizes appropriations.

**Subtitle E: Disaster Loan Improvement** - (Sec. 1501) Authorizes the Administrator to provide disaster assistance to aquaculture enterprises that are small businesses.

**Subtitle F: Small Business Regulatory Relief** - (Sec. 1601) Requires a federal agency final regulatory flexibility analysis accompanying a final rule to contain the agency's response to any comments filed by the SBA Chief Counsel for Advocacy in response to the proposed rule, and a detailed statement of any change made to the proposed rule in the final rule as a result of the comments.

(Sec. 1602) Amends federal law to require each budget submitted by the President to include a separate statement of the amount of appropriations requested for the SBA Office of Advocacy, which shall be designated in a separate account in the General Fund of the Treasury. Authorizes appropriations.

**Subtitle G: Appropriations Provisions** - (Sec. 1701) Makes FY2010 appropriations for: (1) SBA salaries and expenses, (2) the Business Loans Program Account, (3) the Community Development Financial Institutions Fund Program Account, and (4) Small Business Loan Guarantee Enhancement Extension.

**Title II: Tax Provisions** - Creating Small Business Jobs Act of 2010 - **Subtitle A: Small Business Relief - Part I: Providing Access to Capital** - (Sec. 2011) - Amends the Internal Revenue Code to increase from 50% to 100% the exclusion from gross income of the gain from the sale or exchange of qualified small business stock acquired after March 15, 2010, and before January 1, 2012.

(Sec. 2012) Permits a 5-year carryback for eligible small business credits.

(Sec. 2013) Sets forth special rules for eligible small business credits in 2010, including treating the tentative alternative minimum tax (AMT) as being zero.

Prohibits treatment of business credits determined with respect to a partnership or S corporation as eligible small business credits by partners or shareholders unless they meet a certain gross receipts test.

(Sec. 2014) Prescribes special rules for a temporary elimination of tax on the net recognized built-in gain of an S corporation for 2009, 2010, and 2011.

**Part II: Encouraging Investment** - (Sec. 2021) Specifies increased expensing limitations for 2010 and 2011. Treats specified real property, upon taxpayer election, as section 179 property, including any qualified real property (such as leasehold or retail improvement property or restaurant property) of a character subject to a depreciation allowance which is purchased for use in the active conduct of a trade or business.

(Sec. 2022) Grants an additional first-year depreciation for 50% of the basis of certain qualified property placed in service before January 1, 2012.

(Sec. 2023) Sets forth a special rule for the allocation to an long-term contract of bonus depreciation for certain property with a recovery period of 7 years or less which is placed in service between December 31, 2009, and January 1, 2011 (January 1, 2012, in the case of specified other property).

**Part III: Promoting Entrepreneurship** - (Sec. 2031) Increases from \$5,000 to \$10,000 (reduced by the excess over \$60,000 in such expenditures) the allowed deduction for start-up expenditures in taxable year 2010.

(Sec. 2032) Authorizes appropriations to the Office of the United States Trade Representative (USTR) for: (1) analyzing and developing opportunities for U.S. to access the markets of foreign countries; and (2) enforcing trade agreements to which the United States is a party.

Directs the USTR to: (1) give preference to initiatives that will create or sustain the greatest number of jobs in the United States or result in the greatest benefit to the U.S. economy; and (2) consider the needs of small- and medium-sized businesses in the United States with respect to accessing the markets of foreign countries and the enforcement of trade agreements to which the United States is a party.

**Part IV: Promoting Small Business Fairness** - (Sec. 2041) Limits the penalty for failure to disclose a reportable transaction on a tax return or statement to 75% of the decrease in tax resulting from such transaction. Sets a minimum penalty of \$10,000 (\$5,000 in the case of a natural person).

(Sec. 2042) Revises special rules for the health insurance costs of self-employed individuals to allow a deduction from self-employment income (ordinarily disallowed) for such costs in computing 2010 self-employment taxes.

