

HR 5302

State Small Business Credit Initiative Act of 2010

Congress: 111 (2009–2011, Ended)

Chamber: House

Policy Area: Finance and Financial Sector

Introduced: May 13, 2010

Current Status: Referred to the House Committee on Financial Services.

Latest Action: Referred to the House Committee on Financial Services. (May 13, 2010)

Official Text: <https://www.congress.gov/bill/111th-congress/house-bill/5302>

Sponsor

Name: Rep. Peters, Gary C. [D-MI-9]

Party: Democratic • **State:** MI • **Chamber:** Senate

Cosponsors (31 total)

Cosponsor	Party / State	Role	Date Joined
Del. Norton, Eleanor Holmes [D-DC-At Large]	D · DC		May 13, 2010
Rep. Adler, John H. [D-NJ-3]	D · NJ		May 13, 2010
Rep. Bean, Melissa L. [D-IL-8]	D · IL		May 13, 2010
Rep. Dingell, John D. [D-MI-15]	D · MI		May 13, 2010
Rep. Etheridge, Bob [D-NC-2]	D · NC		May 13, 2010
Rep. Kanjorski, Paul E. [D-PA-11]	D · PA		May 13, 2010
Rep. Kildee, Dale E. [D-MI-5]	D · MI		May 13, 2010
Rep. Levin, Sander M. [D-MI-12]	D · MI		May 13, 2010
Rep. Lipinski, Daniel [D-IL-3]	D · IL		May 13, 2010
Rep. Loebsack, David [D-IA-2]	D · IA		May 13, 2010
Rep. Maffei, Daniel B. [D-NY-25]	D · NY		May 13, 2010
Rep. Michaud, Michael H. [D-ME-2]	D · ME		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. Pascrell, Bill, Jr. [D-NJ-8]	D · NJ		May 13, 2010
Rep. Reyes, Silvestre [D-TX-16]	D · TX		May 13, 2010
Rep. Sánchez, Linda T. [D-CA-39]	D · CA		May 13, 2010
Rep. Sarbanes, John P. [D-MD-3]	D · MD		May 13, 2010
Rep. Schauer, Mark H. [D-MI-7]	D · MI		May 13, 2010
Rep. Stupak, Bart [D-MI-1]	D · MI		May 13, 2010
Rep. Sutton, Betty [D-OH-13]	D · OH		May 13, 2010
Rep. Tonko, Paul [D-NY-21]	D · NY		May 13, 2010
Rep. Tsongas, Niki [D-MA-5]	D · MA		May 13, 2010
Rep. Watt, Melvin L. [D-NC-12]	D · NC		May 13, 2010
Rep. Driehaus, Steve [D-OH-1]	D · OH		May 18, 2010
Rep. Himes, James A. [D-CT-4]	D · CT		May 18, 2010
Rep. Holt, Rush [D-NJ-12]	D · NJ		May 18, 2010
Rep. Johnson, Henry C. "Hank," Jr. [D-GA-4]	D · GA		May 18, 2010
Rep. Meeks, Gregory W. [D-NY-6]	D · NY		May 18, 2010
Rep. Lowey, Nita M. [D-NY-18]	D · NY		May 24, 2010

Committee Activity

Committee	Chamber	Activity	Date
Financial Services Committee	House	Referred To	May 13, 2010

Subjects & Policy Tags

Policy Area:

Finance and Financial Sector

Related Bills

Bill	Relationship	Last Action
111 HR 5297	Related bill	Sep 27, 2010: Became Public Law No: 111-240.

Summary (as of May 13, 2010)

State Small Business Credit Initiative Act of 2010 - Establishes a seven-year State Small Business Credit Initiative (Initiative), administered by the Secretary of the Interior to allocate federal funds to participating states with capital access programs.

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 approve for federal contributions any state capital access program meeting specified minimum requirements.

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 [sic] 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.

Authorizes the reduction of federal allocations to the state or termination of further allocation transfers to the state upon its termination of participation in the program, or failure to submit timely and complete reports, or its noncompliance with the terms of the allocation agreement.

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.

Actions Timeline

- **May 13, 2010:** Introduced in House
- **May 13, 2010:** Referred to the House Committee on Financial Services.