

**Calendar No. 167**

103D CONGRESS  
1ST SESSION

**S. 1274**

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**A BILL**

To authorize funding for certain Small Business Administration programs, and for other purposes.

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JULY 28 (legislative day, JUNE 30), 1993

Reported with an amendment and an amendment to the title

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1<sup>ST</sup> SESSION

# S. 1274

To authorize funding for certain Small Business Administration programs,  
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### IN THE SENATE OF THE UNITED STATES

JULY 21 (legislative day, JUNE 30), 1993

Mr. BUMPERS (for himself, Mr. WOFFORD, Mr. KOHL, Mr. DOMENICI, Mr. LIEBERMAN, Mr. HEFLIN, Mr. WELLSTONE, Mr. HOLLINGS, Mr. LEVIN, Mr. CHAFEE, Mr. DODD, Mr. MITCHELL, Mr. KERRY, and Ms. MOSELEY-BRAUN) introduced the following bill; which was read twice and referred to the Committee on Small Business

JULY 28 (legislative day, JUNE 30), 1993

Reported by Mr. BUMPERS, with an amendment and an amendment to the  
title

[Strike out all after the enacting clause and insert the part printed in italic]

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## A BILL

To authorize funding for certain Small Business  
Administration programs, 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; TABLE OF CONTENTS.**

4 (a) ~~SHORT TITLE.~~—This Act may be cited as the  
5 “~~Small Business Credit Reform Act of 1993~~”.

1 (b) TABLE OF CONTENTS.—The table of contents for  
 2 this Act is as follows:

- See: 1. Short title; table of contents.
- See: 2. General authorizations.
- See: 3. Microloan program authorizations.
- See: 4. Extension of State limitation on interest rates.
- See: 5. Guaranteed business loan program amendments.
- See: 6. Interest rate for Preferred Lenders Program.
- See: 7. Microloan program amendments.
- See: 8. Regulations.
- See: 9. White House Conference on Small Business.

3 **SEC. 2. GENERAL AUTHORIZATIONS.**

4 (a) FINANCINGS FOR FISCAL YEAR 1993.—Section  
 5 20(g)(2) of the Small Business Act (15 U.S.C. 631 note)  
 6 is amended—

7 (1) by striking “\$7,030,000,000” and inserting  
 8 “\$8,455,000,000”;

9 (2) in subparagraph (A), by striking  
 10 “\$6,200,000,000” and inserting “\$7,500,000,000”;  
 11 and

12 (3) in subparagraph (C), by striking  
 13 “\$775,000,000” and inserting “\$900,000,000”.

14 (b) FINANCINGS FOR FISCAL YEAR 1994.—Section  
 15 20(i)(2) of the Small Business Act (15 U.S.C. 631 note)  
 16 is amended—

17 (1) by striking “\$8,083,000,000” and inserting  
 18 “\$11,258,000,000”;

19 (2) in subparagraph (A), by striking  
 20 “\$7,200,000,000” and inserting “\$8,000,000,000”;

1           ~~(3)~~ in subparagraph (B), by striking “and” at  
2           the end;

3           ~~(4)~~ by redesignating subparagraph (C) as sub-  
4           paragraph (D);

5           ~~(5)~~ by inserting after subparagraph (B) the fol-  
6           lowing new subparagraph:

7                   ~~“(C) \$2,000,000,000 in loans, as provided~~  
8                   ~~in section 7(a)(21); and”;~~ and

9           ~~(6)~~ in subparagraph (D), as redesignated, by  
10          striking       ~~“\$825,000,000”~~       and       inserting  
11          ~~“\$1,200,000,000”~~.

