

116TH CONGRESS
1ST SESSION

S. 2188

To amend the Small Business Investment Act of 1958 to improve the license application process for small business investment companies, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 18, 2019

Mr. HAWLEY (for himself and Mr. COONS) introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

A BILL

To amend the Small Business Investment Act of 1958 to improve the license application process for small business investment companies, 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 “SBIC Licensing Im-
5 provement Act”.

6 **SEC. 2. APPROVAL OR DISAPPROVAL OF SBIC LICENSE AP-**
7 **PLICATIONS.**

8 Section 301 of the Small Business Investment Act
9 of 1958 (15 U.S.C. 681) is amended—

1 (1) in subsection (a), by inserting after the first
2 sentence the following: “Notwithstanding the pre-
3 ceding sentence, a small business investment com-
4 pany may be a State development company that
5 qualifies for assistance under title V if the develop-
6 ment company possesses the powers reasonably nec-
7 essary to perform the functions and activities con-
8 templated under this title.”; and

9 (2) in subsection (c)(2)—

10 (A) in subparagraph (B)—

11 (i) by striking clause (i) and inserting
12 the following:

13 “(i) if the requirements of this section
14 are satisfied, approve the application and,
15 not later than 10 business days after the
16 date of that approval, issue a license for
17 such operation to the applicant; or”;

18 (ii) in clause (ii), by inserting “,
19 which shall include specific reasons for the
20 disapproval that are based on items in the
21 application” after “disapproval”; and

22 (B) by adding at the end the following:

23 “(C) EFFECT OF DISAPPROVAL.—With re-
24 spect to an application that the Administrator
25 disapproves, the applicant may submit to the

1 Administrator a request for a written decision
2 regarding that disapproval.

3 “(D) APPEALS.—An applicant that sub-
4 mits an application with respect to which the
5 Administration denies may submit an appeal as
6 follows:

7 “(i) With respect to an application
8 that is denied by the Investment Com-
9 mittee of the Office of Investment and In-
10 novation of the Administration or the In-
11 vestment Division Licensing Committee of
12 the Administration—

13 “(I) not later than 30 days after
14 the date on which the applicable com-
15 mittee so denies the application, the
16 applicant may submit an appeal to the
17 Chair of the Agency Licensing Com-
18 mittee of the Administration (referred
19 to in this subparagraph as the
20 ‘Chair’); and

21 “(II) not later than 30 days after
22 the date on which the applicant sub-
23 mits an appeal under subclause (I),
24 the Chair shall—

1 “(aa) issue a ruling with re-
2 spect to the appeal; and

3 “(bb) notify the applicant
4 regarding the ruling of the Chair.

5 “(ii) With respect to an application
6 that the Chair denies in an appeal sub-
7 mitted under clause (i)—

8 “(I) not later than 30 days after
9 the date on which the Chair submits
10 the notification required under sub-
11 clause (II)(bb) of that clause, the ap-
12 plicant may submit to the Adminis-
13 trator an appeal of the ruling made by
14 the Chair; and

15 “(II) not later than 30 days after
16 the date on which the applicant sub-
17 mits an appeal under subclause (I),
18 the Administrator shall—

19 “(aa) issue a final ruling
20 with respect to the appeal; and

21 “(bb) notify the applicant
22 regarding the ruling of the Ad-
23 ministratoꝛ.”.

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