

116TH CONGRESS
2D SESSION

S. 3554

To provide assistance to small businesses impacted by COVID–19, and for
other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 20, 2020

Mr. CARDIN (for himself, Ms. CANTWELL, Mrs. SHAHEEN, Mr. MARKEY, Mr.
BOOKER, Mr. COONS, Ms. HIRONO, Ms. DUCKWORTH, and Ms. ROSEN)
introduced the following bill; which was read twice and referred to the
Committee on Small Business and Entrepreneurship

A BILL

To provide assistance to small businesses impacted by
COVID–19, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “COVID–19 Recovery
5 by Enhancing Loan, Investment, and Education Funds
6 for Small Businesses Act of 2020” or the “COVID–19
7 RELIEF for Small Businesses Act of 2020”.

8 **SEC. 2. FINDINGS.**

9 Congress finds that—

1 (1) the 30,700,000 small businesses in the
2 United States employ more than 47 percent of the
3 private workforce;

4 (2) small business supply chain firms account
5 for almost 1,000,000 small businesses and about
6 10,000,000 jobs, playing a key role in the United
7 States supply chain by providing goods and services
8 to large corporations and Federal, State, and local
9 government agencies;

10 (3) the economic disruptions related to
11 COVID–19 in the United States are unlike any that
12 we have seen in the past couple of decades;

13 (4) as a result of the global pandemic caused by
14 COVID–19, many small businesses in the United
15 States have suffered because—

16 (A) their supply chains have been dis-
17 rupted;

18 (B) their establishments are experiencing
19 decreased foot traffic and sales; and

20 (C) their employees who have contracted
21 the virus will need paid time off to avoid infect-
22 ing others;

23 (5) small business owners affected by COVID–
24 19 are finding it difficult or impossible to—

25 (A) make loan payments on existing debts;

1 (B) pay their employees;

2 (C) pay their vendors;

3 (D) purchase materials, supplies, or inven-
4 tory;

5 (E) pay their rent, mortgage, or other op-
6 erating expenses; or

7 (F) secure financing for their business;

8 (6) a significant number of small businesses will
9 not qualify for loans under the existing disaster loan
10 program of the Administration;

11 (7) the absence of resources for vulnerable
12 small businesses that cannot access programs of the
13 Administration will undoubtedly leave many of them
14 to fail; and

15 (8) a new source of Federal support is nec-
16 essary to help businesses that have no other place to
17 turn.

18 **SEC. 3. PURPOSE.**

19 The purpose of this Act is to mitigate economic injury
20 to small business concerns and stabilize the United States
21 economy by strengthening the loan, investment, procure-
22 ment assistance, and management education programs of
23 the Administration and by establishing a new grant pro-
24 gram at the Administration for the small business con-
25 cerns hardest hit by COVID–19.

1 **SEC. 4. DEFINITIONS.**

2 In this Act—

3 (1) the term “Administration” and “Adminis-
4 trator” mean the Small Business Administration
5 and the Administrator thereof; and

6 (2) the term “small business concern” has the
7 meaning given the term in section 3 of the Small
8 Business Act (15 U.S.C. 632).

9 **SEC. 5. ECONOMIC INJURY GRANTS FOR SMALL BUSINESS**
10 **CONCERNS.**

11 (a) PURPOSE.—The purpose of this section is to—

12 (1) make grants available to small business con-
13 cerns affected by COVID–19 that lack access to
14 credit through the existing disaster loan program of
15 the Administration; and

16 (2) ensure resources are available for vulnerable
17 small business concerns that are unlikely to survive
18 without a new source of Federal support.

19 (b) DEFINITION OF ELIGIBLE SMALL BUSINESS
20 CONCERN.—The term “eligible small business concern”
21 means a small business concern that—

22 (1) meets the applicable size standard estab-
23 lished under section 3 of the Small Business Act (15
24 U.S.C. 632);

25 (2) has not less than 2 employees and not more
26 than 50 employees;

1 (3) due to the effects of COVID–19, suffered—

2 (A) a loss of revenue in 1 month greater
3 than 50 percent as compared to the same
4 month in the previous year; or

5 (B) in the case of a business concern that
6 has been in operation for not less than 4
7 months, a loss of revenue in 1 month greater
8 than 50 percent as compared to the average of
9 the 3 previous months;

10 (4) can demonstrate an inability to pay obliga-
11 tions or stay up-to-date on accounts or payroll; and

12 (5) submitted an application for a loan under
13 section 7(b)(2) of the Small Business Act (15 U.S.C.
14 636(b)(2)) and was denied assistance under such
15 section because the small business concern is unable
16 to repay the loan.

17 (c) GRANTS.—The Administration shall provide as-
18 sistance to eligible small business concerns, private non-
19 profit organizations, and small agricultural cooperatives
20 that have suffered a substantial economic injury, directly
21 or indirectly, as a result of COVID–19.

22 (d) AWARDING OF GRANTS AND UPDATES.—The Ad-
23 ministration shall—

24 (1) award grants under this section as expedi-
25 tiously as possible; and

1 (2) on a monthly basis until the date on which
 2 the authority under this section terminates, update
 3 the Committee on Small Business and Entrepre-
 4 neurship and the Committee on Appropriations of
 5 the Senate and the Committee on Small Business
 6 and the Committee on Appropriations of the House
 7 of Representatives on—

8 (A) the number of grants awarded under
 9 this section; and

10 (B) the geographic distribution of the
 11 grants by State and county.

12 (e) AMOUNT OF GRANT.—

13 (1) IN GENERAL.—Except as provided in para-
 14 graph (2), a grant provided under this section shall
 15 be in an amount that is not more than \$50,000.

