

Union Calendar No. 22

119TH CONGRESS
1ST SESSION

H. R. 1804

[Report No. 119-33]

To amend the Small Business Act to require a report on 7(a) agents, and
for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 3, 2025

Mr. MEUSER (for himself and Mrs. MCIVER) introduced the following bill;
which was referred to the Committee on Small Business

MARCH 24, 2025

Committed to the Committee of the Whole House on the State of the Union
and ordered to be printed

A BILL

To amend the Small Business Act to require a report on
7(a) agents, 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 “7(a) Loan Agent Over-
5 sight Act”.

6 **SEC. 2. REPORT ON 7(a) AGENTS.**

7 Section 47 of the Small Business Act (15 U.S.C.
8 657t) is amended by adding at the end the following new
9 subsection:

10 “(j) ANNUAL REPORT.—

11 “(1) IN GENERAL.—The Director shall submit
12 to Congress, in addition to the report required under
13 subsection (h)(2), an annual report including, for
14 the calendar year covered by the report—

15 “(A) the number of 7(a) agents assisting
16 applicants for loans under section 7(a),
17 disaggregated by the type of 7(a) agents con-
18 sistent with information reported on the Fee
19 Disclosure and Compensation Agreement, or
20 any subsequent agreement forms that collect
21 such information;

22 “(B) the number of fraudulent loans made
23 for which an applicant used services of a 7(a)
24 agent;

1 “(C) the purchase rate by the Adminis-
2 trator of loans for which an applicant used
3 services of a 7(a) agent;

4 “(D) the number and aggregate dollar
5 value of referral fees paid to 7(a) agents,
6 disaggregated by whether the applicant or 7(a)
7 lender paid such fees;

8 “(E) without identifying individual 7(a)
9 agents by name, a consolidated analysis of the
10 risk created by the individual 7(a) agents re-
11 sponsible for not less than 1 percent of—

12 “(i) the dollar value of loans made
13 with the assistance of 7(a) agents; and

14 “(ii) the number of loans made with
15 the assistance of 7(a) agents;

16 “(F) an analysis of interest rates on loans
17 for which an applicant or 7(a) lender used serv-
18 ices of an agent; and

19 “(G) a description of how the Adminis-
20 trator communicates with 7(a) agents.

21 “(2) DEFINITIONS.—In this subsection:

22 “(A) 7(A) AGENT.—The term ‘7(a) agent’
23 means a person who provides covered services
24 on behalf of a lender or applicant.

1 “(B) COVERED SERVICES.—The term ‘cov-
2 ered services’ means—

3 “(i) assistance with completing an ap-
4 plication for a loan under section 7(a) (in-
5 cluding preparing a business plan, cash
6 flow projections, financial statements, and
7 related documents); or

8 “(ii) consulting, broker, or referral
9 services with respect to a loan under sec-
10 tion 7(a).”.

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