

115TH CONGRESS
2D SESSION

S. 526

AN ACT

To amend the Small Business Act to provide for expanded participation in the microloan 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Microloan Moderniza-
3 tion Act of 2018”.

4 **SEC. 2. DEFINITIONS.**

5 In this Act—

6 (1) the term “intermediary” has the meaning
7 given the term in section 7(m)(11) of the Small
8 Business Act (15 U.S.C. 636(m)(11)); and

9 (2) the term “microloan program” means the
10 program established under section 7(m) of the Small
11 Business Act (15 U.S.C. 636(m)).

12 **SEC. 3. MICROLOAN INTERMEDIARY LENDING LIMIT IN-
13CREASED.**

14 Section 7(m)(3)(C) of the Small Business Act (15
15 U.S.C. 636(m)(3)(C)) is amended by striking
16 “\$5,000,000” and inserting “\$6,000,000”.

17 **SEC. 4. SBA STUDY OF MICROENTERPRISE PARTICIPATION.**

18 Not later than 1 year after the date of enactment
19 of this Act, the Administrator of the Small Business Ad-
20 ministration shall conduct a study and submit to the Com-
21 mittee on Small Business and Entrepreneurship of the
22 Senate and the Committee on Small Business of the
23 House of Representatives a report on—

24 (1) the operations (including services provided,
25 structure, size, and area of operation) of a rep-
26 resentative sample of—

1 (A) intermediaries that are eligible to par-
2 ticipate in the microloan program and that do
3 participate; and

4 (B) intermediaries (including those oper-
5 ated for profit, operated not for profit, and
6 those affiliated with a United States institution
7 of higher learning) that are eligible to partici-
8 pate in the microloan program and that do not
9 participate;

10 (2) the reasons why intermediaries described in
11 paragraph (1)(B) choose not to participate in the
12 microloan program;

13 (3) recommendations on how to encourage in-
14 creased participation in the microloan program by
15 intermediaries described in paragraph (1)(B); and

16 (4) recommendations on how to decrease the
17 costs associated with participation in the microloan
18 program for eligible intermediaries.

19 **SEC. 5. GAO STUDY ON MICROLOAN INTERMEDIARY PRAC-**
20 **TICES.**

21 Not later than 1 year after the date of enactment
22 of this Act, the Comptroller General of the United States
23 shall submit to the Committee on Small Business and En-
24 trepreneurship of the Senate and the Committee on Small

1 Business of the House of Representatives a report evalu-
2 ating—

3 (1) oversight of the microloan program by the
4 Small Business Administration, including oversight
5 of intermediaries participating in the microloan pro-
6 gram; and

7 (2) the specific processes used by the Small
8 Business Administration to ensure—

9 (A) compliance by intermediaries partici-
10 pating in the microloan program; and

11 (B) the overall performance of the
12 microloan program.

Passed the Senate July 18, 2018.

Attest:

Secretary.

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