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(Original Signature of Member)

118TH CONGRESS  
1ST SESSION

# H. R.

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

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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 2023”.

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 (1) by redesignating subparagraphs (A) through  
2 (F) as clauses (i) through (vi), respectively, and ad-  
3 justing the margins accordingly;

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

6 “(vi) the number, amount, and per-  
7 centage of microloans made by inter-  
8 mediaries to small business concerns—

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

11 “(II) that were charged off in the  
12 previous year by such inter-  
13 mediaries;”;

14 (3) in clause (vi), as so redesignated, by strik-  
15 ing “and” at the end;

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

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

21 “(A) IN GENERAL.—Beginning on Feb-  
22 ruary 1, 2023, and annually thereafter, the Ad-  
23 ministrator shall submit to the Committee on  
24 Small Business and Entrepreneurship of the  
25 Senate and the Committee on Small Business

1 of the House of Representatives, and make  
2 available to the public on the website of the Ad-  
3 ministration, a report on the effectiveness of  
4 the microloan program during the fiscal year  
5 preceding the date of the report. Such report  
6 shall include—”;

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

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

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

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

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

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

24 “(xii) the average amount of fees  
25 charged for each microloan;

1           “(xiii) the average size of each  
2           microloan, including—

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

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

7                   “(xiv) the subsidy cost to the Admin-  
8                   istration;

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

12                  “(xvi) the number and percentage of  
13                  microloans made to new program partici-  
14                  pants and the number and percentage of  
15                  microloans made to previous program par-  
16                  ticipants;

17                  “(xvii) the average amount of tech-  
18                  nical assistance grant monies spent on  
19                  each loan; and”;

20           (7) by adding at the end the following:

21                   “(B) PRIVACY.—Each report submitted  
22                   under subparagraph (A) shall not contain any  
23                   personally identifiable information of any bor-  
24                   rower.”.