

118TH CONGRESS  
2D SESSION

# H. R. 7560

To amend the Small Business Act to codify the Community Advantage Loan Program, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 6, 2024

Ms. CHU (for herself and Ms. VELÁZQUEZ) introduced the following bill; which was referred to the Committee on Small Business

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## A BILL

To amend the Small Business Act to codify the Community Advantage Loan Program, 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 “Community Advantage  
5 Loan Program Act of 2024”.

6 **SEC. 2. COMMUNITY ADVANTAGE LOAN PROGRAM.**

7 (a) ESTABLISHMENT OF COMMUNITY ADVANTAGE  
8 LOAN PROGRAM.—Section 7(a) of the Small Business Act  
9 (15 U.S.C. 636(a)) is amended by adding at the end the  
10 following:

1           “(38) COMMUNITY ADVANTAGE LOAN PRO-  
2           GRAM.—

3           “(A) PURPOSES.—The purposes of the  
4           Community Advantage Loan Program are—

5                   “(i) to create a mission-oriented loan  
6                   guarantee program;

7                   “(ii) to increase lending to small busi-  
8                   ness concerns in underserved and rural  
9                   markets, including to new businesses;

10                   “(iii) to ensure that the program  
11                   under this subsection expands inclusion  
12                   and more broadly meets congressional in-  
13                   tent to reach borrowers who are unable to  
14                   get credit elsewhere on reasonable terms  
15                   and conditions;

16                   “(iv) to help underserved small busi-  
17                   ness concerns become bankable by utilizing  
18                   the small dollar financing and business  
19                   support experience of mission-oriented  
20                   lenders;

21                   “(v) to allow certain mission-oriented  
22                   lenders, primarily financial intermediaries  
23                   focused on economic development in under-  
24                   served markets, access to guarantees for  
25                   loans under this subsection and provide

1 management and technical assistance to  
2 small business concerns as needed; and

3 “(vi) to assist covered institutions  
4 with providing business support services  
5 and technical assistance to small business  
6 concerns, when needed.

7 “(B) DEFINITIONS.—In this paragraph:

8 “(i) COMMUNITY ADVANTAGE NET-  
9 WORK PARTNER.—The term ‘Community  
10 Advantage Network Partner’—

11 “(I) means a nonprofit, mission-  
12 oriented organization that acts as a  
13 Referral Agent to covered institutions  
14 in order to expand the reach of the  
15 program to small business concerns in  
16 underserved markets; and

17 “(II) does not include a covered  
18 institution making loans under the  
19 program.

20 “(ii) COVERED INSTITUTION.—The  
21 term ‘covered institution’ means an entity  
22 that—

23 “(I) is—

24 “(aa) a development com-  
25 pany, as defined in section 103 of

1 the Small Business Investment  
2 Act of 1958 (15 U.S.C. 662),  
3 participating in the program es-  
4 tablished under title V of such  
5 Act (15 U.S.C. 695 et seq.);

6 “(bb) a nonprofit inter-  
7 mediary, as defined in subsection  
8 (m)(11), participating in the  
9 microloan program under sub-  
10 section (m);

11 “(cc) a non-Federally regu-  
12 lated entity certified as a commu-  
13 nity development financial insti-  
14 tution by the Community Devel-  
15 opment Financial Institutions  
16 Fund established under section  
17 104(a) of the Community Devel-  
18 opment Banking and Financial  
19 Institutions Act of 1994 (12  
20 U.S.C. 4703(a)); or

21 “(dd) an eligible inter-  
22 mediary, as defined in subsection  
23 (l)(1), participating in the small  
24 business intermediary lending

1 program established under sub-  
2 section (1)(2);

3 “(II) has approved and disbursed  
4 10 similarly sized loans during the 24-  
5 month period preceding the date on  
6 which such entity submits an applica-  
7 tion to participate in the program;  
8 and

9 “(III) is servicing, as of the date  
10 on which such entity begins participa-  
11 tion in the program, not less than 10  
12 similarly sized loans (other than a  
13 loan described in subclause (II)) to  
14 small business concerns in the port-  
15 folio of the entity.

16 “(iii) EXISTING BUSINESS.—The term  
17 ‘existing business’ means a small business  
18 concern that has been in existence for not  
19 less than 2 years on the date on which a  
20 loan is made to such small business con-  
21 cern under the program.

22 “(iv) LOW- OR MODERATE-INCOME  
23 COMMUNITY.—The term ‘low- or moderate-  
24 income community’ means a census tract  
25 designated as low-income or moderate-in-

1           come by the Financial Institutions Exam-  
2           ination Council on a public website of the  
3           Council.