(Sec. 2043) Removes cellular telephones and similar telecommunications equipment from the definition of listed property with respect to the limitation (to computation under the alternative depreciation system) on the deduction from business income for listed property whose business use does not exceed 50%.

**Subtitle B: Revenue Provisions - Part I: Reducing the Tax Gap** - (Sec. 2101) States that, for purposes of mandatory information returns, a person receiving rental income from real estate, with specified exceptions, shall be considered to be engaged in a trade or business of renting property.

(Sec. 2102) Increases the penalties for failure to: (1) file correct information returns, and (2) furnish correct payee statements. Requires inflation adjustments to such penalties.

(Sec. 2103) Requires the Commissioner of Internal Revenue to report annually to the House Committee on Ways and Means and the Senate Committee on Finance on penalties assessed for certain abusive tax shelters and reportable transactions.

(Sec. 2104) States that requirements governing notice and opportunity for a hearing before imposition of a tax levy do not apply if the Secretary of the Treasury has served a federal contractor levy.

**Part II: Promoting Retirement Preparation** - (Sec. 2111) Permits participants in government Section 457 plans (deferred compensation plans of state and local governments and tax-exempt organizations) to treat elective deferrals as Roth IRA contributions (subject to immediate taxation).

(Sec. 2112) Includes within taxable gross income certain rollovers from elective deferral plans to designated Roth IRA accounts.

(Sec. 2113) Includes within gross income any amount received as an annuity under an annuity, endowment, or life insurance contract. Prescribes the treatment for partial annuitization.

**Part III: Closing Unintended Loopholes** - (Sec. 2121) Excludes any fuel with an acid number greater than 25 (crude tall oil) from the meaning of cellulosic biofuel eligible for the (cellulosic biofuel producer) tax credit for alcohol used as fuel.

(Sec. 2122) Treats as income sourced within the United States any amounts received from a noncorporate resident or domestic or foreign corporation for the provision of a guarantee of indebtedness, if such amount is connected with income effectively connected (or so treated) with the conduct of a trade or business in the United States.

Treats as income sourced outside the United States any amounts received, directly or indirectly, from a foreign person for the provision of a guarantee of indebtedness other than amounts derived from sources within the United States.

**Part IV: Time for Payment of Corporate Estimated Taxes** - (Sec. 2131) Increases by 36% to 157.5% the estimated tax installment for the third quarter of 2015 for corporations with assets of not less than \$1 billion.

**Title III: State Small Business Credit Initiative** - State Small Business Credit Initiative Act of 2010 - (Sec. 3003) Establishes a seven-year State Small Business Credit Initiative, under which the Secretary of the Treasury shall allocate federal funds for FY2009-FY2010 to participating states with capital access programs.

(Sec. 3005) Prescribes eligibility criteria for state capital access programs providing portfolio insurance for business loans.

Requires the portfolio insurance to be based on a separate loan-loss reserve fund for each financial institution, with: (1) premiums paid by the financial institution lenders and by the business borrowers to the reserve fund to have their loans enrolled in it, and (2) state contributions to the reserve fund in amounts equal to such premium charges. Limits portfolio insurance to loans of up to \$5 million to borrowers with 500 employees or fewer at the time that the loan is enrolled in the program.

Requires the Secretary to make federal contributions any state capital access program meeting specified minimum requirements.

Requires an applicant state to report to the Secretary how it plans to use the federal contributions to the reserve fund to provide access to capital for small businesses in low- and moderate-income, minority, and other underserved communities, including women- and minority-owned small businesses.

(Sec. 3006) Authorizes a participating state that establishes a new, or has an existing, eligible credit support program to apply for the Secretary's approval of a state other credit support program for federal contributions to, or for the account of, the state program.

Requires a state other credit support program, among other eligibility criteria, to demonstrate that one dollar of public investment by the state program will cause and result in one dollar of new private credit, with a reasonable expectation that, when considered with all other state programs, they together have the ability to use new federal contributions to cause and result in amounts of new small business lending at least 10 times the new federal contribution amount.

