

the Department of Commerce. There are authorized to be appropriated to the Secretary \$1,500,000 for each fiscal year 1981, 1982, and 1983, to carry out the program established in section 649b of this title.

(Pub. L. 96-481, title III, §303, Oct. 21, 1980, 94 Stat. 2332.)

CODIFICATION

Section was not enacted as part of the Small Business Act which comprises this chapter.

§ 649d. Central information clearinghouse

The Secretary through the International Trade Administration, shall, only to such extent and in such amounts as are provided in appropriation Acts on and after October 1, 1980, maintain a central clearinghouse to provide for the collection, dissemination, and exchange of information between programs established pursuant to sections 649a and 649b of this title, the Office of International Trade of the Small Business Administration, and other interested concerns.

(Pub. L. 96-481, title III, §304, Oct. 21, 1980, 94 Stat. 2333.)

CODIFICATION

Section was not enacted as part of the Small Business Act which comprises this chapter.

§ 650. Supervisory and enforcement authority for small business lending companies

(a) In general

The Administrator is authorized—

(1) to supervise the safety and soundness of small business lending companies and non-Federally regulated lenders;

(2) with respect to small business lending companies to set capital standards to regulate, to examine, and to enforce laws governing such companies, in accordance with the purposes of this chapter; and

(3) with respect to non-Federally regulated lenders to regulate, to examine, and to enforce laws governing the lending activities of such lenders under section 636(a) of this title in accordance with the purposes of this chapter.

(b) Capital directive

(1) In general

If the Administrator determines that a small business lending company is being operated in an imprudent manner, the Administrator may, in addition to any other action authorized by law, issue a directive to such company to increase capital to such level as the Administrator determines will result in the safe and sound operation of such company.

(2) Delegation

The Administrator may not delegate the authority granted under paragraph (1) except to an Associate Deputy Administrator.

(3) Regulations

The Administrator shall issue regulations outlining the conditions under which the Administrator may determine the level of capital pursuant to paragraph (1).

(c) Civil action

If a small business lending company violates this chapter, the Administrator may institute a

civil action in an appropriate district court to terminate the rights, privileges, and franchises of the company under this chapter.

(d) Revocation or suspension of loan authority

(1) The Administrator may revoke or suspend the authority of a small business lending company or a non-Federally regulated lender to make, service or liquidate business loans authorized by section 636(a) of this title—

(A) for false statements knowingly made in any written submission required under this chapter;

(B) for omission of a material fact from any written submission required under this chapter;

(C) for willful or repeated violation of this chapter;

(D) for willful or repeated violation of any condition imposed by the Administrator with respect to any application, request, or agreement under this chapter; or

(E) for violation of any cease and desist order of the Administrator under this section.

(2) The Administrator may revoke or suspend authority under paragraph (1) only after a hearing under subsection (f) of this section. The Administrator may delegate power to revoke or suspend authority under paragraph (1) only to the Deputy Administrator and only if the Administrator is unavailable to take such action.

(A) The Administrator, after finding extraordinary circumstances and in order to protect the financial or legal position of the United States, may issue a suspension order without conducting a hearing pursuant to subsection (f) of this section. If the Administrator issues a suspension under the preceding sentence, the Administrator shall within two business days follow the procedures set forth in subsection (f) of this section.

(B) Any suspension under paragraph (1) shall remain in effect until the Administrator makes a decision pursuant to subparagraph (4) to permanently revoke the authority of the small business lending company or non-Federally regulated lender, suspend the authority for a time certain, or terminate the suspension.

(3) The small business lending company or non-Federally regulated lender must notify borrowers of a revocation and that a new entity has been appointed to service their loans. The Administrator or an employee of the Administration designated by the Administrator may provide such notice to the borrower.

(4) Any revocation or suspension under paragraph (1) shall be made by the Administrator except that the Administrator shall delegate to an administrative law judge as that term is used in section 3105 of title 5 the authority to conduct any hearing required under subsection (f) of this section. The Administrator shall base the decision to revoke on the record of the hearing.

(e) Cease and desist order

(1) Where a small business lending company, a non-Federally regulated lender, or other person violates this chapter or is engaging or is about to engage in any acts or practices which constitute or will constitute a violation of this