

gram, there is a change in law that modifies the terms of the investment or program in a materially adverse respect for the eligible institution, the eligible institution may, after consultation with the appropriate Federal banking agency for the eligible institution, repay the investment without impediment.

“SEC. 4112. STUDY AND REPORT WITH RESPECT TO WOMEN-OWNED, VETERAN-OWNED, AND MINORITY-OWNED BUSINESSES.

“(a) STUDY.—The Secretary shall conduct a study of the impact of the Program on women-owned businesses, veteran-owned businesses, and minority-owned businesses.

“(b) REPORT.—Not later than one year after the date of enactment of this Act [Sept. 27, 2010], the Secretary shall submit to Congress a report on the results of the study conducted pursuant to subsection (a). To the extent possible, the Secretary shall disaggregate the results of such study by ethnic group and gender.

“(c) INFORMATION PROVIDED TO THE SECRETARY.—Eligible institutions that participate in the Program shall provide the Secretary with such information as the Secretary may require to carry out the study required by this section.

“SEC. 4113. SENSE OF CONGRESS.

“It is the sense of Congress that the Federal Deposit Insurance Corporation and other bank regulators are sending mixed messages to banks regarding regulatory capital requirements and lending standards, which is a contributing cause of decreased small business lending and increased regulatory uncertainty at community banks.”

§ 4742. Definitions

For purposes of this subchapter—

(1) the term “Fund” means the Community Development Financial Institutions Fund established under section 4703 of this title;

(2) the term “appropriate Federal banking agency”—

(A) has the same meaning as in section 1813 of this title; and

(B) includes the National Credit Union Administration Board in the case of any credit union the deposits of which are insured in accordance with the Federal Credit Union Act [12 U.S.C. 1751 et seq.];

(3) the term “early loan” means a loan enrolled at a time when the aggregate covered amount of loans previously enrolled under the Program by a particular participating financial institution is less than \$5,000,000;

(4) the term “enrolled loan” means a loan made by a participating financial institution that is enrolled by a participating State in accordance with this subchapter;

(5) the term “financial institution” means any federally chartered or State-chartered commercial bank, savings association, savings bank, or credit union;

(6) the term “participating financial institution” means any financial institution that has entered into a participation agreement with a participating State in accordance with section 4744 of this title;

(7) the term “participating State” means any State that has been approved for participation in the Program in accordance with section 4743 of this title;

(8) the term “passive real estate ownership” means ownership of real estate for the purpose of deriving income from speculation, trade, or rental, except that such term shall not include—

(A) the ownership of that portion of real estate being used or intended to be used for the operation of the business of the owner of the real estate (other than the business of passive ownership of real estate); or

(B) the ownership of real estate for the purpose of construction or renovation, until the completion of the construction or renovation phase;

(9) the term “Program” means the Small Business Capital Enhancement Program established under this subchapter;

(10) the term “reserve fund” means a fund, established by a participating State, earmarked for a particular participating financial institution, for the purposes of—

(A) depositing all required premium charges paid by the participating financial institution and by each borrower receiving a loan under the Program from a participating financial institution;

(B) depositing contributions made by the participating State; and

(C) covering losses on enrolled loans by disbursing accumulated funds; and

(11) the term “State” means—

(A) a State of the United States;

(B) the District of Columbia;

(C) any political subdivision of a State of the United States, which subdivision has a population in excess of the population of the least populated State of the United States; and

(D) any other political subdivision of a State of the United States that the Fund determines has the capacity to participate in the program.¹

(Pub. L. 103-325, title II, §252, Sept. 23, 1994, 108 Stat. 2204.)

REFERENCES IN TEXT

The Federal Credit Union Act, referred to in par. (2)(B), is act June 26, 1934, ch. 750, 48 Stat. 1216, as amended, which is classified generally to chapter 14 (§1751 et seq.) of this title. For complete classification of this Act to the Code, see section 1751 of this title and Tables.

§ 4743. Approving States for participation

(a) Application

Any State may apply to the Fund for approval to be a participating State under the Program and to be eligible for reimbursement by the Fund pursuant to section 4747 of this title.

(b) Approval criteria

The Fund shall approve a State to be a participating State, if—

(1) a specific department or agency of the State has been designated to implement the Program;

(2) all legal actions necessary to enable such designated department or agency to implement the Program have been accomplished;

(3) funds in the amount of at least \$1 for every 2 people residing in the State (as of the last decennial census for which data have been released) are available and have been legally

¹ So in original. Probably should be capitalized.