16 (2) INCREASED GRANT AMOUNT.—The Admin-
 17 istrator may make a grant under this section of not
 18 more than \$100,000 if the Administrator dem-
 19 onstrates that doing so is necessary to assist eligible
 20 small business concerns, private nonprofit organiza-
 21 tions, and small agricultural cooperatives that the
 22 Administrator determines are vital to their local
 23 economies.

24 (3) SINGLE AWARD.—No eligible small business
 25 concern, private nonprofit organization, or small ag-

1 ricultural cooperative may receive or directly benefit
2 from more than 1 award made under this section.

3 (f) USE OF FUNDS.—An eligible small business con-
4 cern, private nonprofit organization, or small agricultural
5 cooperative that receives a grant under this section may
6 use the grant funds to address the effects of COVID–19
7 through any of the permissible uses of funds under section
8 7(b)(2) of the Small Business Act (15 U.S.C. 636(b)(2)).

9 (g) APPLICATION.—

10 (1) IN GENERAL.—An eligible small business
11 concern, private nonprofit organization, or small ag-
12 ricultural cooperative desiring a grant under this
13 section shall submit to the Administration an appli-
14 cation at such time, in such manner, and containing
15 such information as the Administration may require.

16 (2) PRIORITY.—The Administrator shall—

17 (A) establish selection criteria to ensure
18 that eligible small business concerns, private
19 nonprofit organizations, and small agricultural
20 cooperatives that are hardest hit by the effects
21 of COVID–19 receive priority in the event that
22 funding is not sufficient to provide grants to all
23 that submit applications under paragraph (1);

1 (B) identify industry sectors for
 2 prioritization that have suffered uniquely and
 3 disproportionately from COVID–19; and

4 (C) give priority to an applicant proposing
 5 to use grant funds for—

6 (i) providing paid sick leave to em-
 7 ployees unable to work due to the direct ef-
 8 fects of COVID–19;

9 (ii) maintaining payroll to retain em-
 10 ployees during business disruptions or sub-
 11 stantial slowdowns;

12 (iii) making rent and mortgage pay-
 13 ments; or

14 (iv) repaying obligations that cannot
 15 be met due to revenue losses.

16 (h) PROCEDURES.—The Administrator shall estab-
 17 lish procedures to discourage and prevent waste, fraud,
 18 and abuse by applicants and recipients of grants under
 19 this section.

20 (i) PENALTIES FOR FRAUD AND MISAPPLICATION OF
 21 FUNDS.—Any applicant or recipient of a grant provided
 22 under this section shall be subject to all applicable provi-
 23 sions of Federal law, including section 1001 of title 18,
 24 United States Code, and the provisions of section 123.9
 25 of title 13, Code of Federal Regulations, or any successor

1 regulation, relating to the misapplication of loan proceeds
2 shall apply to grants provided under this section to the
3 same extent as if those grants were loans provided under
4 section 7(b)(2) of the Small Business Act (15 U.S.C.
5 636(b)(2)).

6 (j) INSPECTOR GENERAL AUDIT.—Not later than
7 180 days after the date on which the Administrator begins
8 to provide assistance under this section, the Inspector
9 General of the Administration shall—

10 (1) conduct an audit of grants made under this
11 section, which shall identify any discrepancies or
12 irregularities in the grants; and

13 (2) submit to the Committee on Small Business
14 and Entrepreneurship and the Committee on Appro-
15 priations of the Senate and the Committee on Small
16 Business and the Committee on Appropriations of
17 the House of Representatives a copy of the audit
18 conducted under paragraph (1).

19 (k) AUTHORIZATION OF APPROPRIATIONS.—There is
20 authorized to be appropriated to the Administration
21 \$10,000,000,000 to carry out this section.

22 (l) TERMINATION.—The authority to carry out grants
23 under this section shall terminate on September 30, 2021.

1 **SEC. 6. ECONOMIC INJURY DISASTER LOANS.**

2 (a) PURPOSE.—The purpose of this section is to en-
3 sure that owners of small business concerns have access
4 to additional necessary funding to cover continuity-of-op-
5 eration and risk mitigation improvements.

6 (b) DEFINITION OF ELIGIBLE SMALL BUSINESS
7 CONCERN.—In this section, the term “eligible small busi-
8 ness concern” means a small business concern that—

9 (1) meets the applicable size standard estab-
10 lished under section 3 of the Small Business Act (15
11 U.S.C. 632); and

12 (2) is receiving assistance under section 7(b)(2)
13 of the Small Business Act (15 U.S.C. 636(b)(2)) re-
14 lated to COVID–19.

15 (c) ADDITIONAL AMOUNTS.—The Administrator may
16 increase by 20 percent the amount received by an eligible
17 small business concern under section 7(b)(2) of the Small
18 Business Act (15 U.S.C. 636(b)(2)) to cover continuity-
19 of-operation and risk mitigation improvements, including
20 telework capability, offsite record keeping, redundancy,
21 the administrative costs of establishing paid sick leave,
22 and presenteeism prevention.

23 (d) EXPEDITING SMALL ECONOMIC INJURY DIS-
24 ASTER LOANS.—With respect to a loan made under sec-
25 tion 7(b)(2) of the Small Business Act (15 U.S.C.

1 636(b)(2)) in response to COVID–19, if the loan does not
 2 exceed \$350,000, the Administration may—

3 (1) approve an applicant based solely on the
 4 credit score of the applicant, and in this cir-
 5 cumstance, shall not require an applicant to submit
 6 a tax return or a tax return transcript; or

7 (2) use other appropriate methods to determine
 8 an applicant’s ability to repay.