12          ~~(c) FINANCINGS FOR FISCAL YEAR 1995.—Section~~  
13          ~~20 of the Small Business Act (15 U.S.C. 631 note) is~~  
14          ~~amended by striking subsections (k) and (l), as added by~~  
15          ~~section 405(3) of the Small Business Credit and Business~~  
16          ~~Opportunity Enhancement Act of 1992, and inserting the~~  
17          ~~following:~~

18               ~~“(l) The following program levels are authorized for~~  
19               ~~fiscal year 1995:~~

20                   ~~“(1) For the programs authorized by this Act,~~  
21                   ~~the Administration is authorized to make~~  
22                   ~~\$13,360,000,000 in deferred participation loans and~~  
23                   ~~other financings. Of such sum, the Administration is~~  
24                   ~~authorized to make—~~

1           ~~“(A) \$9,000,000,000 in general business~~  
2           ~~loans, as provided in section 7(a);~~

3           ~~“(B) \$3,000,000,000 in loans, as provided~~  
4           ~~in section 7(a)(21);~~

5           ~~“(C) \$60,000,000 in loans, as provided in~~  
6           ~~section 7(a)(12)(B); and~~

7           ~~“(D) \$1,300,000,000 in financings, as pro-~~  
8           ~~vided in section 7(a)(13) of this Act and section~~  
9           ~~504 of the Small Business Investment Act of~~  
10          ~~1958.~~

11          ~~“(2)(A) For the programs authorized by title~~  
12          ~~III of the Small Business Investment Act of 1958,~~  
13          ~~the Administration is authorized to make~~  
14          ~~\$23,000,000 in purchases of preferred securities,~~  
15          ~~\$244,000,000 in guarantees of debentures, of which~~  
16          ~~\$44,000,000 is authorized in guarantees of deben-~~  
17          ~~tures from companies operating pursuant to section~~  
18          ~~301(d) of such Act, and \$400,000,000 in guarantees~~  
19          ~~of participating securities.~~

20          ~~“(B) There are authorized to be appropriated~~  
21          ~~to the Administration for fiscal year 1995, such~~  
22          ~~sums as may be necessary to carry out subpara-~~  
23          ~~graph (A), including salaries and expenses of the~~  
24          ~~Administration.~~

1           ~~“(3) For the programs authorized by part B of~~  
2           ~~title IV of the Small Business Investment Act of~~  
3           ~~1958, the Administration is authorized to enter into~~  
4           ~~guarantees of not more than \$2,180,000,000.”.~~

5           ~~(d) FINANCINGS FOR FISCAL YEAR 1996.—Section~~  
6           ~~20 of the Small Business Act (15 U.S.C. 631 note) is~~  
7           ~~amended—~~

8           ~~(1) by striking subsections (m) and (n) and in-~~  
9           ~~serting the following:~~

10          ~~“(m) The following program levels are authorized for~~  
11          ~~fiscal year 1996:~~

12           ~~“(1) For the programs authorized by this Act,~~  
13           ~~the Administration is authorized to make~~  
14           ~~\$14,960,000,000 in deferred participation loans and~~  
15           ~~other financings. Of such sum, the Administration is~~  
16           ~~authorized to make—~~

17           ~~“(A) \$10,000,000,000 in general business~~  
18           ~~loans, as provided in section 7(a);~~

19           ~~“(B) \$3,500,000,000 in loans, as provided~~  
20           ~~in section 7(a)(21);~~

21           ~~“(C) \$60,000,000 in loans, as provided in~~  
22           ~~section 7(a)(12)(B); and~~

23           ~~“(D) \$1,400,000,000 in financings, as pro-~~  
24           ~~vided in section 7(a)(13) of this Act and section~~

1           504 of the Small Business Investment Act of  
2           1958.

3           ~~“(2)(A) For the programs authorized by title~~  
4           III of the Small Business Investment Act of 1958,  
5           the Administration is authorized to make  
6           \$24,000,000 in purchases of preferred securities,  
7           \$256,000,000 in guarantees of debentures, of which  
8           \$46,000,000 is authorized in guarantees of debentures  
9           from companies operating pursuant to section  
10          301(d) of such Act, and \$550,000,000 in guarantees  
11          of participating securities.

12          ~~“(B) There are authorized to be appropriated~~  
13          to the Administration for fiscal year 1996, such  
14          sums as may be necessary to carry out subparagraph  
15          (A), including salaries and expenses.

