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REPORT
111–317

PROVIDING FOR CONSIDERATION OF THE BILL (H.R. 3854) TO AMEND THE SMALL BUSINESS ACT AND THE SMALL BUSINESS INVESTMENT ACT OF 1958 TO IMPROVE PROGRAMS PROVIDING ACCESS TO CAPITAL UNDER SUCH ACTS, AND FOR OTHER PURPOSES

OCTOBER 28, 2009.—Referred to the House Calendar and ordered to be printed

Ms. PINGREE, from the Committee on Rules, submitted the following

REPORT

[To accompany H. Res. 875]

The Committee on Rules, having had under consideration House Resolution 875, by a record vote of 7–3, report the same to the House with the recommendation that the resolution be adopted.

SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for consideration of H.R. 3854, the Small Business Financing and Investment Act of 2009, under a structured rule. The resolution provides one hour of general debate equally divided and controlled by the chair and ranking minority member of the Committee on Small Business. The rule waives all points of order against consideration of the bill except clauses 9 and 10 of rule XXI. The resolution provides that the amendment printed in part A of this report shall be considered as adopted and provides that the bill, as amended, shall be considered as read. The resolution waives all points of order against bill, as amended. This waiver does not affect the point of order available under clause 9 of rule XXI (regarding earmark disclosure).

The resolution makes in order only those further amendments printed in part B of this report. The amendments made in order may be offered only in the order printed in this report, may be offered only by a Member designated in this report, shall be considered as read, shall be debatable for the time specified in this report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole. All points of order against the amendments except for clauses 9 and 10 of rule XXI are waived. The resolution provides that for those amendments reported from the Committee of the Whole, the question of their adoption shall be put to the

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House en gros and without demand for division of the question. The resolution provides one motion to recommit with or without instructions.

The resolution provides that the Chair may entertain a motion that the Committee rise only if offered by the chair of the Committee on Small Business or her designee and that the Chair may not entertain a motion to strike out the enacting words of the bill (as described in clause 9 of rule XVIII). The resolution provides that it shall be in order at any time through the legislative day of October 30, 2009, for the Speaker to entertain motions that the House suspend the rules relating to a measure addressing unemployment compensation.

EXPLANATION OF WAIVERS

The waiver of all points of order against consideration of the bill (except for clauses 9 and 10 of rule XXI) includes a waiver of clause 3(d)(2) of rule XIII requiring the inclusion of a cost estimate. Although the rule waives all points of order against the bill, as amended, the Committee is not aware of any points of order. The waiver of all points of order is prophylactic.

COMMITTEE VOTES

The results of each record vote on an amendment or motion to report, together with the names of those voting for and against, are printed below:

Rules Committee record vote No. 258

Date: October 28, 2009.
Measure: H.R. 3854.
Motion by: Mr. Dreier.
Summary of motion: To grant an open rule.
Results: Defeated 3–6.
Vote by Members: McGovern—Nay; Matsui—Nay; Arcuri—Nay; Perlmutter—Nay; Pingree—Nay; Polis—Nay; Dreier—Yea; Diaz-Balart—Yea; Foxx—Yea.

Rules Committee record vote No. 259

Date: October 28, 2009.
Measure: H.R. 3854.
Motion by: Mr. Diaz-Balart.
Summary of motion: To make in order and provide appropriate waivers for an amendment by Rep. Neugebauer, #24, which would make permanent full repeal of the estate tax, and it would permanently allow the increased Section 179 expensing allowance at $200,000 and the phase-out threshold at $800,000, indexed to inflation. It would also provide for the full deduction for the health insurance costs of self-employed individuals when determining self-employment tax.
Results: Defeated 3–7.
Vote by Members: McGovern—Nay; Matsui—Nay; Arcuri—Nay; Perlmutter—Nay; Pingree—Nay; Polis—Nay; Dreier—Yea; Diaz-Balart—Yea; Foxx—Yea; Slaughter—Nay.

Rules Committee record vote No. 260

Date: October 28, 2009.