9 (e) EMERGENCIES INVOLVING FEDERAL PRIMARY
 10 RESPONSIBILITY QUALIFYING FOR SMALL BUSINESS AD-
 11 MINISTRATION ASSISTANCE.—Section 7(b)(2) of the
 12 Small Business Act (15 U.S.C. 636(b)(2)) is amended—

13 (1) in subparagraph (A), by striking “or” at
 14 the end;

15 (2) in subparagraph (B), by striking “or” at
 16 the end;

17 (3) in subparagraph (C), by striking “or” at
 18 the end;

19 (4) by redesignating subparagraph (D) as sub-
 20 paragraph (E);

21 (5) by inserting after subparagraph (C) the fol-
 22 lowing:

23 “(D) an emergency involving Federal pri-
 24 mary responsibility determined to exist by the
 25 President under the section 501(b) of the Rob-

1 ert T. Stafford Disaster Relief and Emergency
 2 Assistance Act (42 U.S.C. 5191(b)); or”;
 3 (6) in subparagraph (E), as so redesignated—
 4 (A) by striking “or (C)” and inserting
 5 “(C), or (D)”;
 6 (B) by striking “disaster declaration” each
 7 place it appears and inserting “disaster or
 8 emergency declaration”;
 9 (C) by striking “disaster has occurred”
 10 and inserting “disaster or emergency has oc-
 11 curred”;
 12 (D) by striking “such disaster” and insert-
 13 ing “such disaster or emergency”; and
 14 (E) by striking “disaster stricken” and in-
 15 serting “disaster- or emergency-stricken”; and
 16 (7) in the flush matter following subparagraph
 17 (E), by striking the period at the end and inserting
 18 the following: “: *Provided further*, That for purposes
 19 of subparagraph (D), the Administrator shall deem
 20 that such an emergency affects each State or sub-
 21 division thereof (including counties), and that each
 22 State or subdivision has sufficient economic damage
 23 to small business concerns to qualify for assistance
 24 under this paragraph and the Administrator shall

1 accept applications for such assistance imme-
 2 diately.”.

3 **SEC. 7. WAIVERS ON PRINCIPAL AND INTEREST FOR 7(a),**
 4 **504, AND MICROLOANS.**

5 (a) DEFINITION OF COVERED LOAN.—In this sec-
 6 tion, the term “covered loan” means a loan that is—

7 (1) guaranteed by the Administration under—

8 (A) section 7(a) of the Small Business Act
 9 (15 U.S.C. 636(a)), including a loan made
 10 under the Community Advantage Pilot Program
 11 of the Administration, the Export Express Pro-
 12 gram under paragraph (34) of such section
 13 7(a), the Export Working Capital Program
 14 under paragraph (14) of such section 7(a), or
 15 the International Trade Loan Program under
 16 paragraph (16) of such section 7(a); or

17 (B) title V of the Small Business Invest-
 18 ment Act of 1958 (15 U.S.C. 695 et seq.); or

19 (2) made by an intermediary to a small busi-
 20 ness concern (as defined in section 3 of the Small
 21 Business Act (15 U.S.C. 632)) using loans or grants
 22 received under section 7(m) of the Small Business
 23 Act (15 U.S.C. 636(m)).

24 (b) SENSE OF CONGRESS.—It is the sense of Con-
 25 gress that—

1 (1) all borrowers are adversely affected by
2 COVID–19;

3 (2) relief payments by the Administration are
4 appropriate for all borrowers; and

5 (3) the Administration should encourage lend-
6 ers to extend the maturity of covered loans so as to
7 avoid any increase in debt payments by borrowers at
8 the end of the deferral period.

9 (c) INTEREST PAYMENTS.—

10 (1) IN GENERAL.—The Administrator shall pay
11 the principal, interest, and any associated fees that
12 are owed on a covered loan—

13 (A) with respect to a covered loan made
14 before the date of enactment of this Act, for the
15 6-month period beginning with the next pay-
16 ment due on the covered loan; and

17 (B) with respect to a covered loan made
18 during the period beginning on the date of en-
19 actment of this Act and ending on the date that
20 is 6 months after such date of enactment, for
21 the 6-month period beginning with the first
22 payment due on the covered loan.

23 (2) TIMING OF PAYMENT.—The Administrator
24 shall begin making payments under paragraph (1)

1 on a covered loan not later than 30 days after the
2 date on which the first such payment is due.

3 (3) APPLICATION OF PAYMENT.—Any payment
4 made by the Administrator under paragraph (1)
5 shall be applied to the covered loan such that the
6 borrower is relieved of the obligation to pay that
7 amount.

8 (d) OTHER REQUIREMENTS.—The Administrator
9 shall—

10 (1) communicate and coordinate with the Fed-
11 eral Deposit Insurance Corporation, the Office of the
12 Comptroller of the Currency, and State bank regu-
13 lators to encourage those entities to not require
14 lenders to increase their reserves on account of re-
15 ceiving payments made by the Administrator under
16 subsection (c);

17 (2) waive statutory limits on covered loan dura-
18 tions for any lender that offers a deferral and ex-
19 tends the maturity of covered loan products during
20 the 1-year period following the date of enactment of
21 this Act; and

22 (3) extend site visit requirements to 60 days for
23 covered loan defaults and 90 days for nonpayment
24 to provide more time because of the potential of
25 higher volumes, travel restrictions, and the inability

1 to access some properties during the COVID–19
2 pandemic.

3 (e) RULE OF CONSTRUCTION.—Nothing in this sec-
4 tion may be construed to limit the authority of the Admin-
5 istrator to make payments pursuant to subsection (c) with
6 respect to a covered loan solely because the covered loan
7 has been sold in the secondary market.

8 (f) AUTHORIZATION OF APPROPRIATIONS.—There is
9 authorized to be appropriated to the Administrator
10 \$16,800,000,000 to carry out this section.

