

117<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 1487

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## AN ACT

To amend the Small Business Act to increase transparency,  
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 Trans-  
3 parency and Accountability Act of 2021”.

4 **SEC. 2. PORTFOLIO RISK ANALYSIS OF MICROLOANS.**

5 Section 7(m)(10) of the Small Business Act (15  
6 U.S.C. 636(m)(10)) is amended—

7 (1) by redesignating subparagraphs (A) through  
8 (F) as clauses (i) through (vi), respectively, and ad-  
9 justing the margins accordingly;

10 (2) by amending clause (iv), as so redesignated,  
11 to read as follows:

12 “(vi) the number, amount, and per-  
13 centage of microloans made by inter-  
14 mediaries to small business concerns—

15 “(I) that went into default in the  
16 previous year; and

17 “(II) that were charged off in the  
18 previous year by such inter-  
19 mediaries;”;

20 (3) in clause (vi), as so redesignated, by strik-  
21 ing “and” at the end;

22 (4) by redesignating subparagraph (G) as  
23 clause (xviii), and adjusting the margin accordingly;

24 (5) by striking “On November 1, 1995,” and all  
25 that follows through “the following:” and inserting  
26 the following:

1           “(A) IN GENERAL.—Beginning on Feb-  
2           ruary 1, 2022, and annually thereafter, the Ad-  
3           ministrators shall submit to the Committee on  
4           Small Business and Entrepreneurship of the  
5           Senate and the Committee on Small Business  
6           of the House of Representatives, and make  
7           available to the public on the website of the Ad-  
8           ministration, a report on the effectiveness of  
9           the microloan program during the fiscal year  
10          preceding the date of the report. Such report  
11          shall include—”;

12          (6) in subparagraph (A), as so designated, by  
13          inserting after clause (vi) the following new clauses:

14                  “(vii) the number and type of enforce-  
15                  ment actions taken by the Administrator  
16                  against noncompliant intermediaries;

17                  “(viii) an analysis of compliance by  
18                  intermediaries with the credit availability  
19                  requirements of paragraph (3)(E) for loans  
20                  in an amount greater than \$20,000;

21                  “(ix) the extent to which microloans  
22                  are provided to small business concerns in  
23                  rural areas;

1           “(x) the number of underserved bor-  
2           rowers, as defined by the Administration,  
3           participating in the microloan program;

4           “(xi) the average rate of interest for  
5           each microloan;

6           “(xii) the average amount of fees  
7           charged for each microloan;

8           “(xiii) the average size of each  
9           microloan, including—

10           “(I) the number of loans made in  
11           an amount greater than \$20,000; and

12           “(II) the average size and  
13           charge-off rate of such loans;

14           “(xiv) the subsidy cost to the Admin-  
15           istration;

16           “(xv) the number and percentage of  
17           microloans that were made to refinance  
18           other loans;

19           “(xvi) the number and percentage of  
20           microloans made to new program partici-  
21           pants and the number and percentage of  
22           microloans made to previous program par-  
23           ticipants;

1                   “(xvii) the average amount of tech-  
2                   nical assistance grant monies spent on  
3                   each loan; and”; and

4                   (7) by adding at the end the following:

5                   “(B) PRIVACY.—Each report submitted  
6                   under subparagraph (A) shall not contain any  
7                   personally identifiable information of any bor-  
8                   rower.”.

Passed the House of Representatives April 15, 2021.

Attest:

*Clerk.*

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