4           “(v) NEW BUSINESS.—The term ‘new  
5           business’ means a small business concern  
6           that has been in existence for not more  
7           than 2 years on the date on which a loan  
8           is made to such small business concern  
9           under the program.

10          “(vi) PROGRAM.—The term ‘program’  
11          means the Community Advantage Loan  
12          Program established under subparagraph  
13          (C).

14          “(vii) REFERRAL AGENT.—The term  
15          ‘Referral Agent’ has the meaning given the  
16          term in section 103.1(f) of title 13, Code  
17          of Federal Regulations, or any successor  
18          regulation.

19          “(viii) RURAL AREA.—The term ‘rural  
20          area’ means any county that the Bureau of  
21          the Census has defined as mostly rural or  
22          completely rural in the most recent decen-  
23          nial census.

24          “(ix) STATE.—The term ‘State’  
25          means each of the several States, the Dis-

1           trict of Columbia, and each territory of the  
2           United States.

3           “(x) SMALL BUSINESS CONCERN IN  
4           UNDERSERVED MARKETS.—The term  
5           ‘small business concern in underserved  
6           markets’ means a small business concern—

7                           “(I) that is located in—

8                                   “(aa) a low- or moderate-in-  
9                                   come community;

10                                   “(bb) a HUBZone, as that  
11                                   term is defined in section 31(b);

12                                   “(cc) a rural area;

13                                   “(dd) a community that has  
14                                   been designated as an empower-  
15                                   ment zone or enterprise commu-  
16                                   nity under section 1391 of the  
17                                   Internal Revenue Code of 1986;

18                                   “(ee) a community that has  
19                                   been designated as a qualified  
20                                   opportunity zone under section  
21                                   1400Z-1 of the Internal Revenue  
22                                   Code of 1986; or

23                                   “(ff) a community that has  
24                                   been designated as a promise

1 zone by the Secretary of Housing  
2 and Urban Development;

3 “(II) for which more than 50  
4 percent of the employees reside in a  
5 low- or moderate-income community;

6 “(III) that is a new business;

7 “(IV) that is owned and con-  
8 trolled by one or more veterans or  
9 spouses of veterans;

10 “(V) that is located in any area  
11 for which a disaster declaration or de-  
12 termination described in subpara-  
13 graph (A), (B), (C), or (E) of sub-  
14 section (b)(2) has been made that has  
15 not terminated more than 2 years be-  
16 fore the date on which a loan is made  
17 to the small business concern under  
18 the program, except—

19 “(aa) in the case of a dis-  
20 aster that is not a major disaster  
21 described in subsection (b)(2)(A),  
22 the Administrator may extend  
23 such period; and

24 “(bb) in the case of major  
25 disaster described in subsection



1 (b)(2)(A), that period shall be 5  
2 years;

3 “(VI) that is owned and con-  
4 trolled by a member of an Indian  
5 Tribe individually identified (including  
6 parenthetically) in the most recent list  
7 published pursuant to section 104 of  
8 the Federally Recognized Indian Tribe  
9 List Act of 1994 (25 U.S.C. 5131);

10 “(VII) that is owned and con-  
11 trolled by an individual who has com-  
12 pleted a term of imprisonment in a  
13 Federal, State, or local jail, or prison;  
14 or

15 “(VIII) that is owned and con-  
16 trolled by an individual with a dis-  
17 ability, as that term is defined in sec-  
18 tion 3 of the Americans with Disabil-  
19 ities Act of 1990 (42 U.S.C. 12102).

20 “(C) ESTABLISHMENT.—There is estab-  
21 lished a Community Advantage Loan Program  
22 under which the Administration may guarantee  
23 loans made by covered institutions under this  
24 subsection, with an emphasis on loans made to

1 small business concerns in underserved mar-  
2 kets.

3 “(D) PROGRAM LEVELS.—In fiscal year  
4 2024 and each fiscal year thereafter, not more  
5 than 10 percent of the number of loans guaran-  
6 teed under this subsection may be guaranteed  
7 under the program.

