

117TH CONGRESS  
2D SESSION

# S. 5102

To authorize the Community Advantage Loan Program of the Small Business Administration, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

NOVEMBER 16, 2022

Mr. CARDIN introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

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## A BILL

To authorize the Community Advantage Loan Program of the Small Business Administration, 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 “Community Advantage  
5 Loan Program Permanency Act of 2022”.

6 **SEC. 2. FINDINGS.**

7 Congress finds that—

8 (1) capital access remains one of the largest  
9 barriers to overcome for socially and economically

1       disadvantaged business owners as well as for the  
2       smallest small businesses;

3               (2) according to the Double Jeopardy: COVID–  
4       19’s Concentrated Health and Wealth Effects in  
5       Black Communities study conducted by the Federal  
6       Reserve banks, in 2020—

7               (A) firms owned by people of color are  
8       more likely to have weak capitalizations, limited  
9       bank relationships, and little in cash reserves;  
10       and

11              (B) 51 percent of Black-owned businesses  
12       have less than 3 months of cash reserves in  
13       case of an emergency, which is nearly 7 per-  
14       centage points higher than their peers;

15              (3) according to the Small Business Credit Sur-  
16       vey conducted by the Federal Reserve banks, in  
17       2021—

18              (A) 31 percent of firms that sought financ-  
19       ing received the full financing sought by the  
20       firm;

21              (B) firms owned by people of color were  
22       least likely to receive the full amount of financ-  
23       ing sought by the firm, with 15 percent of  
24       Asian-owned businesses, 16 percent of Black-  
25       owned businesses, and 19 percent of Hispanic-

1 owned businesses receiving full financing, as op-  
2 posed to 35 percent of non-Hispanic White-  
3 owned businesses receiving full financing; and

4 (C) firms with fewer employees were also  
5 least likely to receive the full financing sought  
6 by the firm, with 23 percent of businesses with  
7 1 to 4 employees and 37 percent of businesses  
8 with 5 to 49 employees receiving full financing,  
9 as opposed to 55 percent of businesses with 50  
10 to 499 employees receiving full financing;

11 (4) the Community Advantage Pilot Program of  
12 the Small Business Administration has helped in-  
13 crease lending backed by the Administration to firms  
14 owned by people of color, women, and veterans and  
15 firms classified as start ups;

16 (5) from fiscal year 2018 to fiscal year 2022—

17 (A) 13 percent of loans under the Commu-  
18 nity Advantage Pilot Program went to Black  
19 business owners, while 4 percent of loans under  
20 the loan program under section 7(a) of the  
21 Small Business Act (15 U.S.C. 636(a)) (in this  
22 section referred to as the “7(a) loan program”)  
23 went to Black business owners;

24 (B) 15 percent of loans under the Commu-  
25 nity Advantage Pilot Program went to Hispanic

1 business owners, while 8 percent of loans under  
 2 the 7(a) loan program went to Hispanic busi-  
 3 ness owners;

4 (C) 20 percent of loans under the Commu-  
 5 nity Advantage Pilot Program went to women  
 6 business owners, while 17 percent of loans  
 7 under the 7(a) loan program went to women  
 8 business owners; and

9 (D) 9 percent of loans under the Commu-  
 10 nity Advantage Pilot Program went to veteran  
 11 business owners, while 5 percent of loans under  
 12 the 7(a) loan program went to veteran business  
 13 owners; and

14 (6) from fiscal year 2020 to fiscal year 2021,  
 15 14 percent of loans under the Community Advantage  
 16 Pilot Program went to startup business owners,  
 17 while 7 percent of loans under the 7(a) loan pro-  
 18 gram went to startup business owners.

