

118TH CONGRESS
1ST SESSION

H. R. 449

IN THE SENATE OF THE UNITED STATES

JANUARY 26, 2023

Received; read twice and referred to the Committee on Small Business and
Entrepreneurship

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 2023”.

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, 2023, 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;

“(xvii) the average amount of technical assistance grant monies spent on 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 January 25,
2023.

Attest: **CHERYL L. JOHNSON,**
Clerk.