

117TH CONGRESS  
1ST SESSION

# H. R. 4481

To amend the Small Business Act to establish requirements for 7(a) agents,  
and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

JULY 16, 2021

Mr. PHILLIPS (for himself and Mr. MEUSER) introduced the following bill;  
which was referred to the Committee on Small Business

---

## A BILL

To amend the Small Business Act to establish requirements  
for 7(a) agents, 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 “Small Business 7(a)  
5 Loan Agent Transparency Act”.

6 **SEC. 2. REQUIREMENTS FOR 7(a) AGENTS.**

7 (a) OFFICE OF CREDIT RISK MANAGEMENT DU-  
8 TIES.—Section 47(b) of the Small Business Act (15  
9 U.S.C. 657t(b)) is amended—

1 (1) in paragraph (2), by striking “and” at the  
2 end;

3 (2) in paragraph (3), by striking the period and  
4 inserting a semicolon; and

5 (3) by adding at the end the following new  
6 paragraph:

7 “(4) any 7(a) agent.”.

8 (b) ENFORCEMENT AUTHORITY.—

9 (1) OFFICE OF CREDIT RISK MANAGEMENT.—

10 Section 47(e) of the Small Business Act (15 U.S.C.  
11 657t(e)) is amended by inserting “or 7(a) agent”  
12 after “7(a) lender” each place such term appears.

13 (2) LENDER OVERSIGHT COMMITTEE.—Section  
14 48(c)(2) of the Small Business Act is amended by  
15 striking “and any Lending Partner or Intermediary  
16 participant” and inserting “, any 7(a) agent (as de-  
17 fined in section 47), or any Lending Partner or  
18 Intermediary participant”.

19 (c) REGISTRATION SYSTEM.—Section 47 of the Small  
20 Business Act (15 U.S.C. 657t) is amended by adding at  
21 the end the following new subsections:

22 “(j) REGISTRATION SYSTEM FOR 7(a) AGENTS.—

23 “(1) IN GENERAL.—The Director shall establish  
24 a registration system for 7(a) agents that assigns a  
25 unique identifier to each 7(a) agent and collects data

1 necessary for the Director to submit the report re-  
2 quired under paragraph (4).

3 “(2) REQUIREMENTS.—A 7(a) agent shall—

4 “(A) register in the system established  
5 under paragraph (1) before providing covered  
6 services to a lender or applicant; and

7 “(B) effective 1 year after the date of the  
8 enactment of this subsection, submit an annual  
9 fee for such registration to the Director.

10 “(3) DATABASE.—The Director shall establish  
11 and maintain an electronic database of the types of  
12 covered services provided by each 7(a) agent.

13 “(k) DEFINITIONS.—In this section:

14 “(1) 7(a) AGENT.—The term ‘7(a) agent’  
15 means a person who provides covered services on be-  
16 half of a lender or applicant.

17 “(2) COVERED SERVICES.—The term ‘covered  
18 services’ means—

19 “(A) assistance with completing an appli-  
20 cation for a loan under section 7(a) (including  
21 preparing a business plan, cash flow projec-  
22 tions, financial statements, and related docu-  
23 ments); or

24 “(B) consulting, broker, or referral services  
25 with respect to a loan under section 7(a).”.

1       (d) EFFECTIVE DATE.—This Act and the amend-  
2 ments made by this Act shall take effect 6 months after  
3 the date of the enactment of this Act.

○