19 **SEC. 3. COMMUNITY ADVANTAGE LOAN PROGRAM.**

20 (a) IN GENERAL.—Section 7(a) of the Small Busi-  
 21 ness Act (15 U.S.C. 636(a)) is amended by adding at the  
 22 end the following:

23 “(38) COMMUNITY ADVANTAGE LOAN PRO-  
 24 GRAM.—

1           “(A) PURPOSES.—The purposes of the  
2           Community Advantage Loan Program are—

3                   “(i) to create a mission-oriented loan  
4                   guarantee program that builds on the dem-  
5                   onstrated success of the Community Ad-  
6                   vantage Pilot Program of the Administra-  
7                   tion, as established in 2011, to reach more  
8                   underserved small business concerns;

9                   “(ii) to increase lending to small busi-  
10                  ness concerns in underserved and rural  
11                  markets, including veterans and members  
12                  of the military community, socially and  
13                  economically disadvantaged individuals, as  
14                  described in paragraphs (5) and (6)(A) of  
15                  section 8(a), respectively, women, and new  
16                  businesses;

17                  “(iii) to ensure that the program  
18                  under this subsection expands inclusion  
19                  and more broadly meets congressional in-  
20                  tent to reach borrowers who are unable to  
21                  get credit elsewhere on reasonable terms  
22                  and conditions;

23                  “(iv) to help underserved small busi-  
24                  ness concerns become bankable by utilizing  
25                  the small dollar financing and business

1 support experience of mission-oriented  
2 lenders;

3 “(v) to allow certain mission-oriented  
4 lenders, primarily financial intermediaries  
5 focused on economic development in under-  
6 served markets, access to guarantees for  
7 loans under this subsection (in this para-  
8 graph referred to as ‘7(a) loans’) of not  
9 more than \$350,000 and provide manage-  
10 ment and technical assistance to small  
11 business concerns as needed;

12 “(vi) to provide certainty for the lend-  
13 ing partners that make loans under this  
14 subsection and to attract new lenders;

15 “(vii) to encourage collaboration be-  
16 tween mission-oriented and conventional  
17 lenders under this subsection in order to  
18 support underserved small business con-  
19 cerns; and

20 “(viii) to assist covered institutions  
21 with providing business support services  
22 and technical assistance to small business  
23 concerns, when needed.

24 “(B) DEFINITIONS.—In this paragraph—

1 “(i) the term ‘Community Advantage  
2 Network Partner’—

3 “(I) means a nonprofit, mission-  
4 oriented organization that acts as a  
5 Referral Agent to covered institutions  
6 in order to expand the reach of the  
7 program to small businesses in under-  
8 served markets; and

9 “(II) does not include a covered  
10 institution making loans under the  
11 program;

12 “(ii) the term ‘covered institution’  
13 means an entity that—

14 “(I) is—

15 “(aa) a development com-  
16 pany, as defined in section 103 of  
17 the Small Business Investment  
18 Act of 1958 (15 U.S.C. 662),  
19 participating in the 504 Loan  
20 Guaranty program established  
21 under title V of that Act (15  
22 U.S.C. 695 et seq.);

23 “(bb) a nonprofit inter-  
24 mediary, as defined in subsection  
25 (m)(11), participating in the

1 microloan program under sub-  
2 section (m);

3 “(cc) a non-Federally regu-  
4 lated entity or a lending institu-  
5 tion certified as a community de-  
6 velopment financial institution by  
7 the Community Development Fi-  
8 nancial Institutions Fund estab-  
9 lished under section 104(a) of  
10 the Riegle Community Develop-  
11 ment and Regulatory Improve-  
12 ment Act of 1994 (12 U.S.C.  
13 4703(a)); or

14 “(dd) an eligible inter-  
15 mediary, as defined in subsection  
16 (l)(1), participating in the Inter-  
17 mediary Lending Program estab-  
18 lished under subsection (l)(2);  
19 and

20 “(II) has approved and disbursed  
21 10 similarly sized loans in the pre-  
22 ceding 24-month period and is serv-  
23 icing not less than 10 similarly sized  
24 loans to small business concerns in  
25 the portfolio of the entity;