Requires such a program to extend credit support to borrowers with an average size of 500 or fewer employees, but in no event to borrowers with more than 750 employees. Requires such credit support to target loans with an average principal amount of \$5 million or less, but in no event more than \$20 million.

(Sec. 3007) Requires participating states to file quarterly use-of-federal-funds reports.

(Sec. 3008) Authorizes reduction or termination of federal allocations to a participating state: (1) upon its termination of participation in the program, (2) for failure to submit timely and complete reports, or (3) for noncompliance with the terms of the allocation agreement.

(Sec. 3009) Directs the Secretary to: (1) establish minimum national standards for approved state programs, and (2) provide states with technical assistance for starting programs and generally disseminating best practices.

Makes appropriations. Terminates the program at the end of seven years.

**Title IV: Additional Small Business Provisions - Subtitle A: Small Business Lending Fund - (Sec. 4103)**

Establishes in the Treasury the Small Business Lending Fund to cover purchases of preferred stock and other financial instruments from eligible insured depository institutions, bank holding companies, savings and loan holding companies, and community development financial institution loan funds with total assets of \$10 billion or less.

Authorizes the Secretary of the Treasury to establish the Small Business Lending Fund Program.

Limits the aggregate amount of purchases to \$30 billion.

Requires all funds received by the Secretary in connection with such purchases to be paid into the general fund of the Treasury for reduction of the public debt.

Prohibits more than 1% of the value of purchases made by the Secretary in implementing the Program from being used to make purchases from community development loan funds (CDLFs).

Instructs the Secretary to develop specified eligibility criteria to determine the financial ability of a CDLF to participate in the Program and repay the investment.

Requires CDLFs participating in the Program to submit audited financial statements to the Secretary, have a clean audit opinion, and have at least three years of operating experience.

Allows eligible institutions with assets of \$1 billion or less to apply for a capital investment from the Fund not exceeding 5% percent of risk-weighted assets. Allows eligible institutions with assets of between \$1 billion and \$10 billion to apply for a capital investment from the Fund of up to 3% percent of risk-weighted assets. Prescribes requirements for the treatment of assets of holding companies and institutions controlled by holding companies.

Requires an applicant institution (including a state-chartered bank) to submit: (1) a small business lending plan describing how its business strategy and operating goals address the needs of small businesses in the areas it serves, and (2) a plan to provide linguistically and culturally appropriate outreach.

Permits CDLFs to apply for a capital investment from the Fund in an amount not exceeding 5% of total assets.

Declares ineligible for a capital investment from the Fund any institution that is either on the Federal Deposit Insurance Corporation (FDIC) problem bank list or has been removed from such list for less than 90 days.

Prescribes requirements governing financial instruments issued to the Treasury by an eligible institution receiving a capital investment (including S Corporations). Sets forth financial incentives for small business lending by such institutions.

Sets a 10-year deadline for repayment of a capital investment under the Program.

Sets forth requirements governing financial instruments issued by a Community Development Financial Institution loan fund (CDFILF) receiving a capital investment under the Program. Makes incentives contingent upon an increase in the number of loans made.

Requires the Secretary to issue regulations and other guidance to permit eligible institutions to refinance securities issued to the Treasury under the Community Development Capital Initiative (CDCI) of the Troubled Asset Relief Program (TARP) established by the Emergency Economic Stabilization Act of 2008 (EESA) and the TARP Capital Purchase Program (CPP) for securities to be issued under the Program; but prohibits participation by certain nonpaying CPP participants.

Directs the Secretary to require capital investment recipients to provide linguistically and culturally appropriate outreach and advertising in the applicant pool using media outlets which target organizations, trade associations, and individuals that represent or work within or are members of minority communities, women, and veterans.