11 **SEC. 8. TEMPORARY FEE REDUCTIONS.**

12 (a) PURPOSE.—The purpose of the section is to waive
13 borrower and lender fees on loans, including a permanent
14 fix to waive fees for veterans and their spouses.

15 (b) ADMINISTRATIVE FEE WAIVER.—

16 (1) IN GENERAL.—During the period beginning
17 on the date of enactment of this Act and ending on
18 September 30, 2021, and to the extent that the cost
19 of such elimination or reduction of fees is offset by
20 appropriations, with respect to each loan guaranteed
21 under section 7(a) of the Small Business Act (15
22 U.S.C. 636(a)) (including a recipient of assistance
23 under the Community Advantage Pilot Program of
24 the Administration) for which an application is ap-

1 proved or pending approval on or after the date of
 2 enactment of this Act, the Administrator shall—

3 (A) in lieu of the fee otherwise applicable
 4 under section 7(a)(23)(A) of the Small Busi-
 5 ness Act (15 U.S.C. 636(a)(23)(A)), collect no
 6 fee or reduce fees to the maximum extent pos-
 7 sible; and

8 (B) in lieu of the fee otherwise applicable
 9 under section 7(a)(18)(A) of the Small Busi-
 10 ness Act (15 U.S.C. 636(a)(18)(A)), collect no
 11 fee or reduce fees to the maximum extent pos-
 12 sible.

13 (2) APPLICATION OF FEE ELIMINATIONS OR RE-
 14 Ductions.—To the extent that amounts are made
 15 available to the Administrator for the purpose of fee
 16 eliminations or reductions under paragraph (1), the
 17 Administrator shall—

18 (A) first use any amounts provided to
 19 eliminate or reduce fees paid by small business
 20 borrowers under clauses (i) through (iii) of sec-
 21 tion 7(a)(18)(A) of the Small Business Act (15
 22 U.S.C. 636(a)(18)(A)), to the maximum extent
 23 possible; and

24 (B) then use any amounts provided to
 25 eliminate or reduce fees under 7(a)(23)(A) of

1 the Small Business Act (15 U.S.C.
2 636(a)(23)(A)).

3 (c) EXCEPTION TO GUARANTEE FEE WAIVER FOR
4 VETERANS.—Section 7(a)(31)(G) of the Small Business
5 Act (15 U.S.C. 636(a)(31)(G)) is amended—

6 (1) by striking clause (ii); and

7 (2) by redesignating clause (iii) as clause (ii).

8 (d) TEMPORARY FEE ELIMINATION FOR THE 504
9 LOAN PROGRAM.—

10 (1) IN GENERAL.—During the period beginning
11 on the date of enactment of this Act and ending on
12 September 30, 2021, and to the extent the cost of
13 such elimination in fees is offset by appropriations,
14 with respect to each project or loan guaranteed by
15 the Administrator pursuant to title V of the Small
16 Business Investment Act of 1958 (15 U.S.C. 695 et
17 seq.) for which an application is approved or pending
18 approval on or after the date of enactment of this
19 Act—

20 (A) the Administrator shall, in lieu of the
21 fee otherwise applicable under section 503(d)(2)
22 of the Small Business Investment Act of 1958
23 (15 U.S.C. 697(d)(2)), collect no fee; and

24 (B) a development company shall, in lieu
25 of the processing fee under section

1 120.971(a)(1) of title 13, Code of Federal Reg-
 2 ulations (relating to fees paid by borrowers), or
 3 any successor thereto, collect no fee.

4 (2) REIMBURSEMENT FOR WAIVED FEES.—

5 (A) IN GENERAL.—To the extent that the
 6 cost of such payments is offset by appropria-
 7 tions, the Administrator shall reimburse each
 8 development company that does not collect a
 9 processing fee pursuant to paragraph (1)(B).

10 (B) AMOUNT.—The payment to a develop-
 11 ment company under subparagraph (A) shall be
 12 in an amount equal to 1.5 percent of the net
 13 debenture proceeds for which the development
 14 company does not collect a processing fee pur-
 15 suant to paragraph (1)(B).

16 **SEC. 9. GUARANTEE AMOUNTS.**

17 (a) PURPOSE.—The purpose of this section is to in-
 18 crease loan guarantee amounts in order to mitigate risk
 19 for lenders and keep credit flowing, including an emphasis
 20 on underserved borrowers.

21 (b) 7(a) LOAN GUARANTEES.—

22 (1) IN GENERAL.—Section 7(a)(2)(A) of the
 23 Small Business Act (15 U.S.C. 636(a)(2)(A)) is
 24 amended by striking “), such participation by the
 25 Administration shall be equal to” and all that fol-

1 lows through the period at the end and inserting “or
 2 the Community Advantage Pilot Program of the Ad-
 3 ministration), such participation by the Administra-
 4 tion shall be equal to 90 percent of the balance of
 5 the financing outstanding at the time of disburse-
 6 ment of the loan.”.

7 (2) TERMINATION.—Effective September 30,
 8 2021, section 7(a)(2)(A) of the Small Business Act
 9 (15 U.S.C. 636(a)(2)(A)), as amended by paragraph
 10 (1), is amended to read as follows:

11 “(A) IN GENERAL.—Except as provided in
 12 subparagraphs (B), (D), and (E), in an agree-
 13 ment to participate in a loan on a deferred
 14 basis under this subsection (including a loan
 15 made under the Preferred Lenders Program),
 16 such participation by the Administration shall
 17 be equal to—

18 “(i) 75 percent of the balance of the
 19 financing outstanding at the time of dis-
 20 bursement of the loan, if such balance ex-
 21 ceeds \$150,000; or

22 “(ii) 85 percent of the balance of the
 23 financing outstanding at the time of dis-
 24 bursement of the loan, if such balance is
 25 less than or equal to \$150,000.”.