1           “(iii) the term ‘existing business’  
2 means a small business concern that has  
3 been in existence for not less than 2 years  
4 on the date on which a loan is made to the  
5 small business concern under the program;

6           “(iv) the term ‘new business’ means a  
7 small business concern that has been in ex-  
8 istence for not more than 2 years on the  
9 date on which a loan is made to the small  
10 business concern under the program;

11           “(v) the term ‘program’ means the  
12 Community Advantage Loan Program es-  
13 tablished under subparagraph (C);

14           “(vi) the term ‘Referral Agent’ has  
15 the meaning given the term in section  
16 103.1(f) of title 13, Code of Federal Regu-  
17 lations, or any successor regulation;

18           “(vii) the term ‘rural area’ means any  
19 county that the Bureau of the Census has  
20 defined as mostly rural or completely rural  
21 in the most recent decennial census; and

22           “(viii) the term ‘small business con-  
23 cern in an underserved market’ means a  
24 small business concern—

25                   “(I) that is located in—

1           “(aa) a low- to moderate-in-  
2 come community;

3           “(bb) a HUBZone, as that  
4 term is defined in section 31(b);

5           “(cc) a rural area; or

6           “(dd) any area for which a  
7 disaster declaration or determina-  
8 tion described in subparagraph  
9 (A), (B), (C), or (E) of sub-  
10 section (b)(2) has been made  
11 that has not terminated more  
12 than 2 years before the date (or  
13 later, as determined by the Ad-  
14 ministrator) on which a loan is  
15 made to the small business con-  
16 cern under the program, except  
17 that, in the case of a major dis-  
18 aster described in subsection  
19 (b)(2)(A), that period shall be 5  
20 years;

21           “(II) for which more than 50  
22 percent of the employees reside in a  
23 low- or moderate-income community;

24           “(III) that is a new business;

1           “(IV) owned and controlled by  
2 socially and economically disadvan-  
3 tagged individuals, as described in  
4 paragraphs (5) and (6)(A) of section  
5 8(a), respectively, which the Adminis-  
6 trator, in carrying out the program,  
7 shall presume includes Black Ameri-  
8 cans, Hispanic Americans, Native  
9 Americans, Asian Pacific Americans,  
10 and other minorities;

11           “(V) owned and controlled by  
12 women;

13           “(VI) owned and controlled by  
14 veterans or spouses of veterans;

15           “(VII) owned and controlled by a  
16 member of an Indian Tribe individ-  
17 ually identified (including parentheti-  
18 cally) in the most recent list published  
19 pursuant to section 104 of the Feder-  
20 ally Recognized Indian Tribe List Act  
21 of 1994 (25 U.S.C. 5131);

22           “(VIII) owned and controlled by  
23 an individual who has completed a  
24 term of imprisonment in a Federal,  
25 State, or local jail or prison;

1                   “(IX) owned and controlled by an  
2                   individual with a disability, as that  
3                   term is defined in section 3 of the  
4                   Americans with Disabilities Act of  
5                   1990 (42 U.S.C. 12102); or

6                   “(X) as otherwise determined by  
7                   the Administrator.

8                   “(C) ESTABLISHMENT.—There is estab-  
9                   lished a Community Advantage Loan Program  
10                  under which the Administration may guarantee  
11                  loans made by covered institutions under this  
12                  subsection, with an emphasis on loans made to  
13                  small business concerns in underserved mar-  
14                  kets.

15                  “(D) PROGRAM LEVELS.—In fiscal year  
16                  2023 and each fiscal year thereafter, not more  
17                  than 10 percent of the number of loans guaran-  
18                  teed under this subsection may be guaranteed  
19                  under the program.