Measure: H.R. 3854.
Motion by: Dr. Foxx.
Summary of motion: To make in order and provide appropriate waivers for an amendment by Rep. Sessions, #2, which would replace the current system for Section 179 business asset depreciation by allowing companies to choose the asset depreciation schedule that best suits their individual business.
Results: Defeated 3–7.
Vote by Members: McGovern—Nay; Matsui—Nay; Arcuri—Nay; Perlmutter—Nay; Pingree—Nay; Polis—Nay; Dreier—Yea; Diaz-Balart—Yea; Foxx—Yea; Slaughter—Nay.

Rules Committee record vote No. 261

Date: October 28, 2009.
Measure: H.R. 3854.
Motion by: Ms. Matsui.
Summary of motion: To report the rule.
Results: Adopted 7–3.
Vote by Members: McGovern—Yea; Matsui—Yea; Arcuri—Yea; Perlmutter—Yea; Pingree—Yea; Polis—Yea; Dreier—Nay; Diaz-Balart—Nay; Foxx—Nay; Slaughter—Yea.

SUMMARY OF AMENDMENT IN PART A TO BE CONSIDERED AS ADOPTED

Velázquez (NY), Graves (MO): Would make changes to the bill to eliminate and revise provisions that the Congressional Budget Office has determined to carry a direct cost. These changes remove any direct spending from the bill.

SUMMARY OF AMENDMENTS IN PART B TO BE MADE IN ORDER

(Summaries derived from information provided by sponsors.)

1. Velázquez (NY): Would make technical and conforming changes to the bill, including clarifications of legislative intent. It also would incorporate provisions that would enhance investing in veteran-owned businesses in the New Markets Venture Capital program. It would direct the SBA to conduct a study on the efficacy of the Business Stabilization loan program that was established under the American Recovery and Reinvestment Act, a study on the existing loan size limits in the SBA's 7(a), CDC, and Microloan, and a study on the state of private sector lending for small businesses over the past four years. It contains provisions that would enable franchises with temporary workers to qualify for SBA lending programs and would enhance the ability of small firms to use 7(a) loans to purchase unoccupied manufacturing centers or equipment. The delivery of capital with Business Stabilization loans would also be improved, with provisions that will make more loans in cities with unemployment rates that exceed state rates by 25 percent. The Health IT Financing program would also be expanded with eligibility for home health care providers. (20 minutes)

2. Schock (IL): Would require the SBA Administrator to pay the claim of a lender who demonstrates it followed the applicable requirements of the National Lender Training Program (Sec. 106), unless the SBA has clear and convincing evidence demonstrating that the lender failed to comply with regulatory requirements. (10 minutes)

3. Schock (IL): Would require quarterly reports on the SBA Administrators progress towards the expansion of the Renewable Energy Capital Investment Program. It would require the SBA Administrator to establish regulations necessary to carry out the program within 180 days after enactment. (10 minutes)

4. Bright (AL): Would require each of the SBA district offices to establish a marketing plan for rural businesses regarding financing and investment alternatives, designate an employer as a Rural Business Outreach Specialist, and host at least one annual outreach seminar. (10 minutes)

5. Flake, Jeff (AZ): Would prohibit the earmarking of grants made available through the Small Business Early-Stage Investment program. (10 minutes)

6. Kosmas (FL): Would add "photonics technology" to the list of targeted business sectors qualified to receive grants under the Small Business Early-Stage Investment Program. (10 minutes)

7. Gingrey (GA): Would increase from 5 years to 7 years the period to participate in the Small Business Health Information Technology Financing Program. (10 minutes)

8. Kratovil (MD): Would give the SBA Administrator authority under the 7(a) program to guarantee 100 percent of loans made to veteran owned small businesses. (10 minutes)

9. Paulsen (MN): Would require a study and a report to Congress by the SBA, within one year of enactment, to determine the feasibility of a program to increase investment in the research, development and commercialization of medical technology by small businesses in a similar matter to the renewable energy program currently administered by the SBA. (10 minutes)

10. Massa (NY): Would create youth entrepreneurship programs in the Small Business Administration to assist the development of new businesses by young people who remain in their local area. (10 minutes)