1 (c) EXPRESS LOAN GUARANTEE AMOUNTS AND
2 LOAN SIZE INCREASES.—

3 (1) TEMPORARY MODIFICATION.—Section
4 7(a)(31) of the Small Business Act (15 U.S.C.
5 636(a)(31)) is amended—

6 (A) in subparagraph (A)(iv), by striking
7 “with a guaranty rate of not more than 50 per-
8 cent.” and inserting the following: “with a
9 guarantee rate—

10 “(I) for a loan in an amount less
11 than or equal to \$350,000, of not
12 more than 90 percent; and

13 “(II) for a loan in an amount
14 greater than \$350,000, of not more
15 than 75 percent.”; and

16 (B) in subparagraph (D), by striking
17 “\$350,000” and inserting “\$1,000,000”.

18 (2) INCREASE IN AVAILABILITY.—Effective
19 September 30, 2021, section 7(a)(31) of the Small
20 Business Act (15 U.S.C. 636(a)(31)), as amended
21 by paragraph (1), is amended—

22 (A) in subparagraph (A)(iv), by striking
23 “guarantee rate” and all that follows through
24 the period at the end and inserting “guarantee
25 rate of not more than 50 percent.”; and

1 (B) in subparagraph (D), by striking
 2 “\$1,000,000” and inserting “\$500,000”.

3 **SEC. 10. MAXIMUM LOAN AMOUNT AND PROGRAM LEVELS**
 4 **FOR 7(a) LOANS.**

5 (a) PURPOSE.—The purpose of this section is to tem-
 6 porarily increase the maximum loan size in order to ex-
 7 pand the reach of this long-term capital.

8 (b) MAXIMUM LOAN AMOUNT.—During the period
 9 beginning on the date of enactment of this Act and ending
 10 on September 30, 2021, with respect to any loan guaran-
 11 teed under section 7(a) of the Small Business Act (15
 12 U.S.C. 636(a)) for which an application is approved or
 13 pending approval on or after the date of enactment of this
 14 Act, the maximum loan amount shall be \$10,000,000.

15 (c) PROGRAM LEVELS.—During each of fiscal years
 16 2020 and 2021, commitments for general business loans
 17 authorized under section 7(a) of the Small Business Act
 18 (15 U.S.C. 636(a)) shall not exceed \$80,000,000,000.

19 **SEC. 11. MAXIMUM LOAN AMOUNT FOR 504 LOANS.**

20 (a) PURPOSE.—The purpose of this section is to
 21 make refinancing of fixed assets more flexible for small
 22 business concerns seeking immediate financing and relief
 23 from the COVID–19 crisis.

24 (b) TEMPORARY INCREASE.—During the period be-
 25 ginning on the date of enactment of this Act and ending

1 on September 30, 2021, with respect to each project or
 2 loan guaranteed by the Administrator pursuant to title V
 3 of the Small Business Investment Act of 1958 (15 U.S.C.
 4 695 et seq.) for which an application is approved or pend-
 5 ing approval on or after the date of enactment of this Act,
 6 the maximum loan amount shall be \$10,000,000.

7 (c) PERMANENT INCREASE FOR SMALL MANUFAC-
 8 TURERS.—Effective on October 1, 2021, section
 9 502(2)(A)(iii) of the Small Business Investment Act of
 10 1958 (15 U.S.C. 696(2)(A)(iii)) is amended by striking
 11 “\$5,500,000” and inserting “\$10,000,000”.

12 **SEC. 12. LEVERAGING 504 LOANS FOR REFINANCING AND**
 13 **COMMUNITY DEVELOPMENT LENDING.**

14 (a) PURPOSE.—The purpose of this section is to
 15 make refinancing loans under title V of the Small Busi-
 16 ness Investment Act of 1958 (15 U.S.C. 695 et seq.) more
 17 flexible so that lenders can more effectively and efficiently
 18 respond to the needs of small business concerns seeking
 19 immediate financing and relief from the economic impacts
 20 of COVID–19.

21 (b) LOW-INTEREST REFINANCING UNDER THE
 22 LOCAL DEVELOPMENT BUSINESS LOAN PROGRAM.—

23 (1) IN GENERAL.—Section 502(7) of the Small
 24 Business Investment Act of 1958 (15 U.S.C.

1 696(7)) is amended by adding at the end the fol-
 2 lowing:

3 “(C) REFINANCING NOT INVOLVING EX-
 4 PANSIONS.—

5 “(i) DEFINITIONS.—In this subpara-
 6 graph—

7 “(I) the term ‘borrower’ means a
 8 small business concern that submits
 9 an application to a development com-
 10 pany for financing under this sub-
 11 paragraph;

12 “(II) the term ‘eligible fixed
 13 asset’ means tangible property relat-
 14 ing to which the Administrator may
 15 provide financing under this section;
 16 and

17 “(III) the term ‘qualified debt’
 18 means indebtedness—

19 “(aa) that—

20 “(AA) was incurred not
 21 less than 2 years before the
 22 date of the application for
 23 assistance under this sub-
 24 paragraph;

1 “(BB) is a commercial
2 loan;

3 “(CC) the proceeds of
4 which were used to acquire
5 an eligible fixed asset;

6 “(DD) was incurred for
7 the benefit of the small busi-
8 ness concern; and

9 “(EE) is collateralized
10 by eligible fixed assets; and

11 “(bb) for which the borrower
12 has been current on all payments
13 for not less than 1 year before
14 the date of the application.