20                  “(E) GRANDFATHERING OF EXISTING  
21                  LENDERS.—Any covered institution that ac-  
22                  tively participated in the Community Advantage  
23                  Pilot Program of the Administration and is in  
24                  good standing, as determined by the Adminis-

1           tration, on the day before the date of enactment  
2           of this paragraph—

3                   “(i) shall retain designation in the  
4                   program;

5                   “(ii) shall not be required to submit  
6                   an application to participate in the pro-  
7                   gram; and

8                   “(iii) for the purpose of determining  
9                   the loan loss reserve amount of the covered  
10                  institution, shall have participation in the  
11                  Community Advantage Pilot Program in-  
12                  cluded in the calculation under subpara-  
13                  graph (J).

14                  “(F) REQUIREMENT TO MAKE LOANS TO  
15                  UNDERSERVED MARKETS.—Not less than 70  
16                  percent of loans made by a covered institution  
17                  under the program shall consist of loans made  
18                  to small business concerns in underserved mar-  
19                  kets.

20                  “(G) MAXIMUM LOAN AMOUNT.—The max-  
21                  imum loan amount for a loan guaranteed under  
22                  the program is \$350,000.

23                  “(H) INTEREST RATES.—The maximum  
24                  allowable interest rate prescribed by the Admin-  
25                  istration on any financing made on a deferred

1 basis pursuant to the program shall not exceed  
2 the maximum allowable interest rate under sec-  
3 tions 120.213 and 120.214 of title 13, Code of  
4 Federal Regulations, or any successor regula-  
5 tions.

6 “(I) REFINANCING OF COMMUNITY ADVAN-  
7 TAGE PROGRAM LOANS.—A loan guaranteed  
8 under the program or guaranteed under the  
9 Community Advantage Pilot Program of the  
10 Administration may be refinanced into another  
11 7(a) loan made by lender that does not partici-  
12 pate in the program.

13 “(J) LOAN LOSS RESERVE REQUIRE-  
14 MENTS.—

15 “(i) LOAN LOSS RESERVE ACCOUNT  
16 FOR COVERED INSTITUTIONS.—A covered  
17 institution—

18 “(I) with not more than 5 years  
19 of participation in the program shall  
20 maintain a loan loss reserve account  
21 with an amount equal to 5 percent of  
22 the outstanding amount of the  
23 unguaranteed portion of the loan  
24 portfolio of the covered institution  
25 under the program; and

1           “(II) with more than 5 years of  
2 participation in the program shall  
3 maintain a loan loss reserve account  
4 with an amount equal to the average  
5 repurchase rate of the covered institu-  
6 tion over the preceding 36-month pe-  
7 riod.

8           “(ii) ADDITIONAL LOAN LOSS RE-  
9 SERVE AMOUNT FOR SELLING LOANS ON  
10 THE SECONDARY MARKET.—In addition to  
11 the amount required in the loan loss re-  
12 serve account under clause (i), a covered  
13 institution that sells a program loan on the  
14 secondary market shall be required to  
15 maintain the following additional amounts  
16 in the loan loss reserve account:

17           “(I) An amount equal to 2 per-  
18 cent of the guaranteed portion of each  
19 program loan sold on the secondary  
20 market for lenders with less than 5  
21 years experience selling program loans  
22 on the secondary market.

23           “(II) An amount equal to the av-  
24 erage repurchase rate for loans sold  
25 by the lender on the secondary market

1 over the preceding 36 months for  
2 lenders with more than 5 years experi-  
3 ence selling program loans on the sec-  
4 ondary market.

5 “(iii) RECALCULATION.—The loan  
6 loss reserve required under clauses (i) and  
7 (ii) shall be recalculated on October 1 of  
8 each year.

