



News Release

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SBA Releases Modernized Lender SOP

Sixty percent shorter, new document updates and consolidates policies and procedures, is searchable

WASHINGTON – As part of its reform agenda to become easier for lenders to work with, the U.S. Small Business Administration today released its modernized Standard Operating Procedure for lender and development company loan programs.

The revised document, SOP 50 10, has been cut in length from 1,000 pages to 400 and is more logically organized. The SOP is directed to SBA's Lenders and Certified Development Companies and is streamlined and more user-friendly.

In addition, the SOP has been updated to be an electronic document using Internet hyperlinks to take the user to the most recent editions of relevant regulations and forms. SOP 50 10 will be available in PDF format at the SBA website and will be more easily updated. A version of the SOP with enhanced search capabilities will be released as soon as possible. Additional technical improvements are in process such as an improved search engine.

"Re-writing an SOP doesn't sound glamorous, but it is one of the most important tasks we have undertaken to improve our relationship with lenders and enhance delivery of our loan products," SBA Administrator Steve Preston said. "The previous SOP was long, complicated, and out dated, and lenders cited it as a major impediment to working with SBA. We hope the new document will make it easier for lenders to understand our programs and use our product."

The modernized SOP reflects significant input by program participants including lenders, certified development companies, and SBA employees. SBA actively sought public input on the rewrite and established an electronic mailbox so that all interested parties could submit comments and suggestions. Hundreds of emails were received. SBA also consulted with the National Association of Government Guaranteed Lenders and the National Association of Development Companies in developing the revised SOP. SBA considered the many comments and suggestions received when developing the final product.

Although there were substantial structural changes made to the SOP, SBA made only limited policy changes or clarifications in the document. SBA will work with lenders and their representatives to incorporate further policy improvements in future iterations of SOP 50 10.

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The new SOP is divided in three sections: Lender and Certified Development Company Participation criteria, 7(a) Business Loan Program and 504 Certified Development Company Loan Program.

For more information about all of the SBA's programs for small businesses, call the SBA Answer Desk at 1-800 U ASK SBA or TDD 704-344-6640, or visit the SBA's Web site at <http://www.sba.gov>.

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