11. Foxx (NC): Would explicitly sunset all programs contained in the bill at the end of their authorizations or five years, whichever is earlier. The Administrator would maintain the authority to carry out responsibilities regarding all outstanding loans, grants, and other outstanding commitments made before the authorization expiration. (10 minutes)

12. Kissell, Larry (NC): Would amend Section 7(a)(7) of the Small Business Act to allow for repayment of SBA 7(A) loans (granted to small businesses after enactment of this bill) to be deferred for a maximum of 12 months from receipt of final loan disbursement if that small business concern is classified in sector 23 of the North American Industry Classification System. (10 minutes)

13. Peters (MI): Would increase the maximum amount of stabilization loans in high unemployment areas to $75,000 and delays repayment of stabilization loans in high unemployment areas to 18 months for new loans made after enactment of this act. It would give the SBA administrator ability to designate high unemployment areas as eligible for operating assistance grants under the new market venture capital program. (10 minutes)

14. Brown-Waite (FL): Would require individuals directly engaged in loan application analysis and/or underwriting under the new Capital Backstop Program (Sec. 111) to have at least two years worth of experience in those activities. (10 minutes)

15. Brown-Waite (FL): Would clarify that the Capital Backstop Program (Sec. 111) is authorized to start immediately and to operate through 2011, regardless of whether the recession is declared officially over during that time or SBA loan volume drops another 30% next year. It would restore such requirements after September 30, 2011. (10 minutes)

16. Nye (VA), Buchanan (FL): Would allow the SBA Administrator to make loans to homeowners to be used for the repair or replacement of toxic drywall manufactured in China. (10 minutes)

PART A—TEXT OF AMENDMENT TO BE CONSIDERED AS ADOPTED

Page 68, strike lines 14 through 19.

Page 68, beginning line 20, insert the following:

"(5) APPLICABILITY.—This subsection shall apply only to a premier certified development company designated as a premier certified development company by the Administrator under this section on or after the date of the enactment of the Small Business Financing and Investment Act of 2009. The loan loss reserve requirements relating to any premier certified development company certified prior to the date of the enactment of such Act shall continue to be governed by regulations in effect on the date of the enactment of such Act.

Page 134, strike lines 1 through 14 and insert the following:

"(16) INTEREST ASSISTANCE.—The Administrator is authorized to make grants to intermediaries for the purposes of reducing interest rates charged to borrowers that receive financing under this subsection.".

Page 135, after line 4, insert the following:

"(C) $10,000,000 in interest assistance grants, as provided in section 7(m)(16).

Page 146, strike line 16 and all that follows through line 20 on page 148 (and redesignate remaining sections accordingly).

Page 149, line 15, strike "**322**" and insert "**321**".

PART B—TEXT OF AMENDMENTS MADE IN ORDER

1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE VELÁZQUEZ, NYDIA OF NEW YORK OR HER DESIGNEE, DEBATABLE FOR 20 MINUTES

Page 11, line 10, insert after "that is" the following: "established or".

Page 11, line 13, insert after "satisfies" the following: "at least one of".

Page 11, strike lines 17 through 22 and insert the following:

(2) The entity is primarily engaged in the business of banking, investing, or entrepreneurial development and does not engage in activities which are not incidental to the business of banking, investing, or entrepreneurial development.

Page 18, beginning line 17, strike "meets basic" and all that follows through "subsection." and insert "meets the eligibility and credit standards that a lender would be required to apply to approve a loan under this subsection.".

Page 28, line 10, strike "by striking" and insert "by repealing".

Page 28, line 22, strike "In carrying out" and insert the following: "The Administrator shall give priority under such program to small

business concerns in a city with an unemployment rate that is at least 125 percent of the unemployment rate of the State that includes such city. In carrying out".

Page 29, after line 19, insert the following (and redesignate succeeding sections accordingly):

SEC. 119. STUDY AND REPORT ON BUSINESS STABILIZATION LOANS.

(a) STUDY.—The Administrator of the Small Business Administration shall conduct a study on the business stabilization program established under section 506 of title V of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5), including—

(1) how the program has been implemented;

(2) the amount of time involved in processing applications;

(3) the volume of applications received and the effect on application processing;

(4) impediments to participation in the program by small business concerns and lenders;

(5) courses of action that might expedite action by the Administrator on applications;

(6) courses of action that might expand participation by such concerns and lenders; and

(7) a cost benefit analysis with regard to changes to the program, including—

(A) increases in loan limits;

(B) expanding eligibility requirements;

(C) changes to interest rates to lenders; and

(D) any other change the Administrator determines appropriate.