15 “(ii) AUTHORITY.—A project that
16 does not involve the expansion of a small
17 business concern may include the refi-
18 nancing of qualified debt if—

19 “(I) the amount of the financing
20 is not more than 90 percent of the
21 value of the collateral for the financ-
22 ing, except that, if the appraised value
23 of the eligible fixed assets serving as
24 collateral for the financing is less than
25 the amount equal to 125 percent of

1 the amount of the financing, the bor-
 2 rower may provide additional cash or
 3 other collateral to eliminate any defi-
 4 ciency;

5 “(II) the borrower has been in
 6 operation for all of the 2-year period
 7 ending on the date of the loan;

8 “(III) the financing will provide a
 9 substantial benefit to the borrower
 10 when prepayment penalties, financing
 11 fees, and other financing costs are ac-
 12 counted for; and

13 “(IV) for a financing for which
 14 the Administrator determines there
 15 will be an additional cost attributable
 16 to the refinancing of the qualified
 17 debt, the borrower agrees to pay a fee
 18 in an amount equal to the anticipated
 19 additional cost.

20 “(iii) FINANCING FOR BUSINESS EX-
 21 PENSES.—

22 “(I) FINANCING FOR BUSINESS
 23 EXPENSES.—The Administrator may
 24 provide financing to a borrower that
 25 receives financing that includes a refi-

1 nancing of qualified debt under clause
 2 (ii), in addition to the refinancing
 3 under clause (ii), to be used solely for
 4 the payment of business expenses.

5 “(II) APPLICATION FOR FINANC-
 6 ING.—An application for financing
 7 under subclause (I) shall include—

8 “(aa) a specific description
 9 of the expenses for which the ad-
 10 ditional financing is requested;
 11 and

12 “(bb) an itemization of the
 13 amount of each expense.

14 “(III) CONDITION ON ADDI-
 15 TIONAL FINANCING.—A borrower may
 16 not use any part of the financing
 17 under this clause for non-business
 18 purposes.

19 “(iv) LOANS BASED ON JOBS.—

20 “(I) JOB CREATION AND RETEN-
 21 TION GOALS.—

22 “(aa) IN GENERAL.—The
 23 Administrator may provide fi-
 24 nancing under this subparagraph
 25 for a borrower that meets the job

1 creation goals under subsection
2 (d) or (e) of section 501.

3 “(bb) ALTERNATE JOB RE-
4 TENTION GOAL.—The Adminis-
5 trator may provide financing
6 under this subparagraph to a
7 borrower that does not meet the
8 goals described in item (aa) in an
9 amount that is not more than the
10 product obtained by multiplying
11 the number of employees of the
12 borrower by \$75,000.

13 “(II) NUMBER OF EMPLOYEES.—
14 For purposes of subclause (I), the
15 number of employees of a borrower is
16 equal to the sum of—

17 “(aa) the number of full-
18 time employees of the borrower
19 on the date on which the bor-
20 rower applies for a loan under
21 this subparagraph; and

22 “(bb) the product obtained
23 by multiplying—

24 “(AA) the number of
25 part-time employees of the

1 borrower on the date on
 2 which the borrower applies
 3 for a loan under this sub-
 4 paragraph; by

5 “(BB) the quotient ob-
 6 tained by dividing the aver-
 7 age number of hours each
 8 part time employee of the
 9 borrower works each week
 10 by 40.

11 “(v) NONDELEGATION.—Notwith-
 12 standing section 508(e), the Administrator
 13 may not permit a premier certified lender
 14 to approve or disapprove an application for
 15 assistance under this subparagraph.

16 “(vi) TOTAL AMOUNT OF LOANS.—
 17 The Administrator may provide not more
 18 than a total of \$7,500,000,000 of financ-
 19 ing under this subparagraph for each fiscal
 20 year.”.

21 (2) CONFORMING AMENDMENT.—Section 521
 22 of division E of the Consolidated Appropriations Act,
 23 2016 (15 U.S.C. 696 note) is repealed.

24 (c) INTENT OF CONGRESS REGARDING REFINANCING
 25 EXISTING BUSINESS DEBT.—It is the intent of Congress

1 that the refinancing of existing business debt is an author-
 2 ized use of a financing under the program under title V
 3 of the Small Business Investment Act of 1958 (15 U.S.C.
 4 695 et seq.).

5 (d) 504 DEBT REFINANCE WITH EXPANSION.—Sec-
 6 tion 502(7)(B) of the Small Business Investment Act of
 7 1958 (15 U.S.C. 696(7)(B)) is amended, in the matter
 8 preceding clause (i), by striking “50” and inserting
 9 “100”.

10 **SEC. 13. RECOVERY ASSISTANCE FOR MICROBUSINESSES.**

11 (a) PURPOSE.—The purpose of this section is to allow
 12 lenders to deploy more capital, give borrowers more time
 13 to repay, increase rural lending, and cut technical assist-
 14 ance red tape.

15 (b) LOANS TO INTERMEDIARIES.—

16 (1) IN GENERAL.—Section 7(m) of the Small
 17 Business Act (15 U.S.C. 636(m)) is amended—

18 (A) in paragraph (3)(C)—

19 (i) by striking “and \$6,000,000” and
 20 inserting “\$10,000,000, in the aggre-
 21 gate,”; and

22 (ii) by inserting before the period at
 23 the end the following: “, and \$4,500,000 in
 24 any of those remaining years”;

25 (B) in paragraph (4)—

(i) in subparagraph (A), by striking “subparagraph (C)” each place that term appears and inserting “subparagraphs (C) and (G)”;

(ii) in subparagraph (C)(i)—

(I) by striking “subparagraph (A)” and inserting “subparagraphs (A) and (G)”;

(II) in subclause (II)—

(aa) by striking “has a portfolio” and inserting “has—

“(aa) a portfolio”;

(bb) in item (aa), by striking the period at the end and inserting “; or”;

(cc) by adding at the end the following:

“(bb) a portfolio of loans made under this subsection of which not less than 25 percent is serving rural areas during the period of the intermediary’s participation in the program.”;

