

111TH CONGRESS
1ST SESSION

S. 2918

To make improvements to certain loan programs under the Small Business Act and the Small Business Investment Act of 1958, and for other purposes.

IN THE SENATE OF THE UNITED STATES

DECEMBER 21 (legislative day, DECEMBER 20), 2009

Mr. SPECTER introduced the following bill; which was read twice and referred to the Committee on Banking, Housing, and Urban Affairs

A BILL

To make improvements to certain loan programs under the Small Business Act and the Small Business Investment Act of 1958, 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Helping Small Busi-
5 ness Succeed Act of 2009”.

6 **SEC. 2. MAXIMUM LOAN AMOUNTS UNDER 7(a) PROGRAM.**

7 Section 7(a)(3)(A) of the Small Business Act (15
8 U.S.C. 636(a)(3)(A)) is amended by striking “\$1,500,000
9 (or if the gross loan amount would exceed \$2,000,000”

1 and inserting “\$4,875,000 (or if the gross loan amount
2 would exceed \$5,000,000”.

3 **SEC. 3. MAXIMUM LOAN AMOUNTS UNDER 504 PROGRAM.**

4 Section 502(2)(A) of the Small Business Investment
5 Act of 1958 (15 U.S.C. 696(2)(A)) is amended—

6 (1) in clause (i), by striking “\$1,500,000” and
7 inserting “\$4,000,000”;

8 (2) in clause (ii), by striking “\$2,000,000” and
9 inserting “\$5,000,000”;

10 (3) in clause (iii), by striking “\$4,000,000” and
11 inserting “\$5,500,000”;

12 (4) in clause (iv), by striking “\$4,000,000” and
13 inserting “\$5,500,000”; and

14 (5) in clause (v), by striking “\$4,000,000” and
15 inserting “\$5,500,000”.

16 **SEC. 4. MAXIMUM LOAN LIMITS UNDER MICROLOAN PRO-**
17 **GRAM.**

18 Section 7(m) of the Small Business Act (15 U.S.C.
19 636(m)) is amended—

20 (1) in paragraph (1)(B)(iii), by striking
21 “\$35,000” and inserting “\$50,000”;

22 (2) in paragraph (3)(E), by striking “\$35,000”
23 each place that term appears and inserting
24 “\$50,000”; and

1 (3) in paragraph (11)(B), by striking
2 “\$35,000” and inserting “\$50,000”.

3 **SEC. 5. MAXIMUM LOAN GUARANTEE UNDER 7(a) PRO-**
4 **GRAM.**

5 (a) IN GENERAL.—

6 (1) AMENDMENT.—Section 7(a)(2)(A) of the
7 Small Business Act (15 U.S.C. 636(a)(2)(A)) is
8 amended by striking “equal to—” and all that fol-
9 lows and inserting “equal to 97.5 percent of the
10 amount of the loan.”.

11 (2) PROSPECTIVE REPEAL.—Effective October
12 3, 2011, section 7(a)(2)(A) of the Small Business
13 Act (15 U.S.C. 636(a)(2)(A)) is amended by striking
14 “equal to 97.5 percent of the amount of the loan.”
15 and inserting “equal to—

16 “(i) 75 percent of the balance of the
17 financing outstanding at the time of dis-
18 bursement of the loan, if such balance ex-
19 ceeds \$150,000; or

20 “(ii) 85 percent of the balance of the
21 financing outstanding at the time of dis-
22 bursement of the loan, if such balance is
23 less than or equal to \$150,000.”.

24 (b) CONFORMING AMENDMENT.—Section 502(a) of
25 title V of division A of the American Recovery and Rein-

1 vestment Act of 2009 (Public Law 111–5; 123 Stat. 152)
2 is amended by striking “90 percent” and inserting “97.5
3 percent”.

4 **SEC. 6. EXTENSION OF FEE REDUCTIONS.**

5 (a) EXTENSION OF FEE REDUCTIONS.—Section 501
6 of title V of division A of the American Recovery and Rein-
7 vestment Act of 2009 (Public Law 111–5; 123 Stat. 151)
8 is amended by striking “September 30, 2010” each place
9 that term appears and inserting “October 3, 2011”.

10 (b) AVAILABILITY OF FUNDS.—The matter under the
11 heading “BUSINESS LOANS PROGRAM ACCOUNT” under
12 the heading “SMALL BUSINESS ADMINISTRATION”
13 in title V of division A of the American Recovery and Rein-
14 vestment Act of 2009 (Public Law 111–5; 123 Stat. 151)
15 is amended—

16 (1) by striking “to remain available until Sep-
17 tember 30, 2010” the second place it appears;

18 (2) by inserting “and shall remain available
19 until October 3, 2011” after “section 501 of this
20 title”; and

21 (3) by inserting “and shall remain available
22 until September 30, 2010” after “section 506 of this
23 title”.

1 **SEC. 7. ECONOMIC DISASTER LOANS.**

2 (a) **AUTHORITY TO MAKE LOANS.**—The Adminis-
3 trator of the Small Business Administration may make a
4 loan to a small business concern (as defined under section
5 3 of the Small Business Act (15 U.S.C. 632)) that is lo-
6 cated in an economic disaster area under the same terms
7 and conditions and for the same purposes as a loan under
8 section 7(b)(2) of the Small Business Act (15 U.S.C.
9 636(b)(2)).

10 (b) **ECONOMIC DISASTER AREA.**—For purposes of
11 this section, the term “economic disaster area” means a
12 geographic area that the Administrator of the Small Busi-
13 ness Administration determines has—

14 (1) a per capital income of not more than 80
15 percent of the average per capita income in the
16 United States, based on the most recent available
17 data from the Bureau of Labor Statistics of the De-
18 partment of Labor;

19 (2) an average unemployment rate that is not
20 less than 1 percentage point greater than the aver-
21 age unemployment rate in the United States, during
22 the most recent 24-month period for which data
23 from the Bureau of Labor Statistics of the Depart-
24 ment of Labor are available; and

25 (3) a special need.

1 (c) SUNSET.—The authority of the Administrator of
2 the Small Business Administration to make a loan under
3 subsection (a) shall terminate on October 3, 2011.

4 **SEC. 8. FUNDING.**

5 (a) REVENUE FROM SALE OF TROUBLED ASSETS
6 AND WARRANTS.—Section 106(d) of the Emergency Eco-
7 nomic Stabilization Act of 2008 (12 U.S.C. 5216(d)) is
8 amended—

9 (1) by striking “Revenues of” and inserting the
10 following:

11 “(1) IN GENERAL.—Except as provided in para-
12 graph (2), revenues of”; and

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

14 “(2) TRANSFER TO SMALL BUSINESS ADMINIS-
15 TRATION.—From amounts received under paragraph
16 (1), the Secretary shall transfer to the Adminis-
17 trator of the Small Business Administration such
18 amounts as are necessary to carry out the Helping
19 Small Business Succeed Act of 2009 and the amend-
20 ments made by that Act.”.

21 (b) AUTHORIZATION OF APPROPRIATIONS.—In addi-
22 tion to any amounts transferred to the Administrator of
23 the Small Business Administration under section 106(d)
24 of the Emergency Economic Stabilization Act of 2008 (12
25 U.S.C. 5216(d)), as amended by this Act, there are au-

1 thORIZED TO BE APPROPRIATED SUCH SUMS AS MAY BE NEC-
2 ESSARY TO CARRY OUT THIS ACT AND THE AMENDMENTS MADE
3 BY THIS ACT.

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