

114TH CONGRESS  
1ST SESSION

# H. R. 2670

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## AN ACT

To amend the Small Business Act to provide for expanded participation in the microloan program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Microloan Moderniza-  
3 tion Act of 2015”.

4 **SEC. 2. WAIVERS OF 25/75 RULE.**

5 (a) **WAIVER AUTHORIZED.**—Section 7(m)(4)(E)(i) of  
6 the Small Business Act (15 U.S.C. 636(m)(4)(E)(i)) is  
7 amended by adding at the end the following: “The Admin-  
8 istrator shall by rule establish a process by which inter-  
9 mediaries may apply for and the Administrator may grant  
10 a waiver from the requirements of this clause.”.

11 (b) **CONTENTS OF RULE.**—In the rule required by  
12 the amendment made by subsection (a), the Administrator  
13 of the Small Business Administration shall require any ap-  
14 plicant for a waiver to—

15 (1) to specify how such applicant will use the  
16 additional technical assistance; and

17 (2) provide assurance in a form provided for by  
18 the Administrator in the rule that the intermediary  
19 will have sufficient funds to provide technical assist-  
20 ance to all of the intermediary’s borrowers.

21 (c) **RULEMAKING REQUIREMENTS.**—The rule re-  
22 quired by subsection (a) shall be promulgated after notice  
23 and the opportunity for comment of not less than 60 days.  
24 Such regulation shall be codified in the Code of Federal  
25 Regulations and shall incorporate any delegation of the

1 Administrator’s authority to approve waivers to any ap-  
2 propriate subsidiary official.

3 **SEC. 3. MICROLOAN INTERMEDIARY LENDING LIMIT IN-**  
4 **CREASED.**

5 Section 7(m)(3)(C) of the Small Business Act (15  
6 U.S.C. 636(m)(3)(C)) is amended by striking  
7 “\$5,000,000” and inserting “\$6,000,000”.

8 **SEC. 4. EXTENDED REPAYMENT TERMS.**

9 Section 7(m)(6) of the Small Business Act (15  
10 U.S.C. 636(m)(6)) is amended by adding at the end the  
11 following:

12 “(F) REPAYMENT TERMS FOR LOANS TO  
13 SMALL BUSINESSES.—The Administrator may  
14 not impose limitations on the term for repay-  
15 ment of a loan made by an intermediary to a  
16 small business concern or entrepreneur, except  
17 that—

18 “(i) in the case of a loan made by an  
19 intermediary of \$10,000 or less, the repay-  
20 ment term shall be not more than 6 years;  
21 and

22 “(ii) in the case of a loan greater than  
23 \$10,000, the repayment term shall be not  
24 more than 10 years.”.

1 **SEC. 5. LINES OF CREDIT AUTHORIZED.**

2 Section 7(m)(6)(A) of the Small Business Act (15  
3 U.S.C. 636(m)(6)(A)) is amended by inserting after  
4 “short-term” insert “(including lines of credit)”.

5 **SEC. 6. GAO STUDY OF MICROENTERPRISE PARTICIPATION.**

6 Not later than 120 days after the date of enactment  
7 of this Act, the Comptroller General of the United States  
8 shall complete a study on and report to the Committee  
9 on Small Business of the House of Representatives on the  
10 following:

11 (1) The operations (including services provided,  
12 structure, size, and area of operation) of a rep-  
13 resentative sample of—

14 (A) intermediaries that are eligible for par-  
15 ticipation in the microloan program under sec-  
16 tion 7(m) of the Small Business Act and that  
17 do participate; and

18 (B) intermediaries (including those oper-  
19 ated for profit, operated as nonprofits, and  
20 those affiliated with a United States institution  
21 of higher learning) that are so eligible and that  
22 do not participate.

23 (2) The reasons why intermediaries described in  
24 paragraph (1)(B) choose not to participate.



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