16          ~~“(3) For the programs authorized by part B of~~  
17          title IV of the Small Business Investment Act of  
18          1958, the Administration is authorized to enter into  
19          guarantees not to exceed \$2,275,000,000.”;

20          (2) in subsection (o), by striking ~~“(o) The”~~ and  
21          inserting ~~“(n) The”~~; and

22          (3) in subsection (p)—

23                  (A) by striking ~~“(p) There”~~ and inserting  
24                  ~~“(2) There”~~, and indenting appropriately; and

1           (B) by striking “subsection (o)” and in-  
 2           serting “paragraph (1)”.

3 **SEC. 3. MICROLOAN PROGRAM AUTHORIZATIONS.**

4           Section 20(k) of the Small Business Act (15 U.S.C.  
 5 631 note) is amended—

6           (1) by striking paragraph (1);

7           (2) by redesignating paragraphs (2) and (3) as  
 8           paragraphs (1) and (2), respectively;

9           (3) in paragraph (1), as redesignated, by strik-  
 10          ing “and” at the end;

11          (4) in paragraph (2), as redesignated—

12           (A) in subparagraph (A), by striking  
 13           “\$60,000,000” and inserting “\$80,000,000”;

14           (B) in subparagraph (B), by striking  
 15           “\$35,000,000” and inserting “\$30,000,000”;

16          and

17           (C) by striking the period at the end and  
 18           inserting a semicolon; and

19          (5) by adding at the end the following new  
 20          paragraphs:

21           “(3) for fiscal year 1995—

22           “(A) \$100,000,000 to be used for the pro-  
 23           vision of loans; and

24           “(B) \$45,000,000 to be used for the provi-  
 25           sion of grants; and

1           ~~“(4) for fiscal year 1996—~~

2                   ~~“(A) \$120,000,000 to be used for the pro-~~  
3           ~~vision of loans; and~~

4                   ~~“(B) \$55,000,000 to be used for the provi-~~  
5           ~~sion of grants.”.~~

6   **SEC. 4. EXTENSION OF STATE LIMITATION ON INTEREST**  
7                   **RATES.**

8           Section 112(c) of the Small Business Administration  
9   Reauthorization and Amendments Act of 1988 (Public  
10   Law 100-590; 102 Stat. 2996) is amended—

11                   (1) by striking paragraph (2); and

12                   (2) by striking ~~“(1) IN GENERAL.—”.~~

13   **SEC. 5. GUARANTEED BUSINESS LOAN PROGRAM AMEND-**  
14                   **MENTS.**

15           (a) ~~ADDITIONAL GUARANTEE FEES.—~~

16                   (1) ~~IN GENERAL.—~~Section 7(a)(18) of the  
17   Small Business Act (15 U.S.C. 636(a)(18)) is  
18   amended—

19                   (A) by inserting ~~“(A)”~~ after ~~“(18)”~~; and

20                   (B) by adding at the end the following new  
21   subparagraph:

22                   ~~“(B) In addition to fees collected under sub-~~  
23   ~~paragraph (A), the Administration shall collect a fee~~  
24   ~~charged to the participating lending institution in~~  
25   ~~any case in which a loan made under this section is~~

1 sold on the secondary market in an amount equal to  
 2 50 percent of that portion of the sale price which is  
 3 in excess of 110 percent of the face value of the  
 4 loan. Such fee may not be charged to the bor-  
 5 rower.”.

6 ~~(2) SUNSET.~~—The amendments made by para-  
 7 graph ~~(1)~~ shall remain in effect until September 30,  
 8 1996.

9 ~~(b) GUARANTEE PERCENTAGES.~~—

10 ~~(1) IN GENERAL.~~—Subparagraph ~~(B)~~ of section  
 11 ~~7(a)(2)~~ of the Small Business Act (15 U.S.C.  
 12 ~~636(a)(2)~~) is amended to read as follows:

13 “~~(B)~~ subject to the limitation in paragraph

14 ~~(3)~~—

15 “~~(i)~~ not less than 70 percent nor more  
 16 than 75 percent of the financing outstand-  
 17 ing at the time of disbursement, if such fi-  
 18 nancing is more than \$155,000 and the  
 19 period of maturity of such financing is not  
 20 less than 10 years, except that the partici-  
 21 pation by the Administration may be re-  
 22 duced below 70 percent upon request of  
 23 the participating lender; and

24 “~~(ii)~~ not less than 80 percent of the  
 25 financing outstanding at the time of dis-

1           bursement, if such financing is a loan  
2           under paragraph (16).”.

