

107TH CONGRESS
2^D SESSION

S. 3172

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 19, 2002

Referred to the Committee on the Budget, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

AN ACT

To improve the calculation of the Federal subsidy rate with respect to certain small business loans, 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,*

1 **SECTION 1. SUBSIDY RATE FOR SMALL BUSINESS LOANS.**

2 Notwithstanding section 502(5)(F) of the Federal
3 Credit Reform Act of 1990 and section 254(j) of the Bal-
4 anced Budget and Emergency Deficit Control Act of 1985,
5 the Director of the Office of Management and Budget, in
6 calculating the Federal cost for guaranteeing loans during
7 fiscal year 2003 under section 7(a) of the Small Business
8 Act (15 U.S.C. 636(a)) may use the most recently ap-
9 proved subsidy cost model and methodology in conjunction
10 with the program and economic assumptions, and histor-
11 ical data which were included in the fiscal year 2003 budg-
12 et. After written notification to Congress, the Small Busi-
13 ness Administration shall implement the validated, OMB-
14 approved subsidy rate for fiscal year 2003, using this
15 model and methodology. Such rate shall be deemed to have
16 been effective on October 1, 2002.

17 **SEC. 2. USE OF EMERGENCY FUNDS FOR SMALL BUSINESS**
18 **LOANS.**

19 Chapter 2 of division B of the Department of Defense
20 and Emergency Supplemental Appropriations for Recov-
21 ery from and Response to Terrorist Attacks on the United
22 States Act, 2002 is amended by striking “For emergency
23 expenses” after “BUSINESS LOANS PROGRAM ACCOUNT”
24 and inserting the following: “For loan guarantee subsidies

1 under section 7(a) of the Small Business Act (15 U.S.C.
2 636(a)) or for emergency expenses”.

Passed the Senate November 15, 2002.

Attest:

JERI THOMSON,

Secretary.