(b) REPORT.—Not later than 90 days after the date of enactment of this Act, the Administrator of the Small Business Administration shall submit to Congress a report that includes—

(1) the results of the study under subsection (a); and

(2) recommendations on how to change the program—

(A) to expand participation by small business concerns and lenders; and

(B) to decrease the amount of time involved in processing applications.

(c) OUTREACH.—In conducting the study under subsection (a) and preparing the report under subsection (b), the Administrator of the Small Business Administration shall meet with and solicit the views of relevant stakeholders, including lenders.

Page 30, line 15, strike "20 of" and insert "120 of".

Page 32, after line 7, insert the following (and redesignate succeeding sections accordingly):

SEC. 124. LOANS USED TO PURCHASE UNOCCUPIED MANUFACTURING CENTERS OR EQUIPMENT.

Section 7(a) of the Small Business Act (15 U.S.C. 636(a)), as amended by this Act, is further amended by adding at the end the following:

"(42) LOANS USED TO PURCHASE UNOCCUPIED MANUFACTURING CENTERS OR EQUIPMENT.—The Administration may provide loans under this subsection for the purchase of what the Administrator determines to be unoccupied manufacturing centers or equipment.".

Page 48, strike lines 14 through 18 and insert the following:

SEC. 212. CERTIFIED DEVELOPMENT COMPANY; OPERATIONAL REQUIREMENTS.

Section 502 of the Small Business Investment Act of 1958 (15 U.S.C. 696) is amended to read as follows:

Page 94, strike line 10 and all that follows through line 5 on page 95 and insert the following:

"(A) FUNDING FROM INSTITUTIONS.—If a small business concern provides—

"(i) the minimum contribution required by subparagraph (B), not less than 50 percent of the total cost of any project financed shall come from State or local governments, banks or other financial institutions, or foundations or other not-for-profit institutions; and

"(ii) more than the minimum contribution required under subparagraph (B), any excess contribution may be used to reduce the amount required from institutions described in clause (i), except that the amount provided by such institution may not be reduced to an amount that is less than the amount of the loan made by the Administrator.

Page 122, strike line 15 and all that follows through line 8 on page 123 and insert the following:

"(c) REPORTS ON COMBINATION FINANCING.—Not later than 90 days after the date of enactment of the Small Business Financing and Investment Act of 2009, and annually thereafter, the Administrator shall submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives that—

"(1) includes the number of small business concerns that have financing under both section 7(a) of the Small Business Act (15 U.S.C. 636(a)) and title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.) during the year before the year of that report; and

"(2) describes the total amount and general performance of the financing described in paragraph (1).

Page 135, line 19, strike "new subsection".

Page 138, line 17, strike "debentured".

Page 159, after line 8, insert the following (and redesignate succeeding sections accordingly):

SEC. 511. FINANCING WITH RESPECT TO VETERANS.

Section 354 of the Small Business Investment Act of 1958 (15 U.S.C. 689c), as amended by this Act, is further amended by adding at the end the following:

"(g) FINANCING WITH RESPECT TO VETERANS.—A New Markets Venture Capital company shall, to the extent practicable, provide financing to small business concerns owned and controlled by veterans, as defined in section 3(q) of the Small Business Act (15 U.S.C. 632(q)), located in low-income geographic areas.".

Page 165, line 24, strike "1395x(r))" and insert "1395x(r)))".

Page 166, after line 14, insert the following:

"(H) A State-licensed, a State-certified, or a nationally accredited home health care provider.

Page 185, line 11, insert after "carrying out" the following: "the responsibilities pertaining to loan making activities under".

Add at the end of the bill the following:

TITLE X—TEMPORARY EMPLOYEE SERVICES FRANCHISES

SEC. 1001. TEMPORARY EMPLOYEE SERVICES FRANCHISES.