Requires the appropriate federal banking agency for an eligible institution that receives funds under the Program to issue guidance regarding mandatory prudent underwriting standards for loans it makes.

(Sec. 4105) Instructs the Secretary, when exercising authorities granted under this title, to take into consideration, among other things, increasing the opportunity for small business development in areas with high unemployment rates that exceed the national average.

(Sec. 4107) Establishes the Office of Small Business Lending Fund (SBLF) Program Oversight within the Office of the IG. Instructs the IG to: (1) appoint a Special Deputy Inspector General for SBLF Program Oversight to lead the Office, and (2) audit and investigate purchases of financial instruments under the Program through the Office.

(Sec. 4108) Makes appropriations to pay the costs of \$30 billion of capital investments in eligible institutions and of capital investments program administration.

(Sec. 4109) Terminates the authority to make capital investments in eligible institutions one year after enactment of this Act.

(Sec. 4111) Establishes the Small Business Lending Fund Program as separate and distinct from TARP. States that an institution shall not be considered a TARP recipient by virtue of a capital investment under this Act.

(Sec. 4112) Directs the Secretary to: (1) study the impact of the Program on women-owned businesses, veteran-owned businesses, and minority-owned businesses; and (2) disaggregate study results by ethnic group and gender.

(Sec. 4113) Expresses the sense of Congress that the FDIC and other bank regulators are sending mixed messages to banks regarding regulatory capital requirements and lending standards, which is a contributing cause of decreased small business lending and increased regulatory uncertainty at community banks.

**Subtitle B: Other Provisions - Part I: Small Business Export Promotion Initiatives** - Export Promotion Act of 2010 -

(Sec. 4222) Directs the Secretary of Commerce (Secretary in this Part) to increase the number of full-time departmental employees whose primary responsibilities involve promoting or facilitating participation by U.S. businesses in the global marketplace and facilitating the entry into, or expansion of, such participation. Requires the Secretary to ensure that global marketplace promotional activities include promoting and facilitating participation by small and medium-sized

manufacturing businesses. Authorizes appropriations for FY2011-FY2012.

Instructs the Secretary, in obligating and expending such funds, as well as funds for other programs under this Act, to give preference to activities that: (1) assist small- and medium-sized businesses in the United States; and (2) will create or sustain the greatest number of jobs in the United States and obtain the maximum return on investment. Authorizes appropriations.

(Sec. 4223) Authorizes appropriations to the Department of Commerce for FY2011-FY2012 to improve access to the global marketplace for goods and services provided by rural businesses.

(Sec. 4224) Authorizes appropriations to expand ExporTech, a joint program of the Hollings Manufacturing Extension Partnership Program and the Export Assistance Centers of the Department of Commerce.

(Sec. 4225) Authorizes appropriations for the Manufacturing and Services unit of the International Trade Administration (ITA) of the Department of Commerce to establish public-private partnerships under the Market Development Cooperator Program.

(Sec. 4226) Amends the National Institute of Standards and Technology Act to authorize the Director of the National Institute of Standards and Technology (NIST), in making awards for the creation and support of regional centers for the transfer of manufacturing technology, to: (1) consider whether an applicant has significant potential for enhancing the competitiveness of small- and medium-sized U.S. manufacturers in the global marketplace, and (2) give a preference to applicants for such projects. Authorizes the Director, in making awards under the technology innovation program, to take the same question into consideration.

(Sec. 4227) Expresses the sense of the Senate that the Secretary of Commerce should enhance federal collaboration with the states on export promotion issues by taking specified steps.

(Sec. 4228) Directs such Secretary to report to Congress on the tariff and nontariff barriers imposed by Colombia, the Republic of Korea, and Panama with respect to exports of U.S. firms, including small- and medium-sized manufacturing firms.

**Part II: Medicare Fraud** - (Sec. 4241) Directs the Secretary of Health and Human Services (HHS) (Secretary in this Part) to: (1) use predictive modeling and other analytics technologies (predictive analytics technologies) to identify improper claims for reimbursement, and (2) prevent the payment of such claims under the Medicare fee-for-service program.

