H. R. ____

To amend the Small Business Act to increase transparency, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. Burchett introduced the following bill; which was referred to the Committee on ____________________

A BILL

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,
3 SECTION 1. SHORT TITLE.
4 This Act may be cited as the “Microloan Trans-
5 parency and Accountability Act of 2021”.
6 SEC. 2. PORTFOLIO RISK ANALYSIS OF MICROLOANS.
7 Section 7(m)(10) of the Small Business Act (15
8 U.S.C. 636(m)(10)) is amended—
(1) by redesignating subparagraphs (A) through (F) as clauses (i) through (vi), respectively, and adjusting the margins accordingly;

(2) by amending clause (iv), as so redesignated, to read as follows:

“(vi) the number, amount, and percentage of microloans made by intermediaries to small business concerns—

“(I) that went into default in the previous year; and

“(II) that were charged off in the previous year by such intermediaries;”;

(3) in clause (vi), as so redesignated, by striking “and” at the end;

(4) by redesignating subparagraph (G) as clause (xviii), and adjusting the margin accordingly;

(5) by striking “On November 1, 1995,” and all that follows through “the following:” and inserting the following:

“(A) IN GENERAL.—Beginning on February 1, 2022, and annually thereafter, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business
of the House of Representatives, and make
available to the public on the website of the Ad-
ministration, a report on the effectiveness of
the microloan program during the fiscal year
preceding the date of the report. Such report
shall include—’’;

(6) in subparagraph (A), as so designated, by
inserting after clause (vi) the following new clauses:

“(vii) the number and type of enforce-
ment actions taken by the Administrator
against noncompliant intermediaries;

“(viii) an analysis of compliance by
intermediaries with the credit availability
requirements of paragraph (3)(E) for loans
in an amount greater than $20,000;

“(ix) the extent to which microloans
are provided to small business concerns in
rural areas;

“(x) the number of underserved bor-
rowers, as defined by the Administration,
participating in the microloan program;

“(xi) the average rate of interest for
each microloan;

“(xii) the average amount of fees
charged for each microloan;
“(xiii) the average size of each microloan, including—

“(I) the number of loans made in an amount greater than $20,000; and

“(II) the average size and charge-off rate of such loans;

“(xiv) the subsidy cost to the Administration;

“(xv) the number and percentage of microloans that were made to refinance other loans;

“(xvi) the number and percentage of microloans made to new program participants and the number and percentage of microloans made to previous program participants;

“(xvii) the average amount of technical assistance grant monies spent on each loan; and”; and

(7) by adding at the end the following:

“(B) PRIVACY.—Each report submitted under subparagraph (A) shall not contain any personally identifiable information of any borrower.”. 