3           ~~(2)~~    ADDITIONAL    AMENDMENTS.—Section  
4           7(a)(2) of the Small Business Act (15 U.S.C.  
5           636(a)(2)) is amended—

6                   (A) in the second sentence (immediately  
7                   following paragraph ~~(2)(B)(ii)~~), by striking “85  
8                   percent” and inserting “the specified percent-  
9                   ages”; and

10                   (B) in the third sentence, by striking “80  
11                   percent” and inserting “75 percent”.

12           ~~(c)~~   SYSTEM FOR LOAN PAYMENT AND SERVICING.—  
13           Section 7(a) of the Small Business Act (15 U.S.C. 636(a))  
14           is amended by adding at the end the following new para-  
15           graph:

16                   ~~“(22)(A)~~ For loans guaranteed under this sub-  
17                   section, the Administrator is authorized to establish  
18                   a centralized loan payment and servicing system.

19                   ~~“(B)~~ Such system shall utilize a fiscal and  
20                   transfer agent to collect an annual fee on each loan  
21                   that is equal to  $\frac{1}{4}$  of 1 percent of the declining prin-  
22                   cipal balance of the loan.”.

1 **SEC. 6. INTEREST RATE FOR PREFERRED LENDERS PRO-**  
 2 **GRAM.**

3 Section 7(a)(2) of the Small Business Act (15 U.S.C.  
 4 7(a)(2)) is amended by inserting after the third sentence,  
 5 the following: “The maximum interest rate for a loan  
 6 under the Preferred Lenders Program shall not exceed the  
 7 maximum interest rate applicable to other loan guarantee  
 8 programs under section 7(a), as established by the Admin-  
 9 istrator.”.

10 **SEC. 7. MICROLOAN PROGRAM AMENDMENTS.**

11 Section 7(m) of the Small Business Act (15 U.S.C.  
 12 636(m)) is amended—

13 (1) in paragraph (1)(B)(iii), by striking  
 14 “\$15,000” and inserting “\$25,000”;

15 (2) in paragraph (4)(C)(ii), by inserting “to de-  
 16 fray costs associated with loan fund administration  
 17 and” before “to provide”;

18 (3) in paragraph (5)(A), by striking “6 grants”  
 19 and inserting “12 grants”;

20 (4) by amending paragraph (9)(A) to read as  
 21 follows:

22 “(A) IN GENERAL.—The Administration  
 23 may provide, directly or through an organiza-  
 24 tion described in subparagraph (B), technical  
 25 assistance for participants and potential partici-  
 26 pants in the Microloan Demonstration Program

1 to give such participants and potential partici-  
2 pants such knowledge, skills, and understanding  
3 of microlending practices necessary to operate  
4 successful microloan programs.”; and

5 (5) in paragraph (9)(B)—

6 (A) by striking “3 percent” and inserting  
7 “7 percent”; and

8 (B) by inserting “and nonprofit organiza-  
9 tions that have demonstrated experience in pro-  
10 viding training support for microenterprise de-  
11 velopment and financing” after “microlending  
12 organizations”.

13 **SEC. 8. REGULATIONS.**

14 (a) IMPLEMENTATION.—Not later than 60 days after  
15 the date of enactment of this Act, the Administrator of  
16 the Small Business Administration (hereafter in this sec-  
17 tion referred to as the “Administrator”) shall promulgate  
18 interim final regulations to implement the amendments  
19 made by this Act.

20 (b) IMPLEMENTATION OF POLLUTION CONTROL AS-  
21 SISTANCE PROVISION.—

22 (1) TECHNICAL CORRECTION.—Section  
23 7(a)(12)(B) of the Small Business Act (15 U.S.C.  
24 636(a)(12)(B)), as added by section 111(c)(2) of

1 Public Law 100-590, is amended by striking “(b)”  
2 and inserting “(B)” and by indenting accordingly.

3 (2) REGULATIONS.—Not later than 240 days  
4 after the date of enactment of this Act, the Adminis-  
5 trator shall promulgate final regulations, after an  
6 opportunity for notice and public comment, to carry  
7 out section 7(a)(12)(B) of the Small Business Act.

