



# SBA Information Notice

---

**TO:** All SBA Employees and CA Pilot Lenders

**CONTROL NO.:** 5000-850230

**SUBJECT:** Sunset of the Community Advantage Pilot Program

**EFFECTIVE:** October 11, 2023

---

The purpose of this notice is to announce the publication of the Federal Register Notice (FRN) on the sunset of the Community Advantage (CA) Pilot Program; Community Advantage Pilot Program in the Federal Register on October 5, 2023, at FRN [2023-22185](#).

The publication of the FRN on the Sunsetting of the CA Pilot Program is to provide a third and final public notice of the CA Pilot Program's termination on October 31, 2023. As described below, SBA has previously announced on two separate occasions that the CA Pilot Program will sunset on September 30, 2023. Although the previous notices announced the termination of the CA Pilot Program on September 30, 2023, the termination date has been extended and will now be October 31, 2023.

After evaluating the impact of the CA Pilot Program, on April 12, 2023, SBA published the Final Rule on Small Business Lending Company (SBLC) Moratorium Rescission and Removal of the Requirement for a Loan Authorization (SBLC Rule), [88 FR 21890](#). In the SBLC Rule, SBA lifted the moratorium on licensing new SBLCs and created a new type of SBLC called a Community Advantage Small Business Lending Company (CA SBLC). The SBLC Rule also provided for the grandfathering of current CA Pilot Lenders to be licensed as CA SBLCs with permanent 7(a) lending authority. This means when SBA authorizes a CA SBLC license for a CA Pilot Lender, the CA Pilot Lender will no longer be making 7(a) loans in a temporary pilot program but will instead be making regular 7(a) loans under a CA SBLC license in the 7(a) program.

On May 1, 2023, SBA published Information Notice [5000-846918](#), Community Advantage Small Business Lending Company Conversion, to announce that effective May 12, 2023, SBA's Office of Credit Risk Management (OCRM) initiated a program to enable current CA Pilot Lenders to become CA SBLCs. This notice also communicated to Lenders that SBA intended to sunset the CA Pilot Program.

---

**PAGE 1 of 2**

**EXPIRES: 10/1/24**

SBA Form 1353.3 (4-93) MS Word Edition; previous editions obsolete

Must be accompanied by SBA Form 58

SBA issued a notice and request for comments on May 22, 2023, [88 FR 32623](#), SBLC Application Process, to announce that SBA's Office of Capital Access (OCA) opened the application period for new SBLC licenses from June 1, 2023, to July 31, 2023, and shared the process by which interested entities may apply. SBA also announced in this notice that the CA Pilot Program will sunset.

## Questions

Questions concerning this Notice may be directed to the Lender Relations Specialist in the [local SBA Field Office](#).

Kathryn Frost  
Associate Administrator (Acting)  
Office of Capital Access