

S 1857

Microloan Modernization Act of 2015

Congress: 114 (2015–2017, Ended)

Chamber: Senate

Policy Area: Commerce

Introduced: Jul 23, 2015

Current Status: Placed on Senate Legislative Calendar under General Orders. Calendar No. 224.

Latest Action: Placed on Senate Legislative Calendar under General Orders. Calendar No. 224. (Sep 15, 2015)

Official Text: <https://www.congress.gov/bill/114th-congress/senate-bill/1857>

Sponsor

Name: Sen. Fischer, Deb [R-NE]

Party: Republican • **State:** NE • **Chamber:** Senate

Cosponsors (4 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Ayotte, Kelly [R-NH]	R · NH		Jul 23, 2015
Sen. Scott, Tim [R-SC]	R · SC		Jul 23, 2015
Sen. Shaheen, Jeanne [D-NH]	D · NH		Jul 27, 2015
Sen. Peters, Gary C. [D-MI]	D · MI		Jul 28, 2015

Committee Activity

Committee	Chamber	Activity	Date
Small Business and Entrepreneurship Committee	Senate	Reported By	Sep 15, 2015

Subjects & Policy Tags

Policy Area:

Commerce

Related Bills

Bill	Relationship	Last Action
114 HR 2670	Related bill	Jul 14, 2015: Received in the Senate and Read twice and referred to the Committee on Small Business and Entrepreneurship.
114 HR 2850	Related bill	Jun 26, 2015: Referred to the Subcommittee on Health.

(This measure has not been amended since it was introduced. The summary has been expanded because action occurred on the measure.)

Microloan Modernization Act of 2015

(Sec. 2) This bill amends the Small Business Act with respect to the rule under the Small Business Administration (SBA) Microloan Program (assisting low-income individuals to start and operate a small business) that permits SBA-designated microloan intermediary lenders to expend up to 25% of the grant funds they receive from the SBA to provide information and technical assistance to small business concerns that are their prospective borrowers.

(Sec. 3) The total amount of loans outstanding and committed to any particular intermediary (excluding outstanding grants) from the SBA business loan and investment fund is increased from \$5 million to \$6 million for the remaining years of the intermediary's participation in the program.

(Sec. 4) The SBA must establish a process by which these microloan intermediaries may apply for, and the SBA may grant, a waiver of this 25/75 allocation.

This rule shall require any waiver applicant to:

- specify how it will use the additional technical assistance, and
- make assurances that the intermediary will have sufficient funds to provide technical assistance to all of the intermediary's borrowers.

(Sec. 5) An eligible intermediary may include lines of credit among the short-term, fixed rate loans it makes to startup, newly established, and growing small business concerns from SBA funds made available to the intermediary for working capital and the acquisition of materials, supplies, furniture, fixtures, and equipment.

(Sec. 6) The SBA may not impose limitations on the repayment term of a loan by an intermediary to a small business or entrepreneur. This repayment term, however, may not exceed:

- 6 years for a loan of \$10,000 or less, or
- 10 years for a loan greater than \$10,000.

(Sec. 7) The Government Accountability Office shall:

- compare the operations of a representative sample of eligible intermediaries that participate in the microloan program and of eligible intermediaries that do not,
- study the reasons why the latter do not participate,
- recommend how to encourage increased participation by intermediaries in the microloan program, and
- recommend how to decrease the associated costs for intermediary participation.

Actions Timeline

- **Sep 15, 2015:** Committee on Small Business and Entrepreneurship. Reported by Senator Vitter without amendment. Without written report.
- **Sep 15, 2015:** Placed on Senate Legislative Calendar under General Orders. Calendar No. 224.
- **Jul 29, 2015:** Committee on Small Business and Entrepreneurship. Ordered to be reported without amendment favorably.
- **Jul 23, 2015:** Introduced in Senate
- **Jul 23, 2015:** Read twice and referred to the Committee on Small Business and Entrepreneurship.