(iii) by adding at the end the following:

1 “(G) GRANT AMOUNTS BASED ON APPRO-
 2 PRIATIONS.—In any fiscal year in which the
 3 amount appropriated to make grants under
 4 subparagraph (A) is sufficient to provide to
 5 each intermediary that receives a loan under
 6 paragraph (1)(B)(i) a grant of not less than 25
 7 percent of the total outstanding balance of
 8 loans made to the intermediary under this sub-
 9 section, the Administration shall make a grant
 10 under subparagraph (A) to each intermediary
 11 of not less than 25 percent and not more than
 12 30 percent of that total outstanding balance for
 13 the intermediary.”; and

14 (C) by striking paragraph (7) and insert-
 15 ing the following:

16 “(7) PROGRAM FUNDING FOR MICROLOANS.—
 17 Under the program authorized by this subsection,
 18 the Administration may fund, on a competitive basis,
 19 not more than 300 intermediaries.”.

20 (2) AMENDMENT IN 2021.—Effective on October
 21 1, 2021, section 7(m)(3)(C) of the Small Business
 22 Act (15 U.S.C. 636(m)(3)(C)) is amended—

23 (A) by striking “\$10,000,000” and by in-
 24 serting “\$7,000,000”; and

1 (B) by striking “\$4,500,000” and insert-
 2 ing “\$3,000,000”.

3 (c) TEMPORARY WAIVER OF TECHNICAL ASSISTANCE
 4 GRANTS MATCHING REQUIREMENTS AND FLEXIBILITY
 5 ON PRE- AND POST-LOAN ASSISTANCE.—During the pe-
 6 riod beginning on the date of enactment of this Act and
 7 ending on September 30, 2021, the Administration shall
 8 waive—

9 (1) the requirement to contribute non-Federal
 10 funds under section 7(m)(4)(B) of the Small Busi-
 11 ness Act (15 U.S.C. 636(m)(4)(B)); and

12 (2) the limitation on amounts allowed to be ex-
 13 pended to provide information and technical assist-
 14 ance under clause (i) of section 7(m)(4)(E) of the
 15 Small Business Act (15 U.S.C. 636(m)(4)(E)) and
 16 enter into third-party contracts to provide technical
 17 assistance under clause (ii) of such section
 18 7(m)(4)(E).

19 (d) TEMPORARY DURATION OF LOANS TO BOR-
 20 ROWERS.—

21 (1) IN GENERAL.—During the period beginning
 22 on the date of enactment of this Act and ending on
 23 September 30, 2021, the duration of a loan made by
 24 an eligible intermediary under section 7(m) of the
 25 Small Business Act (15 U.S.C. 636(m))—

1 (A) to an existing borrower may be ex-
 2 tended to not more than 8 years; and

3 (B) to a new borrower may be not more
 4 than 8 years.

5 (2) REVERSION.—On and after October 1,
 6 2021, the duration of a loan made by an eligible
 7 intermediary to a borrower under section 7(m) of
 8 the Small Business Act (15 U.S.C. 636(m)) shall be
 9 7 years or such other amount established by the Ad-
 10 ministrator.

11 (e) PROGRAM LEVELS.—Section 20 of the Small
 12 Business Act (15 U.S.C. 631 note) is amended by adding
 13 at the end the following:

14 “(h) MICROLOAN PROGRAM.—For each of fiscal
 15 years 2021 through 2025, the Administration is author-
 16 ized to make—

17 “(1) \$80,000,000 in technical assistance grants,
 18 as provided in section 7(m); and

19 “(2) \$110,000,000 in direct loans, as provided
 20 in section 7(m).”.

21 (f) AUTHORIZATION OF APPROPRIATIONS.—In addi-
 22 tion to amounts provided under the Consolidated Appro-
 23 priations Act, 2020 (Public Law 116–93) for the program
 24 established under section 7(m) of the Small Business Act
 25 (15 U.S.C. 636(m)), there is authorized to be appro-

1 priated for fiscal year 2020, to remain available until ex-
2 pended—

3 (1) \$50,000,000 to provide technical assistance
4 grants under such section 7(m); and

5 (2) \$7,000,000 to provide direct loans under
6 such section 7(m).

7 **SEC. 14. ELECTRONIC SUBMISSIONS FOR THE SMALL BUSI-**
8 **NESS INVESTMENT COMPANY PROGRAM.**

9 (a) PURPOSE.—The purpose of this section is to
10 quickly provide capital to struggling small business con-
11 cerns by allowing electronic signatures to expedite the ap-
12 proval process of the Administration for additional invest-
13 ment funds, especially as staff telework.

14 (b) ELECTRONIC SUBMISSIONS.—Unless otherwise
15 prohibited by law or regulation, the Administration shall
16 permit any document submitted under section 103 of the
17 Small Business Investment Act of 1958 (15 U.S.C. 662)
18 or pursuant to a regulation carrying out title V of such
19 Act (15 U.S.C. 695 et seq.) to be submitted electronically,
20 including by permitting an electronic signature for any
21 signature that is required on such a document.

22 (c) RULE OF CONSTRUCTION.—Nothing in this sec-
23 tion shall be construed to preempt, supersede, or otherwise
24 prohibit private sector requirements, covenants, customary

1 practices, obligations, or legal prohibitions against elec-
2 tronic signatures.

3 **SEC. 15. BUSINESS STABILIZATION DIRECT LOAN PRO-**
4 **GRAM.**

5 (a) DEFINITION OF ELIGIBLE BORROWER.—In this
6 section, the term “eligible borrower” means a small busi-
7 ness concern that is located in the United States (as de-
8 fined in section 4(a) of the Small Business Act (15 U.S.C.
9 633(a))) with a confirmed or presumed positive case of
10 COVID–19.