Prescribes requirements for predictive analytics technologies requirements and their implementation over four years.

Sets forth requirements for contractor selection, qualifications, and data access requirements.

Makes appropriations for this program.

**Title V: Budgetary Provisions** - Declares that the budgetary effects of this Act, for the purpose of complying with the Statutory Pay-As-You-Go-Act of 2010, shall be determined by reference to the latest statement titled "Budgetary Effects of PAYGO Legislation."

## Actions Timeline

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- **Sep 27, 2010:** Signed by President.
- **Sep 27, 2010:** Became Public Law No: 111-240.
- **Sep 23, 2010:** Ms. Bean moved that the House agree to the Senate amendment. (consideration: CR H6905-6939)
- **Sep 23, 2010:** DEBATE - Pursuant to the provisions of H.Res. 1640, the House proceeded with one hour of debate on the motion to concur in the Senate amendment to the bill H.R. 5297.
- **Sep 23, 2010:** The previous question was ordered pursuant to the rule. (consideration: CR H6938)
- **Sep 23, 2010:** Resolving differences -- House actions: On motion that the House agree to the Senate amendment Agreed to by the Yeas and Nays: 237 - 187 (Roll no. 539). (text as House agreed to Senate amendment: CR H6905-6930)
- **Sep 23, 2010:** On motion that the House agree to the Senate amendment Agreed to by the Yeas and Nays: 237 - 187 (Roll no. 539). (text as House agreed to Senate amendment: CR H6905-6930)
- **Sep 23, 2010:** Motion to reconsider laid on the table Agreed to without objection.
- **Sep 23, 2010:** Cleared for White House.
- **Sep 23, 2010:** Presented to President.
- **Sep 16, 2010:** Considered by Senate. (consideration: CR S7144-7158)
- **Sep 16, 2010:** Grassley motion to suspend Rule XXII to permit the consideration of amendment SA 4433 made in Senate. (consideration: CR S7149)
- **Sep 16, 2010:** Hatch motion to suspend Rule XXII to permit the consideration of a motion to commit the bill to the Committee on Finance with instructions made in Senate. (consideration: CR S7149-7150)
- **Sep 16, 2010:** Grassley motion to suspend Rule XXII to permit the consideration of amendment SA 4433 not agreed to in Senate by Yea-Nay Vote. 41 - 58. Record Vote Number: 234.
- **Sep 16, 2010:** Hatch motion to suspend Rule XXII to permit a motion to commit to the Committee on Finance with instructions not agreed to by Yea-Nay Vote. 51 - 48. Record Vote Number: 235.