In determining whether a franchisee is affiliated with a franchiser in the temporary employee services industry for the purposes of Small Business Administration lending programs, the Administrator of the Small Business Administration shall—

(1) continue to apply its historically-considered affiliation factors in determining whether a business is affiliated with another business or the franchiser in the temporary staffing industry;

(2) promulgate such other rules and regulations as necessary to determine affiliation within the temporary employee services industry as the Administrator determines consistent with the Small Business Act; and

(3) consider the processing of payroll and billing by a franchiser as customary and common practice in the temporary employee services industry that does not provide probative weight on affiliation, to the extent that the temporary staffing personnel are interviewed, hired, trained, assigned, and subject to discharge by the franchisee.

TITLE XI—STUDY ON PRIVATE SECTOR LENDING

SEC. 1101. STUDY ON PRIVATE SECTOR LENDING.

(a) IN GENERAL.—Not later than 90 days after the date of the enactment of this Act, the Administrator of the Small Business Administration shall submit to the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a report that describes lending to small business concerns by the private sector, including the following:

(1) The total amount of lending to small business concerns by private sector financial institutions during each of fiscal years 2006 through 2009.

(2) The total amount of lending to small business concerns by the 10 largest private sector financial institutions (as determined by the Administrator in terms of amounts lent during fiscal year 2006) during each of fiscal years 2006 through 2009.

(b) COORDINATION.—The Administrator of the Small Business Administration shall, if necessary, coordinate with the heads of other Federal departments and agencies to complete the report under subsection (a).

(c) SMALL BUSINESS CONCERNS DEFINED.—In this section, the term "small business concern" has the meaning given such term under section 3(a) of the Small Business Act (15 U.S.C. 632(a)).

TITLE XII—STUDY ON INCREASES IN CERTAIN CAPS

SEC. 1201. STUDY ON INCREASES IN CERTAIN CAPS.

Not later than 90 days after the date of enactment of this Act, the Administrator of the Small Business Administration shall sub-

mit to Congress a report that describes the anticipated effects of the following potential changes to programs, including whether such changes adequately meet the financing needs of small businesses:

(1) Increasing—

(A) the maximum amount of a loan that may be guaranteed under section 7(a) of the Small Business Act (15 U.S.C. 636(a)) to $3,000,000; and

(B) participation by the Administrator with regard to such a loan.

(2) Increasing—

(A) the maximum amount of a debenture that may be guaranteed under title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.); and

(B) the maximum amount of a loan that may be made with the proceeds of such debenture.

(3) Increasing the maximum amount of a microloan that may be made under section 7(m) of the Small Business Act (15 U.S.C. 636(m)).

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2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SCHOCK, AARON OF ILLINOIS OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 12, line 18, strike closing quotation marks and period.

Page 12, after line 18, insert:

"(C) If the lender demonstrates, with respect to a claim for payment described in subparagraph (A), that it followed the applicable requirements of the National Lender Training Program as established under paragraph (37) of this section, the Administrator shall pay the claim unless the Administrator has clear and convincing evidence demonstrating that the lender failed to comply with regulatory requirements established by the Administrator.".

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3. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SCHOCK, AARON OF ILLINOIS OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 162, line 18, strike "Report" and insert "Reports" and strike "Not later than one year" and insert "At quarterly intervals".

Page 162, line 21, strike "any expansion of" and insert "the Administrator's progress towards the expansion of".

Page 162, line 23, strike "of this section" and insert "of amendments made by this title".

Page 162, after line 23, insert:

(c) REGULATIONS.—The Administrator of the Small Business Administration shall promulgate such regulations as are necessary to carry out the Renewable Energy Capital Investment Program established pursuant to this title within 180 days after the enactment of this Act.

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4. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE BRIGHT, BOBBY OF ALABAMA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Add at the end of the bill the following:

TITLE X—RURAL OUTREACH

SEC. 1001. RURAL OUTREACH.

The Small Business Act (15 U.S.C. 631 et seq.), as amended by this Act, is further amended—

(1) by redesignating section 46 as section 47; and

(2) by inserting after section 45 the following:

"SEC. 46. RURAL OUTREACH.