8 “(E) GRANDFATHERING OF EXISTING  
9 LENDERS.—Any covered institution that was li-  
10 censed by the Administrator as a Community  
11 Advantage small business lending company dur-  
12 ing the period beginning on May 1, 2023, and  
13 ending on October 31, 2023, or that partici-  
14 pated in the Community Advantage Pilot Pro-  
15 gram of the Administration, and was in good  
16 standing, as determined by the Administra-  
17 tion—

18 “(i) shall be designated as partici-  
19 pants in the program;

20 “(ii) shall not be required to submit  
21 an application to participate in the pro-  
22 gram; and

23 “(iii) for the purpose of determining  
24 the loan loss reserve amount of the covered  
25 institution, shall have participation in the

1           Community Advantage Pilot Program in-  
2           cluded in the calculation under subpara-  
3           graph (J).

4           “(F) REQUIREMENT TO MAKE LOANS TO  
5           UNDERSERVED MARKETS.—Not less than 60  
6           percent of loans made by a covered institution  
7           under the program shall consist of loans made  
8           to small business concerns in underserved mar-  
9           kets.

10           “(G) MAXIMUM LOAN AMOUNT; COLLAT-  
11           ERAL.—

12           “(i) MAXIMUM LOAN AMOUNT.—

13           “(I) IN GENERAL.—Except as  
14           provided in subclause (II), the max-  
15           imum loan amount for a loan guaran-  
16           teed under the program is \$350,000.

17           “(II) EXPERIENCED LENDERS.—

18           “(aa) IN GENERAL.—The  
19           Administrator may select not  
20           more than 8 covered institutions  
21           to be designated as ‘experienced  
22           lenders’ to be eligible to make  
23           loans under this paragraph. An  
24           experienced lender shall have not  
25           less than 5 years of experience

1 making loans under the Commu-  
2 nity Advantage Pilot Program of  
3 the Administration or the pro-  
4 gram established under this para-  
5 graph.

6 “(bb) MAXIMUM LOAN  
7 AMOUNT.—An experienced lender  
8 may make a loan guaranteed  
9 under the program in an amount  
10 that is not more than \$750,000,  
11 but not less than 60 percent of  
12 the total number of such loans  
13 made by an experienced lender  
14 shall be in an amount that is less  
15 than or equal to \$350,000.

16 “(cc) PARTICIPATION BY  
17 THE ADMINISTRATION.—With re-  
18 spect to an agreement to partici-  
19 pate in a loan made under this  
20 subclause on a deferred basis, the  
21 participation by the Administra-  
22 tion shall be—

23 “(AA) 75 percent of the  
24 balance of the financing out-  
25 standing at the time of the

1 disbursement of the loan, if  
2 that balance is more than  
3 \$350,000;

4 “(BB) as described in  
5 clause (i) of paragraph  
6 (2)(G), if the balance of the  
7 financing outstanding at the  
8 time of the disbursement of  
9 the loan is as described in  
10 that clause; or

11 “(CC) as described in  
12 clause (ii) of paragraph  
13 (2)(G), if the balance of the  
14 financing outstanding at the  
15 time of the disbursement of  
16 the loan is as described in  
17 that clause.

18 “(ii) COLLATERAL.—

19 “(I) IN GENERAL.—A covered in-  
20 stitution may not require collateral  
21 with respect to a loan guaranteed  
22 under the program if the amount of  
23 that loan is less than or equal to  
24 \$50,000.

1                   “(II) POLICIES AND PROCE-  
2                   DURES OF COVERED INSTITUTION.—  
3                   In determining the amount of collat-  
4                   eral required with respect to a loan  
5                   guaranteed under the program, a cov-  
6                   ered institution may use the collateral  
7                   policies and procedures of the covered  
8                   institution with respect to similarly  
9                   sized commercial loans made by the  
10                  covered institution that are not guar-  
11                  anteed by the Administrator.

12                  “(H) INTEREST RATES.—The maximum  
13                  allowable interest rate prescribed by the Admin-  
14                  istration on any financing made on a deferred  
15                  basis pursuant to the program shall not exceed  
16                  the maximum allowable interest rate under sec-  
17                  tions 120.213 and 120.214 of title 13, Code of  
18                  Federal Regulations, or any successor regula-  
19                  tions.

20                  “(I) REFINANCING OF COMMUNITY ADVAN-  
21                  TAGE PROGRAM LOANS.—A loan guaranteed  
22                  under the program or guaranteed under the  
23                  Community Advantage Pilot Program of the  
24                  Administration may be refinanced into another

1           loan under this subsection that is made by a  
2           lender that does not participate in the program.

