

118TH CONGRESS
1ST SESSION

S. _____

To expand access to capital in underserved markets by providing resources for the Small Business Administration to approve additional Non-Federally Regulated Lenders to make business loans guaranteed by the Small Business Administration to small business concerns in low-income and moderate-income neighborhoods.

IN THE SENATE OF THE UNITED STATES

Mr. RUBIO introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To expand access to capital in underserved markets by providing resources for the Small Business Administration to approve additional Non-Federally Regulated Lenders to make business loans guaranteed by the Small Business Administration to small business concerns in low-income and moderate-income neighborhoods.

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 “Fair Access to Small
5 Business Lending Act of 2023”.

1 **SEC. 2. FAIR ACCESS TO SMALL BUSINESS LENDING.**

2 Section 7(a)(17) of the Small Business Act (15
3 U.S.C. 636(a)(17)) is amended—

4 (1) by striking “(17) The Administration” and
5 inserting the following:

6 “(17) AUTHORIZATION OF LENDERS.—

7 “(A) IN GENERAL.—The Administration”;

8 and

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

10 “(B) ACCESS TO CAPITAL FOR UNDER-
11 SERVED MARKETS.—

12 “(i) DEFINITIONS.—In this subpara-
13 graph—

14 “(I) the term ‘covered Non-Fed-
15 erally Regulated Lender’ means a
16 Non-Federally Regulated Lender (as
17 defined in section 120.10 of title 13,
18 Code of Federal Regulations, or any
19 successor thereto) that—

20 “(aa) has not been approved
21 to make loans guaranteed under
22 this subsection; and

23 “(bb) meets the applicable
24 criteria for authorizing lenders to
25 make loans guaranteed under
26 this subsection; and

1 “(II) the term ‘low or moderate-
2 income neighborhood’ means a neigh-
3 borhood that is a low-income neigh-
4 borhood or a moderate-income neigh-
5 borhood, for the purposes of the Com-
6 munity Reinvestment Act of 1977 (12
7 U.S.C. 2901 et seq.).

8 “(ii) INITIATIVE.—

9 “(I) IN GENERAL.—The Admin-
10 istrator, acting through the Office of
11 Credit Risk Management, shall carry
12 out an initiative to authorize covered
13 Non-Federally Regulated Lenders to
14 make loans guaranteed under this
15 subsection that is targeted to expand-
16 ing the availability of loans guaran-
17 teed under this subsection to small
18 business concerns that are located in
19 a low or moderate-income neighbor-
20 hood.

21 “(II) AUTHORITY.—Under the
22 initiative under subclause (I), the Ad-
23 ministrator may not approve a cov-
24 ered Non-Federally Regulated Lender
25 to only be eligible to make loans guar-

1 anted under the Community Advan-
2 tage Pilot Program of the Administra-
3 tion.

4 “(III) LENDERS.—A covered
5 Non-Federally Regulated Lender that
6 becomes authorized to make loans
7 guaranteed under this subsection
8 under the initiative under subclause
9 (I) shall ensure that not less than 50
10 percent of the loans made by the cov-
11 ered Non-Federally Regulated Lender
12 that are guaranteed under this sub-
13 section are made to small business
14 concerns that are located in a low or
15 moderate-income neighborhood.

16 “(iii) FUNDING.—For fiscal year
17 2023, and each fiscal year thereafter, there
18 is appropriated to the Administrator, out
19 of any money in the Treasury not other-
20 wise appropriated, such sums as are nec-
21 essary to carry out the initiative under
22 clause (ii).”.