

**AMENDMENT TO**  
**RULES COMMITTEE PRINT 118-36**  
**OFFERED BY MR. MEUSER OF PENNSYLVANIA**

At the end of subtitle F of title VIII, insert the following new section:

1 **SEC. 8 \_\_\_\_ . SBIC MAXIMUM LEVERAGE EXCLUSION.**

2 (a) DEFINITIONS.—Section 103(9) of the Small  
3 Business Investment Act of 1958 (15 U.S.C. 662(9)) is  
4 amended—

5 (1) in subparagraph (A)(ii), by striking “and”  
6 at the end;

7 (2) in subparagraph (B)(iii)—

8 (A) in subclause (I), by striking “estab-  
9 lished prior to October 1, 1987”;

10 (B) in subclause (II)—

11 (i) by striking “or” and inserting “,”;

12 and

13 (ii) by inserting “, or a foundation,  
14 endowment, or trust of a college or univer-  
15 sity” after “pension plan”; and

16 (C) in subclause (III), by striking the  
17 semicolon at the end and inserting “; and”; and

1           (3) by adding at the end the following new sub-  
2 paragraph:

3           “(C) does not include any funds obtained  
4 directly or indirectly from any Federal, State or  
5 local government or any government agency or  
6 instrumentality, except for funds described in  
7 subclauses (I) through (III) of subparagraph  
8 (B)(iii), for the purpose of approval by the Ad-  
9 ministrator of any request for leverage.”.

10       (b) IN GENERAL.—Section 303(b)(2) of the Small  
11 Business Investment Act of 1958 (15 U.S.C. 683(b)(2))  
12 is amended—

13           (1) in subparagraph (A)(i), by striking “300”  
14 and inserting “200”;

15           (2) in subparagraph (C)—

16           (A) in the heading—

17           (i) by inserting “OR RURAL” after  
18 “LOW-INCOME”; and

19           (ii) by inserting “OR CRITICAL TECH-  
20 NOLOGY AREAS” after “GEOGRAPHIC  
21 AREAS”;

22           (B) in clause (i)—

23           (i) by striking “(i) In calculating” and  
24 inserting the following:

1 “(i) IN GENERAL.—Except as pro-  
2 vided in clause (iii), in calculating”;

3 (ii) by inserting “or companies” after  
4 “of a company”;

5 (iii) by striking “subparagraph (A)”  
6 and inserting “subparagraphs (A) and  
7 (B)”;

8 (iv) by striking “equity”;

9 (v) by striking “the company in a  
10 smaller enterprise” and all that follows  
11 and inserting the following: “the company  
12 or companies in—

13 “(I) a smaller enterprise located  
14 in a low-income geographic area (as  
15 defined in section 689 of this title) or  
16 in a rural area; or”;

17 (vi) by adding at the end the following  
18 new subclause:

19 “(II) a small business concern in  
20 an area of critical technology (as de-  
21 fined in section 4801 of title 10,  
22 United States Code) vital to maintain-  
23 ing the national security of the United  
24 States.”;

1 (C) by amending clause (ii) to read as fol-  
2 lows:

3 “(ii) LIMITATION.—While maintaining  
4 the limitation of subparagraph (A)(i) and  
5 consistent with a leverage determination  
6 ratio issued pursuant to section 301(c), the  
7 aggregate amount excluded for a company  
8 or companies under clause (i) from the cal-  
9 culation of the outstanding leverage of  
10 such company or companies for the pur-  
11 poses of subparagraphs (A) and (B) may  
12 not exceed the lesser of 50 percent of the  
13 private capital of such company or compa-  
14 nies or \$125,000,000.”; and

15 (D) by amending clause (iii) to read as fol-  
16 lows:

17 “(iii) PROSPECTIVE APPLICABILITY.—  
18 An investment by a licensee is eligible for  
19 exclusion from the calculation of out-  
20 standing leverage under clause (i) only if  
21 such investment is made by such licensee  
22 after the date of enactment of the Service-  
23 member Quality of Life Improvement and  
24 National Defense Authorization Act for  
25 Fiscal Year 2025.”; and

1           (3) by adding at the end the following new sub-  
2 paragraphs:

3           “(E) ANNUAL ADJUSTMENT.—The Admin-  
4 istrator shall adjust the dollar amounts de-  
5 scribed in subparagraphs (A) and (B)—

6           “(i) on the date of the enactment of  
7 this subparagraph, by a percentage equal  
8 to the percentage (if any) by which the  
9 Consumer Price Index (all items; United  
10 States city average), as published by the  
11 Bureau of Labor Statistics, increased dur-  
12 ing the period—

13           “(I) beginning on December 18,  
14 2015, and ending on the date of the  
15 enactment of this subparagraph, for  
16 subparagraph (B); and

17           “(II) beginning on June 21,  
18 2018, and ending on the date of the  
19 enactment of this subparagraph, for  
20 subparagraph (A); and

21           “(ii) on the date that is one year after  
22 the date of the enactment of this subpara-  
23 graph, and annually thereafter, by a per-  
24 centage equal to the percentage (if any) by  
25 which the Consumer Price Index (all items;

1 United States city average), as published  
2 by the Bureau of Labor Statistics, in-  
3 creased during the one-year period pre-  
4 ceding the date of the adjustment under  
5 this clause.”.

6 (c) REPORT.—Not later than June 30 of the first  
7 year beginning after the date of the enactment of this sec-  
8 tion, and annually thereafter, the Administrator of the  
9 Small Business Administration shall submit to the Com-  
10 mittee on Small Business and Entrepreneurship of the  
11 Senate and the Committee on Small Business of the  
12 House of Representatives a report on the results of the  
13 exclusion under subparagraph (C) of section 303(b)(2) of  
14 the Small Business Investment Act of 1958 (15 U.S.C.  
15 683(b)(2)), as amended by subsection (a), including the  
16 economic activity generated and jobs directly and indi-  
17 rectly created by the exclusion.