3           “(J) LOAN LOSS RESERVE REQUIRE-  
4           MENTS.—

5                   “(i) LOAN LOSS RESERVE ACCOUNT  
6                   FOR COVERED INSTITUTIONS.—A covered  
7                   institution—

8                           “(I) with not more than 5 years  
9                           of participation in the program shall  
10                           maintain a loan loss reserve account  
11                           with an amount equal to 5 percent of  
12                           the outstanding amount of the  
13                           unguaranteed portion of the loan  
14                           portfolio of the covered institution  
15                           under the program; and

16                           “(II) with more than 5 years of  
17                           participation in the program shall  
18                           maintain a loan loss reserve account  
19                           with an amount equal to the average  
20                           repurchase rate of the covered institu-  
21                           tion over the 36-month period pre-  
22                           ceding the most recent recalculation  
23                           conducted under clause (iii), except  
24                           that such amount shall not be less  
25                           than 3 percent of the outstanding

1 amount of the unguaranteed portion  
2 of the loan portfolio of the covered in-  
3 stitution under the program.

4 “(ii) ADDITIONAL LOAN LOSS RE-  
5 SERVE AMOUNT FOR SELLING LOANS ON  
6 THE SECONDARY MARKET.—In addition to  
7 the amount required in the loan loss re-  
8 serve account under clause (i), a covered  
9 institution that sells a program loan on the  
10 secondary market shall be required to  
11 maintain the following additional amounts  
12 in the loan loss reserve account:

13 “(I) For a covered institution  
14 with less than 5 years of experience  
15 selling program loans on the sec-  
16 ondary market, an amount equal to 3  
17 percent of the guaranteed portion of  
18 each program loan sold on the sec-  
19 ondary market.

20 “(II) For a covered institution  
21 with more than 5 years of experience  
22 selling program loans on the sec-  
23 ondary market, an amount equal to  
24 the average repurchase rate for loans  
25 sold by the covered institution on the



1 secondary market over the 36-month  
2 period preceding the most recent re-  
3 calculation conducted under clause  
4 (iii), except that such amount shall be  
5 not less than 2 percent of the guaran-  
6 teed portion of each program loan  
7 sold into the secondary market.

8 “(iii) RECALCULATION.—On October  
9 1 of each year, the Administrator shall re-  
10 calculate the loan loss reserve required  
11 under clauses (i) and (ii).

12 “(K) TRAINING.—

13 “(i) IN GENERAL.—Upon the initial  
14 entry of a covered institution into the pro-  
15 gram, and on an ongoing basis, the Admin-  
16 istrator shall provide accessible trainings to  
17 support compliance by the covered institu-  
18 tion with program requirements and to im-  
19 prove communication between the covered  
20 institution and the Administration. Such  
21 trainings shall include—

22 “(I) guidance with respect to the  
23 program for following the regulations  
24 of the Administration; and

1           “(II) guidance for covered insti-  
2           tutions participating in the program  
3           that is intended to help lenders effec-  
4           tively reach and support small busi-  
5           ness concerns in underserved markets,  
6           including management and technical  
7           assistance delivery.

8           “(ii) CONTRACT.—The Administrator  
9           may enter into a contract to provide any  
10          training described in clause (i) with an or-  
11          ganization—

12                   “(I) with expertise in lending  
13                   under this subsection; and primarily  
14                   specializing in—

15                           “(aa) mission-oriented lend-  
16                           ing; and

17                                   “(bb) lending to small busi-  
18                                   ness concerns in underserved  
19                                   markets.

20           “(iii) OTHER REQUIREMENTS.—The  
21           Administrator shall provide any training  
22           described in clause (i) for the employees  
23           and contractors of the Administration that  
24           regularly engage with covered institutions  
25           or borrowers under the program.

1                   “(L) COMMUNITY ADVANTAGE OUTREACH  
2                   AND EDUCATION.—The Administrator—

3                   “(i) shall develop and implement a  
4                   plan—

5                   “(I) to promote the program to  
6                   prospective covered institutions; and

7                   “(II) to conduct outreach and  
8                   educate prospective covered institu-  
9                   tions about the program; and

10                  “(ii) may enter into contracts with 1  
11                  or more nonprofit organizations experi-  
12                  enced in working with and training mis-  
13                  sion-driven lenders (that are not Commu-  
14                  nity Advantage Network Partners) to pro-  
15                  vide the promotion, outreach, and edu-  
16                  cation described in clause (i).

17                  “(M) COMMUNITY ADVANTAGE NETWORK  
18                  PARTNER PARTICIPATION.—

19                  “(i) IN GENERAL.—A covered institu-  
20                  tion that uses a Community Advantage  
21                  Network Partner shall abide by policies  
22                  and procedures of the Administration con-  
23                  cerning the use of Referral Agent fees per-  
24                  mitted by the Administration and diselo-  
25                  sure of those fees.