- **Sep 16, 2010:** Third cloture on the bill invoked in Senate by Yea-Nay Vote. 61 - 38. Record Vote Number: 236. (consideration: CR S7158; text: CR S7158)
- **Sep 16, 2010:** Passed/agreed to in Senate: Passed Senate with an amendment by Yea-Nay Vote. 61 - 38. Record Vote Number: 237.
- **Sep 16, 2010:** Passed Senate with an amendment by Yea-Nay Vote. 61 - 38. Record Vote Number: 237.
- **Sep 16, 2010:** Message on Senate action sent to the House.
- **Sep 15, 2010:** Considered by Senate. (consideration: CR S7103-7119, S7119-7126)
- **Sep 14, 2010:** Considered by Senate. (consideration: CR S7052-7065, S7065-7079)
- **Sep 14, 2010:** Motion by Senator Reid to commit to Senate Committee on Finance with instructions to report back forthwith with amendment SA 4599 fell when cloture invoked on amendment SA 4594 in Senate.
- **Aug 5, 2010:** Considered by Senate. (consideration: CR S6972-6974)
- **Aug 5, 2010:** Motion by Senator Reid to commit to Senate Committee on Finance with instructions to report back forthwith with amendment SA 4524 withdrawn in Senate. (consideration: CR S6972)
- **Aug 5, 2010:** Third cloture motion on the bill presented in Senate. (consideration: CR S6973; text: CR S6973)
- **Aug 5, 2010:** Motion by Senator Reid to commit to Senate Committee on Finance with instructions to report back forthwith with amendment SA 4599 made in Senate. (consideration: CR S6974; text: CR S6974)
- **Jul 29, 2010:** Considered by Senate. (consideration: CR S6460-6476, S6486, S6494-6498)
- **Jul 29, 2010:** Second cloture motion on the bill withdrawn by unanimous consent in Senate. (consideration: CR S6466-6473)
- **Jul 28, 2010:** Considered by Senate. (consideration: CR S6351-6352, S6354-6356, S6359-6365, S6373-6376, S6381-6383, S6384-6386, S8387-8388)
- **Jul 27, 2010:** Considered by Senate. (consideration: CR S6285-6286, S6292-6294)
- **Jul 27, 2010:** First cloture motion on the bill withdrawn by unanimous consent in Senate. (consideration: CR S6293)
- **Jul 27, 2010:** Second cloture motion on the bill presented in Senate. (consideration: CR S6293; text: CR S6293)
- **Jul 27, 2010:** Motion by Senator Reid to commit to Senate Committee on Finance with instructions to report back forthwith with amendment SA 4524 made in Senate.
- **Jul 22, 2010:** Considered by Senate. (consideration: CR S6148-6190)
- **Jul 22, 2010:** Motion by Senator Reid to commit to Senate Committee on Finance with instructions to report back