9 “(K) TRAINING.—The Administration—  
10 “(i) shall provide accessible upfront  
11 and ongoing training for covered institu-  
12 tions making loans under the program to  
13 support program compliance and improve  
14 the interface between the covered institu-  
15 tions and the Administration, which shall  
16 include—

17 “(I) guidance for following the  
18 regulations of the Administration; and

19 “(II) guidance specific to mis-  
20 sion-oriented lending that is intended  
21 to help lenders effectively reach and  
22 support underserved small business  
23 concerns, including management and  
24 technical assistance delivery;



1           “(ii) shall ensure that the training de-  
2           scribed in clause (i) is provided for free or  
3           at a low cost;

4           “(iii) may enter into a contract to  
5           provide the training described in clause (i)  
6           with an organization with expertise in  
7           lending under this subsection and pri-  
8           marily specializing in mission-oriented  
9           lending, and lending to underserved mar-  
10          kets; and

11          “(iv) shall provide training for the  
12          employees and contractors of the Adminis-  
13          tration that regularly engage with covered  
14          institutions or borrowers in the program.

15          “(L) COMMUNITY ADVANTAGE OUTREACH  
16          AND EDUCATION.—The Administrator—

17               “(i) shall develop and implement a  
18               program to promote to, conduct outreach  
19               to, and educate prospective covered institu-  
20               tions about the program, with a focus on  
21               women- and minority-owned covered insti-  
22               tutions; and

23               “(ii) may enter into a contract with 1  
24               or more nonprofit organizations experi-  
25               enced in working with and training mission

1 driven lenders to provide the outreach and  
2 education described in clause (i).

3 “(M) COMMUNITY ADVANTAGE NETWORK  
4 PARTNER PARTICIPATION.—

5 “(i) IN GENERAL.—A covered institu-  
6 tion that uses a Community Advantage  
7 Network Partner shall abide by policies  
8 and procedures of the Administration con-  
9 cerning the use of Referral Agent fees per-  
10 mitted by the Administration and disclo-  
11 sure of those fees.

12 “(ii) PAYMENT OF FEES.—Notwith-  
13 standing any other provision of law, all  
14 fees described in clause (i) shall be paid by  
15 the covered institution to the Community  
16 Advantage Network Partner upon dis-  
17 bursement of the applicable program loan.

18 “(N) DELEGATED AUTHORITY.—A covered  
19 institution is not eligible to receive delegated  
20 authority from the Administration under the  
21 program until the covered institution has ap-  
22 proved and fully disbursed not less than 10  
23 loans under the program and the Administra-  
24 tion had evaluated the ability of the covered in-  
25 stitution to fulfill program requirements.

1 “(O) REPORTING.—

2 “(i) WEEKLY REPORTS.—

3 “(I) IN GENERAL.—The Admin-  
4 istration shall report on the website of  
5 the Administration, as part of the  
6 weekly reports on lending approvals  
7 under this subsection—

8 “(aa) on and after the date  
9 of enactment of this paragraph,  
10 the number and dollar amount of  
11 loans guaranteed under the Com-  
12 munity Advantage Pilot Program  
13 of the Administration; and

14 “(bb) on and after the date  
15 on which the Administration be-  
16 gins to approve loans under the  
17 program, the number and dollar  
18 amount of loans guaranteed  
19 under the program.

20 “(II) SEPARATE ACCOUNTING.—

21 The number and dollar amount of  
22 loans reported in a weekly report  
23 under subclause (I) for loans guaran-  
24 teed under the Community Advantage  
25 Pilot Program of the Administration

1 and under the program shall include a  
2 breakdown by the categories of race,  
3 ethnicity, and gender of the owners of  
4 the small business concerns, by wheth-  
5 er the small business concern is a new  
6 or existing small business concern,  
7 and by whether the small business  
8 concern is located in an urban or  
9 rural area, and broken down by—

10 “(aa) loans of not more than  
11 \$50,000;

12 “(bb) loans of more than  
13 \$50,000 and not more than  
14 \$150,000;

15 “(cc) loans of more than  
16 \$150,000 and not more than  
17 \$250,000; and

18 “(dd) loans of more than  
19 \$250,000 and not more than  
20 \$350,000.

21 “(ii) ANNUAL REPORTS.—

22 “(I) IN GENERAL.—For each fis-  
23 cal year in which the program is in ef-  
24 fect, the Administration shall submit  
25 to the Committee on Small Business

1 and Entrepreneurship of the Senate  
2 and the Committee on Small Business  
3 of the House of Representatives, and  
4 make publicly available on the inter-  
5 net, information about loans provided  
6 under the program and under the  
7 Community Advantage Pilot Program  
8 of the Administration.