8 **SEC. 9. WHITE HOUSE CONFERENCE ON SMALL BUSINESS.**

9 (a) DATES OF CONFERENCES.—Section 2 of the  
10 White House Conference on Small Business Authorization  
11 Act (15 U.S.C. 631 note) is amended—

12 (1) by striking “January 1, 1994” and insert-  
13 ing “May 1, 1995”;

14 (2) by striking “April 1, 1994” and inserting  
15 “December 31, 1995”; and

16 (3) by striking “December 1, 1992” and insert-  
17 ing “March 1, 1994”.

18 (b) APPOINTMENT OF COMMISSIONERS.—Section  
19 5(a) of the White House Conference on Small Business  
20 Authorization Act (15 U.S.C. 631 note) is amended by  
21 striking “The President” and inserting “Not later than  
22 30 days after the date of enactment of the Small Business  
23 Credit Reform Act of 1993, the President”.

24 (c) AUTHORIZATION OF APPROPRIATIONS.—Section  
25 9(a) of the White House Conference on Small Business

1 Authorization Act (15 U.S.C. 631 note) is amended by  
 2 striking “\$5,000,000” and inserting “\$7,000,000”.

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) *SHORT TITLE.*—This Act may be cited as the  
 5 “Small Business Guaranteed Credit Enhancement Act of  
 6 1993”.

7 (b) *TABLE OF CONTENTS.*—The table of contents for  
 8 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. General authorizations for fiscal years 1993 and 1994.
- Sec. 3. Extension of State limitation on interest rates.
- Sec. 4. Guaranteed business loan program amendments.
- Sec. 5. Interest rate for Preferred Lenders Program.
- Sec. 6. Microloan program amendments.
- Sec. 7. Small Business Development Center Program.
- Sec. 8. Regulations.
- Sec. 9. White House Conference on Small Business.
- Sec. 10. National Women’s Business Council.

9 **SEC. 2. GENERAL AUTHORIZATIONS FOR FISCAL YEARS 1993**

10 **AND 1994.**

11 (a) *FINANCINGS FOR FISCAL YEAR 1993.*—Section  
 12 20(g)(2) of the Small Business Act (15 U.S.C. 631 note)  
 13 is amended—

14 (1) by striking “\$7,030,000,000” and inserting  
 15 “\$8,455,000,000”;

16 (2) in subparagraph (A), by striking  
 17 “\$6,200,000,000” and inserting “\$7,500,000,000”;  
 18 and

19 (3) in subparagraph (C), by striking  
 20 “\$775,000,000” and inserting “\$900,000,000”.

1       (b) *FINANCINGS FOR FISCAL YEAR 1994.*—Section  
2 20(i)(2) of the Small Business Act (15 U.S.C. 631 note)  
3 is amended—

4           (1) by striking “\$8,083,000,000” and inserting  
5 “\$9,258,000,000”;

6           (2) in subparagraph (A), by striking  
7 “\$7,200,000,000” and inserting “\$8,000,000,000”;  
8 and

9           (3) in subparagraph (C), by striking  
10 “\$825,000,000” and inserting “\$1,200,000,000”.

11       (c) *REDESIGNATIONS.*—Section 20 of the Small Busi-  
12 ness Act (15 U.S.C. 631 note) is amended—

13           (1) in subsection (l), as added by section 405(3)  
14 of the Small Business Credit and Business Oppor-  
15 tunity Enhancement Act of 1992—

16           (A) by striking “(l) There” and inserting  
17 “(2) There”, and indenting appropriately; and

18           (B) by striking “subsection (k)” and insert-  
19 ing “paragraph (1)”;

20           (2) by redesignating subsection (k), as added by  
21 section 405(3) of the Small Business Credit and Busi-  
22 ness Opportunity Enhancement Act of 1992, as sub-  
23 section (l);