"The Administrator shall ensure that each district office of the Administration that includes a rural area—

"(1) establishes a plan to provide small business concerns in rural areas with information on the financing and investment programs of the Administration of use to such concerns;

"(2) designates an employee of the office as a rural business financing outreach specialist, who is responsible for providing advice concerning the lending and investment programs of the Administration to small business concerns; and

"(3) hosts at least one outreach seminar in a rural area each year to provide information described under paragraph (1) to small business concerns in rural areas.".

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5. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE FLAKE, JEFF OF ARIZONA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 178, after line 18, insert the following:

SEC. 702. PROHIBITIONS ON EARMARKS.

None of the funds appropriated for the program established under part D of title III of the Small Business Investment Act of 1958, as added by this title, may be used for a Congressional earmark as defined in clause 9(d) of rule XXI of the Rules of the House of Representatives.

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6. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE KOSMAS, SUZANNE OF FLORIDA OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 178, after line 6, insert the following:

"(ix) Photonics technology.

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7. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE GINGREY, PHIL OF GEORGIA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 168, line 23, strike "5 years" and insert "7 years".

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8. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE KRATOVIL, JR., FRANK OF MARYLAND OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 32, after line 7, insert the following (and redesignate succeeding sections accordingly):

SEC. 124. 100 PERCENT GUARANTEE FOR SMALL BUSINESS CONCERNS OWNED AND CONTROLLED BY VETERANS.

Section 7(a) of the Small Business Act (15 U.S.C. 636(a)), as amended by this Act, is further amended—

(1) in paragraph (3)(A) by striking the semicolon at the end and inserting the following: "or in paragraph (42);"; and

(2) by adding at the end the following:

"(42) 100 PERCENT GUARANTEE FOR SMALL BUSINESS CONCERNS OWNED AND CONTROLLED BY VETERANS.—Notwithstanding paragraph (2), in an agreement to participate in a loan on a deferred basis under this subsection with respect to a small business concern owned and controlled by veterans, participation by the Administrator may be equal to 100 percent. The total amount outstanding and committed (by participation or otherwise) with respect to a loan to such a small business concern from the business loan and investment fund established by this Act may not exceed $3,000,000.".

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9. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE PAULSEN, ERIK OF MINNESOTA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Add at the end of the bill the following:

TITLE X—STUDY RELATING TO MEDICAL TECHNOLOGY

SEC. 1001. STUDY RELATING TO MEDICAL TECHNOLOGY.

Not later than one year after the date of the enactment of this Act, the Administrator of the Small Business Administration shall submit to Congress a report describing recommendations for and the feasibility of a program—

(1) to increase investment in the research, development, and commercialization of medical technology by small business concerns; and

(2) that is administered in a manner similar to the program under part C of title III of the Small Business Investment Act of 1958 (15 U.S.C. 690 et eq.).

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10. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE MASSA, ERIC OF NEW YORK OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 131, after line 4, insert the following (and redesignate succeeding sections accordingly):

SEC. 306. YOUNG ENTREPRENEURS PROGRAM.

Section 7(m)(4) of the Small Business Act (15 U.S.C. 636(m)(4)) is amended by adding at the end the following:

"(G) YOUNG ENTREPRENEURS PROGRAM.—

"(i) IN GENERAL.—An intermediary that receives a grant under paragraph (1)(B)(ii) may establish a program for the geographic area served by such intermediary that provides to young entrepreneurs technical assistance regarding the following:

"(I) Establishing or operating a small business concern in the geographic area served by the intermediary.

"(II) Acquiring or securing financing to carry out the activities described in subclause (I).

"(ii) YOUNG ENTREPRENEUR DEFINED.—For purposes of this subparagraph, a young entrepreneur is an individual who—

"(I) is 25 years of age or younger; and

"(II) has resided in the geographic area served by the intermediary for not less than 2 years.

"(iii) GOOD FAITH EFFORT REQUIREMENT.—If a young entrepreneur who receives technical assistance under this subparagraph from an intermediary establishes or operates a small business concern, the young entrepreneur shall make a good faith effort to establish or operate such concern in the geographic area served by the intermediary.

