

In the Senate of the United States,

December 8 (legislative day, December 7), 2001.

Resolved, That the Senate agree to the amendment of the House of Representatives to the bill (S. 1196) entitled “An Act to amend the Small Business Investment Act of 1958, and for other purposes.” with the following

SENATE AMENDMENT TO HOUSE AMENDMENT:

1 Page 13 of the House engrossed amendment, strike
2 out all after line 8 over to and including line 2 on page
3 16 and insert:

4 ***SEC. 6. REDUCTION OF FEES.***

5 *(a) TWO-YEAR REDUCTION OF SECTION 7(a) FEES.—*

6 *(1) GUARANTEE FEES.—Section 7(a)(18) of the*
7 *Small Business Act (15 U.S.C. 636(a)(18)) is amend-*
8 *ed by adding at the end the following:*

9 *“(C) TWO-YEAR REDUCTION IN FEES.—*

10 *With respect to loans approved during the 2-year*
11 *period beginning on October 1, 2002, the guar-*

1 *antee fee under subparagraph (A) shall be as fol-*
2 *lows:*

3 *“(i) A guarantee fee equal to 1 percent*
4 *of the deferred participation share of a total*
5 *loan amount that is not more than*
6 *\$150,000.*

7 *“(ii) A guarantee fee equal to 2.5 per-*
8 *cent of the deferred participation share of a*
9 *total loan amount that is more than*
10 *\$150,000, but not more than \$700,000.*

11 *“(iii) A guarantee fee equal to 3.5 per-*
12 *cent of the deferred participation share of a*
13 *total loan amount that is more than*
14 *\$700,000.”.*

15 (2) *ANNUAL FEES.*—*Section 7(a)(23)(A) of the*
16 *Small Business Act (15 U.S.C. 636(a)(23)(A)) is*
17 *amended by adding at the end the following: “With*
18 *respect to loans approved during the 2-year period be-*
19 *ginning on October 1, 2002, the annual fee assessed*
20 *and collected under the preceding sentence shall be in*
21 *an amount equal to 0.25 percent of the outstanding*
22 *balance of the deferred participation share of the*
23 *loan.”.*

1 **(b) REDUCTION OF SECTION 504 FEES.**—Section 503
 2 *of the Small Business Investment Act of 1958 (15 U.S.C.*
 3 *697) is amended—*

4 (1) *in subsection (b)(7)(A)—*

5 (A) *by redesignating clauses (i) and (ii) as*
 6 *subclauses (I) and (II), respectively, and moving*
 7 *the margins 2 ems to the right;*

8 (B) *by striking “not exceed the lesser” and*
 9 *inserting “not exceed—*

10 *“(i) the lesser”; and*

11 (C) *by adding at the end the following:*

12 *“(ii) 50 percent of the amount estab-*
 13 *lished under clause (i) in the case of a loan*
 14 *made during the 2-year period beginning on*
 15 *October 1, 2002, for the life of the loan;*
 16 *and”;* and

17 (2) *by adding at the end the following:*

18 *“(i) TWO-YEAR WAIVER OF FEES.—The Administra-*
 19 *tion may not assess or collect any up front guarantee fee*
 20 *with respect to loans made under this title during the 2-*
 21 *year period beginning on October 1, 2002.”.*

22 **(c) BUDGETARY TREATMENT OF LOANS AND**
 23 **FINANCINGS.**—*Assistance made available under any loan*
 24 *made or approved by the Small Business Administration*
 25 *under section 7(a) of the Small Business Act (15 U.S.C.*

1 636(a)) or financings made under title V of the Small Busi-
2 ness Investment Act of 1958 (15 U.S.C. 695 et seq.), during
3 the 2-year period beginning on October 1, 2002, shall be
4 treated as separate programs of the Small Business Admin-
5 istration for purposes of the Federal Credit Reform Act of
6 1990 only.

7 (d) *USE OF FUNDS.*—The amendments made by this
8 section to section 503 of the Small Business Investment Act
9 of 1958, shall be effective only to the extent that funds are
10 made available under appropriations Acts, which funds
11 shall be utilized by the Administrator to offset the cost (as
12 such term is defined in section 502 of the Federal Credit
13 Reform Act of 1990) of such amendments.

14 (e) *EFFECTIVE DATE.*—The amendments made by this
15 section shall become effective on October 1, 2002.

Attest:

Secretary.

107TH CONGRESS
1ST SESSION

S. 1196

**SENATE AMENDMENT TO
HOUSE AMENDMENT**