24           (3) in subsection (n)—

- 1           (A) by striking “(n) There” and inserting  
 2           “(2) There”, and indenting appropriately; and  
 3           (B) by striking “subsection (m)” and insert-  
 4           ing “paragraph (1)”;  
 5           (4) by redesignating subsection (o) as subsection  
 6           (n); and  
 7           (5) in subsection (p)—  
 8           (A) by striking “(p) There” and inserting  
 9           “(2) There”, and indenting appropriately; and  
 10           (B) by striking “subsection (o)” and insert-  
 11           ing “paragraph (1)”.

12 **SEC. 3. EXTENSION OF STATE LIMITATION ON INTEREST**  
 13 **RATES.**

14       Section 112(c) of the Small Business Administration  
 15       Reauthorization and Amendments Act of 1988 (Public Law  
 16       100-590; 102 Stat. 2996) is amended—

- 17           (1) by striking paragraph (2); and  
 18           (2) by striking “(1) IN GENERAL.—”.

19 **SEC. 4. GUARANTEED BUSINESS LOAN PROGRAM AMEND-**  
 20 **MENTS.**

21       (a) **ADDITIONAL GUARANTEE FEES.**—

- 22           (1) **IN GENERAL.**—Section 7(a)(18) of the Small  
 23       Business Act (15 U.S.C. 636(a)(18)) is amended—  
 24           (A) by inserting “(A)” after “(18)”; and

1           (B) by adding at the end the following new  
2           subparagraph:

3           “(B) In addition to fees collected under subpara-  
4           graph (A), the Administration shall collect an excess  
5           premium fee from the participating lending institu-  
6           tion in any case in which the sale price of the guar-  
7           anteed portion of a loan made under this section and  
8           sold on the secondary market exceeds 110 percent of  
9           the face value of the guaranteed portion of the loan.  
10          Such fee shall be equal to 50 percent of that portion  
11          of the sale price that is in excess of 110 percent of the  
12          face value of the guaranteed portion of the loan. Such  
13          fee may not be charged to the borrower.”.

14          (2) *SUNSET.*—The amendments made by para-  
15          graph (1) shall remain in effect until September 30,  
16          1996.

17          (b) *GUARANTEE PERCENTAGES.*—

18               (1) *IN GENERAL.*—Subparagraph (B) of section  
19               7(a)(2) of the Small Business Act (15 U.S.C.  
20               636(a)(2)) is amended to read as follows:

21               “(B) subject to the limitation in paragraph  
22               (3)—

23                       “(i) not less than 70 percent nor more than  
24                       85 percent of the financing outstanding at the  
25                       time of disbursement, if such financing is more

1           *than \$155,000 and the period of maturity of*  
2           *such financing is less than 10 years, except that*  
3           *the participation by the Administration may be*  
4           *reduced below 70 percent upon request of the*  
5           *participating lender;*

6           “(ii) *not less than 70 percent nor more than*  
7           *75 percent of the financing outstanding at the*  
8           *time of disbursement, if such financing is more*  
9           *than \$155,000 and the period of maturity of*  
10           *such financing is not less than 10 years, except*  
11           *that the participation by the Administration*  
12           *may be reduced below 70 percent upon request of*  
13           *the participating lender; and*

14           “(iii) *not less than 85 percent of the financ-*  
15           *ing outstanding at the time of disbursement, if*  
16           *such financing is a loan under paragraph (16).”.*

17           (2) *ADDITIONAL AMENDMENTS.—Section 7(a)(2)*  
18           *of the Small Business Act (15 U.S.C. 636(a)(2)) is*  
19           *amended—*

20           (A) *in the second sentence, by striking*  
21           *“guaranteed to less than 85 percent” and insert-*  
22           *ing “guaranteed to less than the specified per-*  
23           *centages”; and*

24           (B) *in the third sentence, by striking “80*  
25           *percent” and inserting “75 percent”.*

1       (c) *ANNUAL GUARANTEE FEE; PENALTY.*—Section  
2 7(a) of the Small Business Act (15 U.S.C. 636(a)) is  
3 amended by adding at the end the following new paragraph:

4           “(22)(A) For loans guaranteed under this sub-  
5 section, the Administrator is authorized to collect, ei-  
6 ther directly or through a fiscal and transfer agent,  
7 an annual fee on each loan that is equal to  $\frac{1}{4}$  of 1  
8 percent of the declining principal balance of the loan.