"(iv) DEFERRED REPAYMENT.—If a small business concern established or operated by a young entrepreneur receives a loan under this subsection, such concern may defer repayment on such loan for a period of not more than 6 months beginning on the date that such concern receives the final disbursement of such loan.".

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11. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE FOXX, VIRGINIA OF NORTH CAROLINA OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Add at the end of the bill the following:

TITLE X—TERMINATION

SEC. 1001. TERMINATION OF PROGRAMS.

(a) IN GENERAL.—Subject to subsection (b), each fiscal year the Administrator of the Small Business Administration may not carry out any program for which an authorization is established or extended under this Act.

(b) EFFECTIVE DATE.—Subsection (a) shall take effect with respect to a program referred to in such subsection on the earlier of the following:

(1) The date that is 5 years after the date of enactment of this Act.

(2) The date on which the authorization under this Act for such program expires.

(c) EXISTING OBLIGATIONS.—Subsection (a) does not affect the ability of the Administrator to carry out responsibilities with regard to loans, grants, or other obligations made or in existence before an applicable effective date under subsection (b).

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12. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE KISSELL, LARRY OF NORTH CAROLINA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 32, after line 7, insert the following (and redesignate succeeding sections accordingly):

SEC. 124. DEFERRED REPAYMENT FOR CERTAIN SMALL BUSINESS CONCERNS.

Section 7(a)(7) of the Small Business Act (15 U.S.C. 636(a)(7)) is amended by adding at the end the following: "If a small business concern classified in sector 23 of the North American Industry Classification System receives a loan under this subsection after the date of the enactment of the Small Business Financing and Investment Act of 2009, such concern may defer repayment on such loan for a period of not more than 12 months beginning on the date that such concern receives the final disbursement of such loan.".

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13. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE PETERS, GARY OF MICHIGAN OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 29, line 14, strike "$50,000" and insert the following "$50,000 (except as provided under subsection (l))".

Page 29, after line 19, insert the following (and redesignate succeeding sections accordingly):

SEC. 119. DELAYED REPAYMENT FOR SMALL BUSINESS CONCERNS IN AREAS WITH HIGH UNEMPLOYMENT.

Section 506 of title V of division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111–5) is amended by adding at the end the following:

"(l) SMALL BUSINESS CONCERNS IN AREAS WITH HIGH UNEMPLOYMENT.—

"(1) INCREASE LOAN LIMITS.—Notwithstanding subsection (d), a loan made under this section to a small business concern in what the Administrator determines to be an area with high unemployment may not exceed $75,000.

"(2) DELAYED REPAYMENT.—Notwithstanding subsection (g), repayment for a loan made under this section after the date of the enactment of the Small Business Financing and Investment Act of 2009 to a small business concern described in paragraph (1) shall not begin until 18 months after the final disbursement of funds is made.".

Page 156, line 12, insert after "of 1986" the following: ", except that, without regard to such meaning, such term includes an area that the Administrator determines to be an area with high unemployment".

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14. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE BROWN-WAITE, GINNY OF FLORIDA OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 22, line 5, add at the end the following: "The Administrator shall ensure that each individual in such group with loan application evaluation and underwriting responsibilities has at least 2 years experience with respect to such responsibilities.".

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15. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE BROWN-WAITE, GINNY OF FLORIDA OR HER DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 20, line 25, strike "on a date if" and insert the following: "on each date during the period beginning on the date of enactment

of this paragraph and ending on September 30, 2011, and on any other date after such period if".

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16. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE NYE, GLENN OF VIRGINIA OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 186, after line 24, insert the following (and redesignate succeeding sections accordingly):

SEC. 808. HOMEOWNERS IMPACTED BY TOXIC DRYWALL.

Section 7(b) of the Small Business Act (15 U.S.C. 636(b)), as amended by this Act, is further amended by inserting after paragraph (11) the following:

"(12) HOMEOWNERS IMPACTED BY TOXIC DRYWALL.—The Administrator may make a loan under this subsection to any homeowner if the primary residence of such homeowner has been adversely impacted by the installation of toxic drywall manufactured in China. A loan under this paragraph may be used only for the repair or replacement of such toxic drywall.".

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