

112TH CONGRESS  
1ST SESSION

# S. RES. 348

Expressing the sense of the Senate that the Secretary of the Treasury should take actions to increase the transparency and accountability of the Small Business Lending Fund Program.

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IN THE SENATE OF THE UNITED STATES

DECEMBER 15, 2011

Ms. SNOWE submitted the following resolution; which was referred to the  
Committee on Small Business and Entrepreneurship

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## RESOLUTION

Expressing the sense of the Senate that the Secretary of the Treasury should take actions to increase the transparency and accountability of the Small Business Lending Fund Program.

Whereas the Government Accountability Office published a report in December 2011 entitled “Small Business Lending Fund: Additional Actions Needed to Improve Transparency and Accountability” (GAO–12–183) (referred to in this preamble as the “GAO Report”);

Whereas the GAO Report highlighted that “Federal government internal control standards state that management should ensure that the agency has adequate means of communicating with and obtaining information from ex-

ternal stakeholders when such information could have a significant impact on the agency's achieving its goals.”;

Whereas the GAO Report found that the Secretary of the Treasury's “lack of clarity in explaining program requirements and decisions created confusion among applicants”;

Whereas the GAO Report expressed the following: “Internal control standards for the federal government state that internal control activities are a major part of efficiently and effectively managing a program. Control activities, such as (1) proper execution of transactions and events, (2) accurate and timely recording of transactions and events, (3) and establishing and reviewing performance measures, are an integral part of an agency's planning, implementing, reviewing, and accountability for stewardship of government resources and achieving effective results. Establishing performance measures and developing a process for monitoring participating financial institutions will be critical to identifying and addressing any potential problems in these institutions' compliance with program requirements. Until Treasury finalizes its plans for monitoring compliance and assessing impact in a timely manner, it will not be positioned to anticipate and manage payment problems and other program risks.”;

Whereas the GAO Report concluded that the Secretary of the Treasury has not finalized plans for assessing the impact of the Small Business Lending Fund Program on small business lending or procedures for monitoring recipients for compliance with requirements of the Small Business Lending Fund Program; and

Whereas the GAO Report concluded that, until the Secretary of the Treasury finalizes plans for monitoring compliance

with and assessing the impact of the Small Business Lending Fund Program in a timely manner, the Secretary will not be positioned to anticipate and manage payment problems and other program risks: Now, therefore, be it

1       *Resolved*, That it is the sense of the Senate that, as  
2 recommended by the Comptroller General of the United  
3 States in the December 2011 report entitled “Small Busi-  
4 ness Lending Fund: Additional Actions Needed to Im-  
5 prove Transparency and Accountability” (GAO-12-  
6 183)—

7           (1) to promote transparency and improve com-  
8 munication with participants in the Small Business  
9 Lending Fund Program and other interested stake-  
10 holders, such as Congress and the appropriate Fed-  
11 eral banking agencies (as defined in section 3(q) of  
12 the Federal Deposit Insurance Act (12 U.S.C.  
13 1813(q)), the Secretary of the Treasury should  
14 apply lessons learned from the application review  
15 phase of the Small Business Lending Fund Program  
16 to help improve the communication strategy of the  
17 Secretary; and

18           (2) to enhance the transparency and account-  
19 ability of the Small Business Lending Fund Pro-  
20 gram, the Secretary of the Treasury should final-  
21 ize—

- 1           (A) procedures for monitoring participants  
2           in the Small Business Lending Fund Program,  
3           including procedures to ensure that the Sec-  
4           retary is receiving accurate information on  
5           small business lending by such participants; and
- 6           (B) plans for assessing the performance of  
7           the Small Business Lending Fund Program, in-  
8           cluding measures that can isolate the impact of  
9           Small Business Lending Fund Program from  
10          other factors that affect small business lending.

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