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## SBA Plans to Increase Number of Non-Depository Institutions Eligible to Lend in the 7(a) Loan Program; FinTechs to be Included

By: [Michael Flynn](#)

Recent pronouncements by Vice President Harris and by an SBA public affairs specialist indicate that SBA will soon publish a Notice of Proposed Rulemaking (NPRM) that will propose an expansion of the number of non-depository institutions that can participate as lenders in the SBA 7(a) loan program, and that FinTechs will be among the types of institutions included in the expanded eligibility.

The number of non-bank, non-credit union institutions that can participate as 7(a) lenders has been limited for four decades to a total of 14 institutions. At a forum this month, Vice President Harris stated there were plans to open 7(a) participation to FinTechs and other non-depository institutions, with an intent to create more small dollar 7(a) lending, which it is presumed would especially benefit entrepreneurs from disadvantaged communities.

Subsequently, the SBA public affairs specialist stated in an email that SBA will publish its NPRM soon. The proposal would expand the number of non-depository institutions that would be allowed to participate as 7(a) lenders.

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