9 “(II) CONTENTS.—Each report  
10 submitted and made publicly available  
11 under subclause (I) shall include—

12 “(aa) the number and dollar  
13 amounts of loans provided to  
14 small business concerns under  
15 the program, including a break-  
16 down by—

17 “(AA) the gender of the  
18 owners of the small business  
19 concern;

20 “(BB) the race and  
21 ethnicity of the owners of  
22 the small business concern,  
23 disaggregated in a manner  
24 that captures all the racial  
25 groups specified in the

1 American Community Sur-  
2vey conducted by the Bu-  
3reau of the Census;

4 “(CC) whether the  
5small business concern is lo-  
6cated in an urban or rural  
7area; and

8 “(DD) whether the  
9small business concern is an  
10existing business or a new  
11business, as provided in the  
12weekly reports on lending  
13approvals under this sub-  
14section;

15 “(bb) the proportion of loans  
16described in item (aa) compared  
17to—

18 “(AA) other 7(a) loans  
19of any amount;

20 “(BB) other 7(a) loans  
21of similar amounts;

22 “(CC) express loans  
23provided under paragraph  
24(31) of similar amounts; and

1                   “(DD) other 7(a) loans  
2                   of similar amounts provided  
3                   to small business concerns  
4                   in underserved markets;

5                   “(cc) a comparison of the  
6                   number and dollar amounts of  
7                   loans provided to small business  
8                   concerns under the program and  
9                   under each category of loans de-  
10                  scribed in item (aa), broken down  
11                  by—

12                   “(AA) loans of not  
13                   more than \$50,000;

14                   “(BB) loans of more  
15                   than \$50,000 and not more  
16                   than \$150,000;

17                   “(CC) loans of more  
18                   than \$150,000 and not more  
19                   than \$250,000; and

20                   “(DD) loans of more  
21                   than \$250,000 and not more  
22                   than \$350,000;

23                   “(dd) the number and dollar  
24                   amounts of loans provided to  
25                   small business concerns under

1 the program by State, and the  
2 jobs created or retained within  
3 each State;

4 “(ee) a list of covered insti-  
5 tutions participating in the pro-  
6 gram and the Community Advan-  
7 tage Pilot Program of the Ad-  
8 ministration, including—

9 “(AA) the name, loca-  
10 tion, and contact informa-  
11 tion, such as the website and  
12 telephone number, of each  
13 covered institution; and

14 “(BB) a breakdown by  
15 the number and dollar  
16 amount of the loans ap-  
17 proved for small business  
18 concerns; and

19 “(ff) the benchmarks estab-  
20 lished by the Community Advan-  
21 tage Working Group under sub-  
22 paragraph (O)(i).

23 “(III) TIMING.—An annual re-  
24 port required under this clause  
25 shall—



1                   “(aa) be submitted and  
2                   made publicly available not later  
3                   than December 1 of each year;  
4                   and

5                   “(bb) cover the lending ac-  
6                   tivity for the fiscal year that  
7                   ended on September 30 of that  
8                   same year.

9                   “(P) GAO REPORT.—Not later than 5  
10                  years after the date of enactment of this para-  
11                  graph, the Comptroller General of the United  
12                  States shall submit to the Administrator, the  
13                  Committee on Small Business and Entrepre-  
14                  neurship of the Senate, and the Committee on  
15                  Small Business of the House of Representatives  
16                  a report—

17                         “(i) assessing—

18                                 “(I) the extent to which the pro-  
19                                 gram fulfills the requirements of this  
20                                 paragraph; and

21                                 “(II) the performance of covered  
22                                 institutions participating in the pro-  
23                                 gram; and

24                                 “(ii) providing recommendations on  
25                                 the administration of the program and the

1 findings under subclauses (I) and (II) of  
2 clause (i).