forthwith with amendment SA 4504 fell when cloture invoked on amendment SA 4500 in Senate.

- **Jul 21, 2010:** Considered by Senate. (consideration: CR S6072-6073)
- **Jul 21, 2010:** Motion by Senator Reid to commit to Senate Committee on Finance with instructions to report back forthwith with amendment SA 4407 withdrawn in Senate by Unanimous Consent.
- **Jul 21, 2010:** Cloture motion on amendment SA 4500 presented in Senate. (consideration: CR S6073; text: CR S6073)
- **Jul 21, 2010:** Cloture motion on amendment SA 4499 presented in Senate. (consideration: CR S6073; text: CR S6073)
- **Jul 21, 2010:** First cloture motion on the bill presented in Senate. (consideration: CR S6073; text: CR S6073)
- **Jul 21, 2010:** Motion by Senator Reid to commit to Senate Committee on Finance with instructions to report back forthwith with amendment SA 4504 made in Senate. (consideration: CR S6073; text: CR S6073)
- **Jul 19, 2010:** Considered by Senate. (consideration: CR S5980-5988)
- **Jun 29, 2010:** Motion to proceed to measure considered in Senate. (consideration: CR S5511-5514)
- **Jun 29, 2010:** Cloture on the motion to proceed to the measure invoked in Senate by Yea-Nay Vote. 66 - 33. Record Vote Number: 202. (consideration: CR S5514-5515)
- **Jun 29, 2010:** Motion to proceed to consideration of measure agreed to in Senate by Unanimous Consent.
- **Jun 29, 2010:** Measure laid before Senate by motion. (consideration: CR S5515-5524)
- **Jun 29, 2010:** Motion by Senator Reid to commit to Senate Committee on Finance with instructions to report back forthwith with amendment SA 4407 made in Senate. (consideration: CR S5515-5516)
- **Jun 25, 2010:** Motion to proceed to measure considered in Senate. (consideration: CR S5461)
- **Jun 24, 2010:** Motion to proceed to consideration of measure made in Senate. (consideration: CR S5430)
- **Jun 24, 2010:** Cloture motion on the motion to proceed to the measure presented in Senate. (consideration: CR S5430; text: CR S5430)
- **Jun 21, 2010:** Read the second time. Placed on Senate Legislative Calendar under General Orders. Calendar No. 435.
- **Jun 18, 2010:** Received in the Senate. Read the first time. Placed on Senate Legislative Calendar under Read the First Time.
- **Jun 17, 2010:** Considered as unfinished business. (consideration: CR H4610-4618)
- **Jun 17, 2010:** The House resolved into Committee of the Whole House on the state of the Union for further consideration.
- **Jun 17, 2010:** DEBATE - Pursuant to the provisions of H.Res. 1448, the Committee of the Whole House proceeded with 10 minutes of debate on the Schrader amendment.
- **Jun 17, 2010:** DEBATE - Pursuant to the provisions of H.Res. 1448, the Committee of the Whole proceeded with 10 minutes of debate on the Miller (NC) amendment.
- **Jun 17, 2010:** POSTPONED PROCEEDINGS - At the conclusion of debate on the Miller (NC) amendment, the Chair put the question on adoption of the amendment and by voice vote announced that the ayes had prevailed. Mr. Miller (NC) demanded a recorded vote and the Chair postponed further proceedings on the question of adoption of the amendment until later in the legislative day.
- **Jun 17, 2010:** UNFINISHED BUSINESS - The Chair announced that the unfinished business was the question of adoption of amendments which had been debated earlier and on which further proceedings had been postponed.
- **Jun 17, 2010:** The House rose from the Committee of the Whole House on the state of the Union to report H.R. 5297.
- **Jun 17, 2010:** 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.
- **Jun 17, 2010:** Mr. Neugebauer moved to recommit with instructions to Financial Services. (consideration: CR H4616; text: CR H4616)
- **Jun 17, 2010:** DEBATE - The House proceeded with 10 minutes of debate on the Neugebauer motion to recommit with instructions. The instructions contained in the motion seek to report the same back to the House with an amendment to add a new paragraph and subsection pertaining to SIGTARP.
- **Jun 17, 2010:** The previous question on the motion to recommit with instructions was ordered without objection. (consideration: CR H4617)
- **Jun 17, 2010:** On motion to recommit with instructions Failed by recorded vote: 180 - 237 (Roll no. 374).
- **Jun 17, 2010:** Passed/agreed to in House: On passage Passed by recorded vote: 241 - 182 (Roll no. 375).
- **Jun 17, 2010:** On passage Passed by recorded vote: 241 - 182 (Roll no. 375).
- **Jun 17, 2010:** Motion to reconsider laid on the table Agreed to without objection.
- **Jun 16, 2010:** Ms. Bean asked unanimous consent that the instruction in the amendment printed in part B of House Report 111-506 relating to page 11, line8, be considered to refer to section 4(d)(2)(A) of the matter proposed to be

inserted by the amendment printed in part A of such report, as amended by the amendment in part B of such report. Agreed to without objection.