1           “(ii) PAYMENT OF FEES.—Notwith-  
2           standing any other provision of law, all  
3           fees described in clause (i) shall be paid by  
4           the covered institution to the Community  
5           Advantage Network Partner upon dis-  
6           bursement of the applicable program loan.

7           “(N) DELEGATED AUTHORITY.—A covered  
8           institution is not eligible to receive delegated  
9           authority from the Administration under the  
10          program until the covered institution has satis-  
11          fied the following applicable requirements:

12           “(i) For a covered institution actively  
13           participating in the Community Advantage  
14           Pilot Program of the Administration, as of  
15           the day before the date of enactment of  
16           this paragraph—

17           “(I) the covered institution has  
18           approved and fully disbursed not  
19           fewer than 10 loans under that Pilot  
20           Program; and

21           “(II) the Administrator has eval-  
22           uated the ability of the covered insti-  
23           tution to fulfill program requirements.

24           “(ii) For any covered institution not  
25           described in clause (i)—

1           “(I) the covered institution has  
2 approved and fully disbursed not  
3 fewer than 20 loans under the pro-  
4 gram; and

5           “(II) the Administrator has eval-  
6 uated the ability of the covered insti-  
7 tution to fulfill program requirements.

8           “(O) REPORTING.—

9           “(i) WEEKLY REPORTS.—

10           “(I) IN GENERAL.—The Admin-  
11 istrator shall report on the website of  
12 the Administration, as part of the  
13 weekly reports on lending approvals  
14 under this subsection—

15           “(aa) on and after the date  
16 of enactment of this paragraph,  
17 the number and dollar amount of  
18 loans guaranteed under the Com-  
19 munity Advantage Pilot Program  
20 of the Administration; and

21           “(bb) on and after the date  
22 on which the Administrator be-  
23 gins to approve loans under the  
24 program, the number and dollar

1 amount of loans guaranteed  
2 under the program.

3 “(II) SEPARATE ACCOUNTING.—

4 The number and dollar amount of  
5 loans reported in a weekly report  
6 under subclause (I) for loans guaran-  
7 teed under the Community Advantage  
8 Pilot Program of the Administration  
9 and under the program shall include a  
10 breakdown by the demographic infor-  
11 mation of the owners of the small  
12 business concerns, by whether the  
13 small business concern is a new busi-  
14 ness or an existing business, and by  
15 whether the small business concern is  
16 located in an urban area or rural  
17 area, further disaggregated by—

18 “(aa) loans less than or  
19 equal to \$50,000;

20 “(bb) loans greater than  
21 \$50,000 and less than or equal  
22 to \$150,000;

23 “(cc) loans greater than  
24 \$150,000 and less than or equal  
25 to \$250,000;

1                   “(dd) loans greater than  
2                   \$250,000 and less than or equal  
3                   to \$350,000; and

4                   “(ee) loans greater than  
5                   \$350,000 and less than or equal  
6                   to \$750,000.

7                   “(ii) ANNUAL REPORTS.—

8                   “(I) IN GENERAL.—For each fis-  
9                   cal year in which the program is in ef-  
10                  fect, the Administration shall submit  
11                  to the Committee on Small Business  
12                  and Entrepreneurship of the Senate  
13                  and the Committee on Small Business  
14                  of the House of Representatives, and  
15                  make publicly available on the inter-  
16                  net, information about loans provided  
17                  under the program and under the  
18                  Community Advantage Pilot Program  
19                  of the Administration.

20                  “(II) CONTENTS.—Each report  
21                  submitted and made publicly available  
22                  under subclause (I) shall include—

23                  “(aa) the number and dollar  
24                  amounts of loans provided to  
25                  small business concerns under

1 the program, including a break-  
2 down by—

3 “(AA) the demographic  
4 information of the owners of  
5 the small business concern;

6 “(BB) whether the  
7 small business concern is lo-  
8 cated in an urban area or  
9 rural area; and

10 “(CC) whether the  
11 small business concern is an  
12 existing business or a new  
13 business, as provided in the  
14 weekly reports on lending  
15 approvals under this sub-  
16 section;

17 “(bb) the proportion of loans  
18 described in item (aa) compared  
19 to—

20 “(AA) other loans made  
21 under this subsection of any  
22 amount;

23 “(BB) other loans  
24 made under this subsection  
25 of similar amounts;



1                   “(CC) express loans  
2                   provided under paragraph  
3                   (31) of similar amounts; and

