

HR 4743

Small Business 7(a) Lending Oversight Reform Act of 2018

Congress: 115 (2017–2019, Ended)

Chamber: House

Policy Area: Commerce

Introduced: Jan 9, 2018

Current Status: Became Public Law No: 115-189.

Latest Action: Became Public Law No: 115-189. (Jun 21, 2018)

Law: 115-189 (Enacted Jun 21, 2018)

Official Text: <https://www.congress.gov/bill/115th-congress/house-bill/4743>

Sponsor

Name: Rep. Chabot, Steve [R-OH-1]

Party: Republican • **State:** OH • **Chamber:** House

Cosponsors (11 total)

Cosponsor	Party / State	Role	Date Joined
Rep. Velazquez, Nydia M. [D-NY-7]	D · NY		Jan 9, 2018
Del. Radewagen, Aumua Amata Coleman [R-AS-At Large]	R · AS		Jan 19, 2018
Rep. Chu, Judy [D-CA-27]	D · CA		Jan 19, 2018
Rep. Marshall, Roger [R-KS-1]	R · KS		Jan 19, 2018
Resident Commissioner González-Colón, Jenniffer [R-PR-At Large]	R · PR		Jan 19, 2018
Rep. Clarke, Yvette D. [D-NY-9]	D · NY		Jan 29, 2018
Rep. Espaillat, Adriano [D-NY-13]	D · NY		Jan 29, 2018
Rep. Evans, Dwight [D-PA-2]	D · PA		Jan 29, 2018
Rep. Murphy, Stephanie N. [D-FL-7]	D · FL		Jan 29, 2018
Rep. Norman, Ralph [R-SC-5]	R · SC		Jan 29, 2018
Rep. Lawson, Al, Jr. [D-FL-5]	D · FL		Mar 13, 2018

Committee Activity

Committee	Chamber	Activity	Date
Small Business Committee	House	Reported By	Apr 26, 2018

Subjects & Policy Tags

Policy Area:

Commerce

Related Bills

Bill	Relationship	Last Action
115 S 2283	Related bill	Jun 5, 2018: By Senator Risch from Committee on Small Business and Entrepreneurship filed written report. Report No. 115-265.
115 HRES 899	Related bill	May 16, 2018: Motion to reconsider laid on the table Agreed to without objection.
115 HR 1915	Related bill	Apr 5, 2017: Referred to the House Committee on Small Business.

Summary (as of Jun 21, 2018)

Small Business 7(a) Lending Oversight Reform Act of 2018

(Sec. 3) This bill amends the Small Business Act to provide statutory authority for the Small Business Administration (SBA) Office of Credit Risk Management (OCRM) and the SBA Lender Oversight Committee.

The bill modifies the OCRM's supervisory duties and the committee's review of OCRM formal enforcement action recommendations. The bill requires OCRM to supervise:

- lenders making loans under the SBA's guaranteed loan program, commonly known as 7(a) lenders;
- lending partners or SBA intermediary participants in a lending program of the SBA's Office of Capital Access;
- small business lending companies; and
- nonfederally regulated lenders.

The OCRM may assess a monetary penalty against lenders that violate requirements.

(Sec. 4) Under current law, a borrower is ineligible for an SBA guaranteed loan if the applicant may obtain credit elsewhere. The term "credit elsewhere" is redefined to include the availability of credit on reasonable terms and conditions to the loan applicant from nongovernment sources, considering factors associated with conventional lending practices, including:

- the business industry in which the applicant operates;
- whether the applicant is an enterprise that has been in operation for two years or less;
- the adequacy of the collateral available to secure the requested loan;
- the loan term necessary to reasonably assure the ability of the loan applicant to repay the debt from the business's actual or projected cash flow; and
- any other factors relating to the particular credit application, as documented in detail by the lender, that cannot be overcome except through obtaining a federal loan guarantee under prudent lending standards.

Such term is inapplicable to certain SBA guaranteed loans to repair, rehabilitate, or replace property damaged or destroyed by or resulting from natural or other disasters.

(Sec. 5) The SBA may, with congressional approval, increase the cap for general business loans if the cap will be reached within that fiscal year. An increase may only be implemented once each fiscal year.

(Sec. 6) SBA waivers of regulations or requirements in the Standard Operating Procedures Manual or Policy Notice related to an Office of Capital Access's program or function must be in writing and maintained in an index.

(Sec 7) The bill repeals a requirement for the SBA to report certain information to the President and Congress, including the number and amount of loan defaults.

Actions Timeline

- **Jun 21, 2018:** Signed by President.
- **Jun 21, 2018:** Became Public Law No: 115-189.
- **Jun 13, 2018:** Presented to President.
- **Jun 6, 2018:** Message on Senate action sent to the House.
- **Jun 5, 2018:** Passed/agreed to in Senate: Passed Senate without amendment by Unanimous Consent.(consideration: CR S2998)
- **Jun 5, 2018:** Passed Senate without amendment by Unanimous Consent. (consideration: CR S2998)
- **May 23, 2018:** Message on Senate action sent to the House.
- **May 23, 2018:** Received in the Senate. Read twice. Placed on Senate Legislative Calendar under General Orders. Calendar No. 431.
- **May 22, 2018:** Senate vitiated previous actions by Unanimous Consent. (consideration: CR S2838)
- **May 22, 2018:** Senate returned papers to the House by Unanimous Consent.
- **May 16, 2018:** House requested return of papers pursuant to H.Res. 899. (consideration: CR H4008)
- **May 9, 2018:** Received in the Senate. Read twice. Placed on Senate Legislative Calendar under General Orders. Calendar No. 403.
- **May 8, 2018:** Mr. Chabot moved to suspend the rules and pass the bill, as amended.
- **May 8, 2018:** Considered under suspension of the rules. (consideration: CR H3812-3815)
- **May 8, 2018:** DEBATE - The House proceeded with forty minutes of debate on H.R. 4743.
- **May 8, 2018:** Passed/agreed to in House: On motion to suspend the rules and pass the bill, as amended Agreed to by voice vote.(text: CR H3812-3814)
- **May 8, 2018:** On motion to suspend the rules and pass the bill, as amended Agreed to by voice vote. (text: CR H3812-3814)
- **May 8, 2018:** Motion to reconsider laid on the table Agreed to without objection.
- **Apr 26, 2018:** Reported (Amended) by the Committee on Small Business. H. Rept. 115-655.
- **Apr 26, 2018:** Placed on the Union Calendar, Calendar No. 503.
- **Mar 14, 2018:** Committee Consideration and Mark-up Session Held.
- **Mar 14, 2018:** Ordered to be Reported (Amended) by Voice Vote.
- **Jan 9, 2018:** Introduced in House
- **Jan 9, 2018:** Referred to the House Committee on Small Business.