3 “(Q) COMMUNITY ADVANTAGE WORKING  
4 GROUP.—

5 “(i) IN GENERAL.—Not later than 90  
6 days after the date of enactment of this  
7 paragraph, the Administrator shall estab-  
8 lish a Community Advantage Working  
9 Group, which shall—

10 “(I) include—

11 “(aa) a geographically di-  
12 verse representation of members  
13 from among covered institutions  
14 participating in the program; and

15 “(bb) representatives from  
16 the Office of Capital Access of  
17 the Administration, including the  
18 Office of Credit Risk Manage-  
19 ment, the Office of Financial As-  
20 sistance, and the Office of Eco-  
21 nomic Opportunity;

22 “(II) develop recommendations  
23 on how the Administration can effec-  
24 tively manage, support, and promote

1 the program and the mission of the  
2 program;

3 “(III) establish metrics of suc-  
4 cess and benchmarks that reflect the  
5 mission and population served by cov-  
6 ered institutions under the program,  
7 which the Administration shall use to  
8 evaluate the performance of those cov-  
9 ered institutions;

10 “(IV) establish criteria assessing  
11 the business support services and  
12 technical assistance needs of bor-  
13 rowers and methods to assess lender  
14 expertise to provide necessary services  
15 and assistance; and

16 “(V) institute regular and sus-  
17 tainable systems of communication be-  
18 tween the Administration and covered  
19 institutions participating in the pro-  
20 gram.

21 “(ii) REPORT.—Not later than 1 year  
22 after the date of enactment of this para-  
23 graph, the Administrator shall submit to  
24 the Committee on Small Business and En-  
25 trepreneurship of the Senate and the Com-

1           mittee on Small Business of the House of  
2           Representatives a report that includes—

3                   “(I) the recommendations of the  
4                   Community Advantage Working  
5                   Group established under clause (i);  
6                   and

7                   “(II) a recommended plan and  
8                   timeline for implementation of those  
9                   recommendations.

10           “(R) REGULATIONS.—

11                   “(i) IN GENERAL.—Not later than  
12                   180 days after the date of enactment of  
13                   this paragraph, the Administrator shall  
14                   promulgate regulations governing the pro-  
15                   gram, including metrics for lender per-  
16                   formance, metrics of success and bench-  
17                   marks of the program, and criteria for ap-  
18                   propriate management and technical as-  
19                   sistance.

20                   “(ii) UPDATES.—The Administrator  
21                   shall consult the report issued under sub-  
22                   paragraph (P)(ii) and, not later than 180  
23                   days after submission of the report, pro-  
24                   mulgate any necessary changes to existing  
25                   regulations of the Administration based on

1 the recommendations contained in the re-  
2 port.

3 “(S) AUTHORIZATION OF APPROPRIA-  
4 TIONS.—There is authorized to be appropriated  
5 such sums as may be necessary to conduct out-  
6 reach and education described in subparagraph  
7 (L).”.

8 (b) PARTICIPATION.—Section 7(a)(2) of the Small  
9 Business Act (15 U.S.C. 636(a)(2)) is amended—

10 (1) in subparagraph (A), in the matter pre-  
11 ceding clause (i), by striking “and (F)” and insert-  
12 ing “(F), and (G)”; and

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

14 “(G) PARTICIPATION IN THE COMMUNITY  
15 ADVANTAGE LOAN PROGRAM.—In an agreement  
16 to participate in a loan on a deferred basis  
17 under paragraph (38), the participation by the  
18 Administration shall be—

19 “(i) 80 percent of the balance of the  
20 financing outstanding at the time of the  
21 disbursement of the loan, if that balance is  
22 more than \$150,000 and not more than  
23 \$350,000; or

24 “(ii) 90 percent of the balance of the  
25 financing outstanding at the time of the

1 disbursement of the loan, if that balance is  
2 not more than \$150,000.”.

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