

Revised 38

**AMENDMENT TO H.R. 3854, AS REPORTED
OFFERED BY MS. VELÁZQUEZ OF NEW YORK**

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:

1 (2) The entity is primarily engaged in the busi-
2 ness of banking, investing, or entrepreneurial devel-
3 opment and does not engage in activities which are
4 not incidental to the business of banking, investing,
5 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):

1 **SEC. 119. STUDY AND REPORT ON BUSINESS STABILIZA-**
2 **TION LOANS.**

3 (a) **STUDY.**—The Administrator of the Small Busi-
4 ness Administration shall conduct a study on the business
5 stabilization program established under section 506 of
6 title V of division A of the American Recovery and Rein-
7 vestment Act of 2009 (Public Law 111-5), including—

- 8 (1) how the program has been implemented;
9 (2) the amount of time involved in processing
10 applications;
11 (3) the volume of applications received and the
12 effect on application processing;
13 (4) impediments to participation in the program
14 by small business concerns and lenders;
15 (5) courses of action that might expedite action
16 by the Administrator on applications;

1 (6) courses of action that might expand partici-
2 pation by such concerns and lenders; and

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

5 (A) increases in loan limits;

6 (B) expanding eligibility requirements;

7 (C) changes to interest rates to lenders;

8 and

9 (D) any other change the Administrator
10 determines appropriate.

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

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

17 (2) recommendations on how to change the pro-
18 gram—

19 (A) to expand participation by small busi-
20 ness concerns and lenders; and

21 (B) to decrease the amount of time in-
22 volved in processing applications.

23 (c) OUTREACH.—In conducting the study under sub-
24 section (a) and preparing the report under subsection (b),
25 the Administrator of the Small Business Administration

1 shall meet with and solicit the views of relevant stake-
2 holders, including lenders.

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

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

3 **SEC. 124. LOANS USED TO PURCHASE UNOCCUPIED MANU-
4 FACTURING CENTERS OR EQUIPMENT.**

5 Section 7(a) of the Small Business Act (15 U.S.C.
6 636(a)), as amended by this Act, is further amended by
7 adding at the end the following:

8 "(42) LOANS USED TO PURCHASE UNOCCUPIED
9 MANUFACTURING CENTERS OR EQUIPMENT.—The
10 Administration may provide loans under this sub-
11 section for the purchase of what the Administrator
12 determines to be unoccupied manufacturing centers
13 or equipment."

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

14 **SEC. 212. CERTIFIED DEVELOPMENT COMPANY; OPER-
15 ATIONAL REQUIREMENTS.**

16 Section 502 of the Small Business Investment Act
17 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:

1 “(A) FUNDING FROM INSTITUTIONS.—If a
2 small business concern provides—

3 “(i) the minimum contribution re-
4 quired by subparagraph (B), not less than
5 50 percent of the total cost of any project
6 financed shall come from State or local
7 governments, banks or other financial in-
8 stitutions, or foundations or other not-for-
9 profit institutions; and

10 “(ii) more than the minimum con-
11 tribution required under subparagraph
12 (B), any excess contribution may be used
13 to reduce the amount required from insti-
14 tutions described in clause (i), except that
15 the amount provided by such institution
16 may not be reduced to an amount that is
17 less than the amount of the loan made by
18 the Administrator.

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

19 “(c) REPORTS ON COMBINATION FINANCING.—Not
20 later than 90 days after the date of enactment of the

1 Small Business Financing and Investment Act of 2009,
2 and annually thereafter, the Administrator shall submit
3 a report to the Committee on Small Business and Entre-
4 preneurship of the Senate and the Committee on Small
5 Business of the House of Representatives that—

6 “(1) includes the number of small business con-
7 cerns that have financing under both section 7(a) of
8 the Small Business Act (15 U.S.C. 636(a)) and title
9 V of the Small Business Investment Act of 1958 (15
10 U.S.C. 695 et seq.) during the year before the year
11 of that report; and

12 “(2) describes the total amount and general
13 performance of the financing described in paragraph
14 (1).

Page 135, line 19, strike “new subsection”.

Page 138, line 17, strike “debentured”.

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

15 **SEC. 511. FINANCING WITH RESPECT TO VETERANS.**

16 Section 354 of the Small Business Investment Act
17 of 1958 (15 U.S.C. 689e), as amended by this Act, is fur-
18 ther amended by adding at the end the following:

19 “(g) FINANCING WITH RESPECT TO VETERANS.—A
20 New Markets Venture Capital company shall, to the extent

1 practicable, provide financing to small business concerns
2 owned and controlled by veterans, as defined in section
3 3(q) of the Small Business Act (15 U.S.C. 632(q)), lo-
4 cated in low-income geographic areas.”.

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

Page 166, after line 14, insert the following:

5 “(H) A State-licensed, a State-certified, or
6 a nationally accredited home health care pro-
7 vider.

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:

8 **TITLE X—TEMPORARY EM-**
9 **PLOYEE SERVICES FRAN-**
10 **CHISES**

11 **SEC. 1001. TEMPORARY EMPLOYEE SERVICES FRANCHISES.**

12 In determining whether a franchisee is affiliated with
13 a franchiser in the temporary employee services industry
14 for the purposes of Small Business Administration lending
15 programs, the Administrator of the Small Business Ad-
16 ministration shall—

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

5 (2) promulgate such other rules and regulations
6 as necessary to determine affiliation within the tem-
7 porary employee services industry as the Adminis-
8 trator determines consistent with the Small Business
9 Act; and

10 (3) consider the processing of payroll and bill-
11 ing by a franchiser as customary and common prac-
12 tice in the temporary employee services industry that
13 does not provide probative weight on affiliation, to
14 the extent that the temporary staffing personnel are
15 interviewed, hired, trained, assigned, and subject to
16 discharge by the franchisee.

17 **TITLE XI—STUDY ON PRIVATE** 18 **SECTOR LENDING**

19 **SEC. 1101. STUDY ON PRIVATE SECTOR LENDING.**

20 (a) IN GENERAL.—Not later than 90 days after the
21 date of the enactment of this Act, the Administrator of
22 the Small Business Administration shall submit to the
23 Committee on Small Business of the House of Representa-
24 tives and the Committee on Small Business and Entrepre-
25 neurship of the Senate a report that describes lending to

1 small business concerns by the private sector, including
2 the following:

3 (1) The total amount of lending to small busi-
4 ness concerns by private sector financial institutions
5 during each of fiscal years 2006 through 2009.

6 (2) The total amount of lending to small busi-
7 ness concerns by the 10 largest private sector finan-
8 cial institutions (as determined by the Administrator
9 in terms of amounts lent during fiscal year 2006)
10 during each of fiscal years 2006 through 2009.

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

15 (c) SMALL BUSINESS CONCERNS DEFINED.—In this
16 section, the term “small business concern” has the mean-
17 ing given such term under section 3(a) of the Small Busi-
18 ness Act (15 U.S.C. 632(a)).

19 **TITLE XII—STUDY ON**
20 **INCREASES IN CERTAIN CAPS**

21 **SEC. 1201. STUDY ON INCREASES IN CERTAIN CAPS.**

22 Not later than 90 days after the date of enactment
23 of this Act, the Administrator of the Small Business Ad-
24 ministration shall submit to Congress a report that de-
25 scribes the anticipated effects of the following potential

1 changes to programs, including whether such changes ade-
2 quately meet the financing needs of small businesses:

3 (1) Increasing—

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

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

10 (2) Increasing—

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

15 (B) the maximum amount of a loan that
16 may be made with the proceeds of such deben-
17 ture.

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