9           “(B) The Administrator is authorized to impose  
10 and collect, either directly or through a fiscal and  
11 transfer agent, a reasonable penalty fee on late pay-  
12 ments of the fee authorized under subparagraph (A).”.

13 **SEC. 5. INTEREST RATE FOR PREFERRED LENDERS PRO-**  
14 **GRAM.**

15       Section 7(a)(2) of the Small Business Act (15 U.S.C.  
16 7(a)(2)) is amended by inserting after the third sentence,  
17 the following: “The maximum interest rate for a loan under  
18 the Preferred Lenders Program shall not exceed the maxi-  
19 mum interest rate applicable to other loan guarantee pro-  
20 grams under section 7(a), as established by the Adminis-  
21 trator.”.

22 **SEC. 6. MICROLOAN PROGRAM AMENDMENTS.**

23       Section 7(m) of the Small Business Act (15 U.S.C.  
24 636(m)) is amended—

1           (1) in paragraph (1)(B)(iii), by striking  
2           “\$15,000” and inserting “\$25,000”;

3           (2) in paragraph (4)(C)(ii), by inserting “to de-  
4           fray costs associated with loan fund administration  
5           and” before “to provide”;

6           (3) in paragraph (5)(A), by striking “6 grants”  
7           and inserting “12 grants”;

8           (4) by amending paragraph (9)(A) to read as  
9           follows:

10                   “(A) *IN GENERAL.*—The Administration  
11                   may provide, directly or through an organiza-  
12                   tion described in subparagraph (B), technical as-  
13                   sistance for participants and potential partici-  
14                   pants in the Microloan Demonstration Program  
15                   to give such participants and potential partici-  
16                   pants such knowledge, skills, and understanding  
17                   of microlending practices necessary to operate  
18                   successful microloan programs.”; and

19           (5) in paragraph (9)(B)—

20                   (A) by striking “3 percent” and inserting  
21                   “7 percent”; and

22                   (B) by inserting “and nonprofit organiza-  
23                   tions that have demonstrated experience in pro-  
24                   viding training support for microenterprise de-

1            *velopment and financing” after “microlending*  
2            *organizations”.*

3    **SEC. 7. SMALL BUSINESS DEVELOPMENT CENTER PRO-**  
4            **GRAM.**

5            *Section 223(b) of the Small Business Credit and Busi-*  
6            *ness Opportunity Enhancement Act of 1992 (15 U.S.C. 631*  
7            *note) is amended by striking “Such proposed regulations*  
8            *shall not be published in the Federal Register.”.*

9    **SEC. 8. REGULATIONS.**

10           *Not later than 60 days after the date of enactment of*  
11           *this Act, the Administrator of the Small Business Adminis-*  
12           *tration shall promulgate interim final regulations to imple-*  
13           *ment the amendments made by this Act.*

14    **SEC. 9. WHITE HOUSE CONFERENCE ON SMALL BUSINESS.**

15           *(a) DATES OF CONFERENCES.—Section 2 of the White*  
16           *House Conference on Small Business Authorization Act (15*  
17           *U.S.C. 631 note) is amended—*

18                    *(1) by striking “January 1, 1994” and inserting*  
19                    *“May 1, 1995”;*

20                    *(2) by striking “April 1, 1994” and inserting*  
21                    *“December 31, 1995”; and*

22                    *(3) by striking “December 1, 1992” and insert-*  
23                    *ing “March 1, 1994”.*

24                    *(b) APPOINTMENT OF COMMISSIONERS.—Section 5(a)*  
25                    *of the White House Conference on Small Business Author-*

1 ization Act (15 U.S.C. 631 note) is amended by striking  
2 “The President” and inserting “Not later than 30 days  
3 after the date of enactment of the Small Business Guarant-  
4 eed Credit Enhancement Act of 1993, the President”.