4                   “(DD) other loans  
5                   made under this subsection  
6                   of similar amounts provided  
7                   to small business concerns  
8                   in underserved markets;

9                   “(cc) a comparison of the  
10                  number and dollar amounts of  
11                  loans provided to small business  
12                  concerns under the program and  
13                  under each category of loans de-  
14                  scribed in item (aa), broken down  
15                  by—

16                  “(AA) loans less than  
17                  or equal to \$50,000;

18                  “(BB) loans greater  
19                  than \$50,000 and less than  
20                  or equal to \$150,000;

21                  “(CC) loans greater  
22                  than \$150,000 and less than  
23                  or equal to \$250,000;

1                   “(DD) loans greater  
2                   than \$250,000 and less than  
3                   or equal to \$350,000; and

4                   “(EE) loans greater  
5                   than \$350,000 and less than  
6                   or equal to \$750,000;

7                   “(dd) the number and dollar  
8                   amounts of loans provided to  
9                   small business concerns under  
10                  the program by State, and the  
11                  jobs created or retained within  
12                  each State; and

13                  “(ee) a list of covered insti-  
14                  tutions participating in the pro-  
15                  gram and the Community Advan-  
16                  tage Pilot Program of the Ad-  
17                  ministration, including—

18                         “(AA) the name, loca-  
19                         tion, and contact informa-  
20                         tion, such as the website and  
21                         telephone number, of each  
22                         covered institution; and

23                         “(BB) a breakdown by  
24                         the number and dollar  
25                         amount of the loans ap-

1                   proved for small business  
2                   concerns.

3                   “(III) TIMING.—An annual re-  
4                   port required under this clause  
5                   shall—

6                   “(aa) be submitted and  
7                   made publicly available not later  
8                   than December 1 of each year;  
9                   and

10                  “(bb) cover the lending ac-  
11                  tivity for the fiscal year that  
12                  ended on September 30 of that  
13                  same year.

14                  “(P) GAO REPORT.—Not later than 5  
15                  years after the date of the enactment of this  
16                  paragraph, the Comptroller General of the  
17                  United States shall submit to the Adminis-  
18                  trator, the Committee on Small Business and  
19                  Entrepreneurship of the Senate, and the Com-  
20                  mittee on Small Business of the House of Rep-  
21                  resentatives a report—

22                  “(i) assessing—

23                  “(I) the extent to which the pro-  
24                  gram fulfills the requirements of this  
25                  paragraph; and

1                   “(II) the performance of covered  
2                   institutions participating in the pro-  
3                   gram; and

4                   “(ii) providing recommendations on  
5                   the administration of the program and the  
6                   findings under subclauses (I) and (II) of  
7                   clause (i).

8                   “(Q) REGULATIONS.—

9                   “(i) IN GENERAL.—Not later than  
10                  180 days after the date of enactment of  
11                  this paragraph, the Administrator shall  
12                  issue rules governing the program, includ-  
13                  ing metrics for lender performance, metrics  
14                  of success and benchmarks of the program,  
15                  and criteria for appropriate management  
16                  and technical assistance.

17                  “(ii) UPDATES.—The Administrator  
18                  shall consult the report submitted under  
19                  subparagraph (P) and, not later than 180  
20                  days after the date on which the Comp-  
21                  troller General of the United States sub-  
22                  mits such report, amend any existing rules  
23                  of the Administration based on the rec-  
24                  ommendations contained in such report.”.

1 (b) PARTICIPATION.—Section 7(a)(2) of the Small  
2 Business Act (15 U.S.C. 636(a)(2)) is amended—

3 (1) in subparagraph (A), in the matter pre-  
4 ceding clause (i), by striking “and (F)” and insert-  
5 ing “(F), and (G)”; and

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

7 “(G) PARTICIPATION IN THE COMMUNITY  
8 ADVANTAGE LOAN PROGRAM.—Subject to sub-  
9 paragraph (G)(i)(II)(cc) of paragraph (38), in  
10 an agreement to participate in a loan on a de-  
11 ferred basis under that paragraph, the partici-  
12 pation by the Administration shall be—

13 “(i) 80 percent of the balance of the  
14 financing outstanding at the time of the  
15 disbursement of the loan, if that balance is  
16 greater than \$150,000 and less than or  
17 equal to \$350,000; or

18 “(ii) 90 percent of the balance of the  
19 financing outstanding at the time of the  
20 disbursement of the loan, if that balance is  
21 less than or equal to \$150,000.”.

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