

118TH CONGRESS  
1ST SESSION

# S. 1369

To expand access to capital in underserved markets by providing resources for the Small Business Administration to approve additional Non-Federally Regulated Lenders to make business loans guaranteed by the Small Business Administration to small business concerns in low-income and moderate-income neighborhoods.

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IN THE SENATE OF THE UNITED STATES

APRIL 27, 2023

Mr. RUBIO introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

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## A BILL

To expand access to capital in underserved markets by providing resources for the Small Business Administration to approve additional Non-Federally Regulated Lenders to make business loans guaranteed by the Small Business Administration to small business concerns in low-income and moderate-income neighborhoods.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Fair Access to Small  
5 Business Lending Act of 2023”.

1 **SEC. 2. FAIR ACCESS TO SMALL BUSINESS LENDING.**

2 Section 7(a)(17) of the Small Business Act (15  
3 U.S.C. 636(a)(17)) is amended—

4 (1) by striking “(17) The Administration” and  
5 inserting the following:

6 “(17) AUTHORIZATION OF LENDERS.—

7 “(A) IN GENERAL.—The Administration”;

8 and

9 (2) by adding at the end the following:

10 “(B) ACCESS TO CAPITAL FOR UNDER-  
11 SERVED MARKETS.—

12 “(i) DEFINITIONS.—In this subpara-  
13 graph—

14 “(I) the term ‘covered Non-Fed-  
15 erally Regulated Lender’ means a  
16 Non-Federally Regulated Lender (as  
17 defined in section 120.10 of title 13,  
18 Code of Federal Regulations, or any  
19 successor thereto) that—

20 “(aa) has not been approved  
21 to make loans guaranteed under  
22 this subsection; and

23 “(bb) meets the applicable  
24 criteria for authorizing lenders to  
25 make loans guaranteed under  
26 this subsection; and

1           “(II) the term ‘low or moderate-  
2 income neighborhood’ means a neigh-  
3 borhood that is a low-income neigh-  
4 borhood or a moderate-income neigh-  
5 borhood, for the purposes of the Com-  
6 munity Reinvestment Act of 1977 (12  
7 U.S.C. 2901 et seq.).

8           “(ii) INITIATIVE.—

9           “(I) IN GENERAL.—The Admin-  
10 istrator, acting through the Office of  
11 Credit Risk Management, shall carry  
12 out an initiative to authorize covered  
13 Non-Federally Regulated Lenders to  
14 make loans guaranteed under this  
15 subsection that is targeted to expand-  
16 ing the availability of loans guaran-  
17 teed under this subsection to small  
18 business concerns that are located in  
19 a low or moderate-income neighbor-  
20 hood.

21           “(II) AUTHORITY.—Under the  
22 initiative under subclause (I), the Ad-  
23 ministrator may not approve a cov-  
24 ered Non-Federally Regulated Lender  
25 to only be eligible to make loans guar-

1           anted under the Community Advan-  
2           tage Pilot Program of the Administra-  
3           tion.

4           “(III) LENDERS.—A covered  
5           Non-Federally Regulated Lender that  
6           becomes authorized to make loans  
7           guaranteed under this subsection  
8           under the initiative under subclause  
9           (I) shall ensure that not less than 50  
10          percent of the loans made by the cov-  
11          ered Non-Federally Regulated Lender  
12          that are guaranteed under this sub-  
13          section are made to small business  
14          concerns that are located in a low or  
15          moderate-income neighborhood.

16          “(iii) FUNDING.—For fiscal year  
17          2023, and each fiscal year thereafter, there  
18          is appropriated to the Administrator, out  
19          of any money in the Treasury not other-  
20          wise appropriated, such sums as are nec-  
21          essary to carry out the initiative under  
22          clause (ii).”.

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