5 **SEC. 10. NATIONAL WOMEN’S BUSINESS COUNCIL.**

6 (a) MEMBERSHIP.—

7 (1) NEW MEMBERS.—Section 403 of the Women’s  
8 Business Ownership Act of 1988 (15 U.S.C. 631 note)  
9 is amended in subsection (a)—

10 (A) by striking “nine” and inserting  
11 “eleven”;

12 (B) in paragraph (1), by inserting “; the  
13 Secretary of Labor (or such Secretary’s deputy),”  
14 after “(or such Secretary’s deputy)”;

15 (C) in paragraph (2), by striking “and” at  
16 the end;

17 (D) in paragraph (3), by striking the pe-  
18 riod at the end and inserting “; and”; and

19 (E) by adding at the end the following new  
20 paragraph:

21 “(4) one member shall be appointed by the Presi-  
22 dent.”.

23 (2) APPOINTMENT DATE.—The first appointment  
24 required under section 403(a)(4) of the Women’s  
25 Business Ownership Act of 1988 (as added by para-

1 *graph (1)(E)) shall be made not later than 90 days*  
2 *after the date of enactment of this Act.*

3 (3) *TERMS OF CURRENT MEMBERS.—Any mem-*  
4 *ber appointed under paragraph (2) or (3) of section*  
5 *403(a) of the Women’s Business Ownership Act of*  
6 *1988 (15 U.S.C. 631 note) and serving prior to the*  
7 *date of enactment of this Act shall continue to serve*  
8 *until the expiration of the term for which the member*  
9 *was appointed.*

10 (4) *CONFORMING AMENDMENTS.—Section 403(b)*  
11 *of the Women’s Business Ownership Act of 1988 (15*  
12 *U.S.C. 631 note) is amended—*

13 (A) *in paragraph (1), by striking “section*  
14 *(a)(2) and (3)” and inserting “paragraphs (2),*  
15 *(3), and (4) of subsection (a)”;*

16 (B) *in paragraph (2)(C), by striking “sub-*  
17 *section (a)(2) and (3)” and inserting “para-*  
18 *graphs (2), (3), and (4) of subsection (a)”;* and

19 (C) *in paragraph (2)(F)—*

20 (i) *by striking “(1) Two” and insert-*  
21 *ing “(i) Three”;* and

22 (ii) *by striking “(2) A majority” and*  
23 *inserting “(ii) A majority”.*

24 (5) *DELETION OF OBSOLETE REFERENCES.—*  
25 *Section 404 of the Women’s Business Ownership Act*

1        *of 1988 (15 U.S.C. 631 note) is amended by striking*  
 2        *“rate of basic pay payable for GS–18 of the General*  
 3        *Schedule” each place it appears and inserting “rate*  
 4        *of pay payable for a position at level IV of the Execu-*  
 5        *tive Schedule under section 5315 of title 5, United*  
 6        *States Code”.*

7        *(b) AUTHORIZATION.—Section 407 of the Women’s*  
 8        *Business Ownership Act of 1988 (15 U.S.C. 631 note) is*  
 9        *amended to read as follows:*

10        **“SEC. 407. AUTHORIZATION.**

11            *“(a) IN GENERAL.—There are authorized to be appro-*  
 12        *riated to carry out this title—*

13                    *“(1) \$500,000 for fiscal year 1994; and*

14                    *“(2) \$500,000 for fiscal year 1995.*

15            *“(b) LIMITATION ON AUTHORITY.—New spending au-*  
 16        *thority or authority to enter into contracts as authorized*  
 17        *in this Act shall be effective only to such extent and in such*  
 18        *amounts as are provided in advance in appropriation Acts.*

19            *“(c) SUNSET.—This section shall cease to be effective*  
 20        *on November 30, 1995.”.*

Amend the title so as to read: “A bill to reduce the  
 subsidy cost for the Guaranteed Business Loan Program  
 of the Small Business Administration, and for other pur-  
 poses.”.

S 1274 RS—2

S 1274 RS—3