- **Jun 16, 2010:** Considered under the provisions of rule H. Res. 1436. (consideration: CR H4513-4542; text of measure as reported in House: CR H4520-4529)
- **Jun 16, 2010:** Rule provides for consideration of H.R. 5486 and H.R. 5297 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 each bill except for clauses 9 and 10 or rule XXI are waived.
- **Jun 16, 2010:** House resolved itself into the Committee of the Whole House on the state of the Union pursuant to H. Res. 1436 and Rule XVIII.
- **Jun 16, 2010:** The Speaker designated the Honorable Ed Pastor to act as Chairman of the Committee.
- **Jun 16, 2010:** GENERAL DEBATE - The Committee of the Whole proceeded with one hour of general debate on H.R. 5297.
- **Jun 16, 2010:** DEBATE - Pursuant to the provisions of H.Res. 1436, the Committee of the Whole proceeded with 10 minutes of debate on the Israel amendment.
- **Jun 16, 2010:** POSTPONED PROCEEDINGS - At the conclusion of debate on the Israel amendment, the Chair put the question on adoption of the amendment and by voice vote, announced that the ayes had prevailed. Mr. Israel demanded a recorded vote and the Chair postponed further proceedings on the question of adoption of the amendment until later in the legislative day.
- **Jun 16, 2010:** DEBATE - Pursuant to the provisions of H.Res. 1436, the Committee of the Whole proceeded with 10 minutes of debate on the Nye amendment.
- **Jun 16, 2010:** DEBATE - Pursuant to the provisions of H.Res. 1436, the Committee of the Whole proceeded with 10 minutes of debate on the Minnick amendment.
- **Jun 16, 2010:** DEBATE - Pursuant to the provisions of H.Res. 1436, the Committee of the Whole proceeded with 10 minutes of debate on the Perlmutter amendment.
- **Jun 16, 2010:** DEBATE - Pursuant to the provisions of H.Res. 1436, the Committee of the Whole proceeded with 10 minutes of debate on the Price (GA) amendment.
- **Jun 16, 2010:** DEBATE - Pursuant to the provisions of H.Res. 1436, the Committee of the Whole proceeded with 10 minutes of debate on the Driehaus amendment.
- **Jun 16, 2010:** DEBATE - Pursuant to the provisions of H.Res. 1436, the Committee of the Whole proceeded with 10 minutes of debate on the Michaud amendment.
- **Jun 16, 2010:** DEBATE - Pursuant to the provisions of H.Res. 1436, the Committee of the Whole proceeded with 10 minutes of debate on the Cao amendment.
- **Jun 16, 2010:** POSTPONED PROCEEDINGS - At the conclusion of debate on the Cao amendment, the Chair put the question on adoption of the amendment and by voice vote, announced that the ayes had prevailed. Ms. Jackson Lee (TX) demanded a recorded vote and the Chair postponed further proceedings on the question of adoption of the amendment until later in the legislative day.
- **Jun 16, 2010:** DEBATE - Pursuant to the provisions of H.Res. 1436, the Committee of the Whole proceeded with 10 minutes of debate on the Loretta Sanchez(CA) amendment.
- **Jun 16, 2010:** DEBATE - Pursuant to the provisions of H.Res. 1436, the Committee of the Whole proceeded with 10 minutes of debate on the Cuellar amendment.
- **Jun 16, 2010:** DEBATE - Pursuant to the provisions of H.Res. 1436, the Committee of the Whole proceeded with 10 minutes of debate on the Braley amendment.
- **Jun 16, 2010:** DEBATE - Pursuant to the provisions of H.Res. 1436, the Committee of the Whole proceeded with 10 minutes of debate on the Loebssack amendment.
- **Jun 16, 2010:** DEBATE - Pursuant to the provisions of H.Res. 1436, the Committee of the Whole proceeded with 10 minutes of debate on the Al Green (TX) amendment.
- **Jun 16, 2010:** Ms. Bean moved for the Committee of the Whole to rise.
- **Jun 16, 2010:** On motion to rise Agreed to by voice vote.
- **Jun 16, 2010:** Committee of the Whole House on the state of the Union rises leaving H.R. 5297 as unfinished business.
- **Jun 15, 2010:** Rule H. Res. 1436 passed House.
- **Jun 14, 2010:** Rules Committee Resolution H. Res. 1436 Reported to House. Rule provides for consideration of H.R. 5486 and H.R. 5297 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 each bill except for clauses 9 and 10 or rule XXI are waived.

- **May 27, 2010:** Reported (Amended) by the Committee on Financial Services. H. Rept. 111-499.
- **May 27, 2010:** Placed on the Union Calendar, Calendar No. 283.
- **May 19, 2010:** Committee Consideration and Mark-up Session Held.
- **May 19, 2010:** Ordered to be Reported (Amended) by the Yeas and Nays: 42 - 23.
- **May 13, 2010:** Introduced in House
- **May 13, 2010:** Referred to the House Committee on Financial Services.