11 (b) PROGRAM.—The Administrator shall carry out a
12 program to make loans directly to eligible borrowers.

13 (c) USE OF FUNDS.—In addition to the use of loan
14 proceeds permitted under section 7(a) of the Small Busi-
15 ness Act (15 U.S.C. 636(a)), loans made under this sec-
16 tion may be used for the following purposes:

17 (1) To make periodic payments of principal and
18 interest, for a period not to exceed 12 months, on
19 a loan or a loan guarantee made to an eligible bor-
20 rower that meets the eligibility standards of such
21 section 7(a).

22 (2) To provide benefits to employees of the eli-
23 gible borrower, including group life insurance, dis-
24 ability insurance, sick leave, annual leave, edu-
25 cational benefits, paid family leave, or retirement

1 benefits, including a pension plan or individual re-
2 tirement account.

3 (3) To pay wages to employees of the eligible
4 borrower, and related State and Federal payroll
5 taxes, except that loan proceeds may not be used to
6 pay amounts under a garnishment order issued by
7 an agency of a State or Federal Government.

8 (4) To provide technology, hardware, or soft-
9 ware for a shift to telework or remote work for em-
10 ployees of the eligible borrower to enable continuity
11 of operations.

12 (5) To pay rent or utilities due or owed on any
13 place of business of the eligible borrower.

14 (6) To refinance an existing debt, including in-
15 terest, in an amount not to exceed 50 percent of the
16 amount of the debt.

17 (7) To provide floor plan financing or other re-
18 volving line of credit.

19 (8) To pay past-due Federal, State, or local
20 payroll taxes, sales taxes, or other similar taxes that
21 are required to be collected by the eligible borrower
22 and held in trust on behalf of a Federal, State, or
23 local government entity.

24 (9) To provide employees and patrons of the eli-
25 gible borrower with the necessary items specified by

1 any public health authority to mitigate the spread of
2 COVID-19.

3 (d) LOAN TERMS.—

4 (1) AMOUNT.—Loans made under this section
5 may not exceed \$2,500,000.

6 (2) DISBURSEMENT.—Not less than 10 percent,
7 but not more than 20 percent, of the proceeds of a
8 loan made under this section shall be disbursed not
9 later than 5 calendar days after a loan is approved
10 under this section.

11 (3) TERM.—Loans made under this section
12 shall be for a term of 10 years, and an eligible bor-
13 rower shall not be required to repay such loan dur-
14 ing the 12-month period beginning on the date of
15 disbursement of the loan.

16 (4) INTEREST; FEES.—The Administrator may
17 not charge any interest or fees for a loan made
18 under this section.

19 (e) COLLATERAL.—The Administrator—

20 (1) shall not decline to make a loan under this
21 section to an otherwise eligible borrower due solely
22 to inadequate collateral; and

23 (2) shall accept any available collateral, includ-
24 ing subordinated liens, to secure a loan made under
25 this section.

1 (f) FORGIVENESS.—If an eligible borrower that re-
2 ceives loan proceeds under this section demonstrates to the
3 Administrator that the number of employees of the eligible
4 borrower on December 31, 2021, is greater than or equal
5 to the number of employees of the eligible borrower on
6 December 31, 2019, the Administrator shall forgive not
7 more than 50 percent of the outstanding principal on such
8 loan.

9 (g) SUNSET.—

10 (1) IN GENERAL.—Except as provided in para-
11 graph (2), the Administrator may not make a loan
12 under this section after September 30, 2022.

13 (2) EXTENSION.—The Administrator may ex-
14 tend authority to make loans under this section by
15 an additional 6 months by notifying Congress, in
16 writing, within 10 calendar days before any exten-
17 sion.

18 (h) EMERGENCY RULEMAKING AUTHORITY.—In
19 issuing rules to carry out this section under section 25,
20 the Administrator may issue rules to establish a secondary
21 market for loans made under this section.

22 (i) AUTHORIZATION OF APPROPRIATIONS.—There is
23 authorized to be appropriated to the Administrator of the
24 Small Business Administration such sums as may be nec-
25 essary to pay for the cost (as defined in section 502 of

1 the Congressional Budget Act of 1974 (2 U.S.C. 661a))
 2 of making \$100,000,000,000 in direct loans under this
 3 section.

4 **SEC. 16. STATE TRADE EXPANSION PROGRAM.**

5 The Administrator may use amounts appropriated to
 6 carry out the State Trade Expansion Program established
 7 under section 22(l) of the Small Business Act (15 U.S.C.
 8 649(l)) for fiscal years 2018 and 2019 that remain unobli-
 9 gated or unexpended to carry out the State Trade Expan-
 10 sion Program through the end of fiscal year 2021.

11 **SEC. 17. CONTRACTING AND ENTREPRENEURIAL DEVELOP-**
 12 **MENT ASSISTANCE.**

13 (a) PURPOSE.—The purpose of this section is to pro-
 14 vide—

15 (1) flexibility to small business Federal sup-
 16 pliers and to the Federal Government to more quick-
 17 ly award contracting dollars to small business con-
 18 cerns in times of economic uncertainty and down-
 19 turn related to COVID–19; and

20 (2) additional funds to resource partners of the
 21 Administration, such as small business development
 22 centers, women’s business centers, and SCORE to
 23 conduct outreach to small business concerns affected
 24 by COVID–19, including by increasing their virtual
 25 outreach capacity.

1 (b) DEFINITIONS.—In this section—

2 (1) the term “contracting officer” has the
3 meaning given the term in section 36(e) of the Small
4 Business Act (15 U.S.C. 657f(e));

5 (2) the term “covered entity” means a small
6 business concern or nonprofit organization—

7 (A) that is a party to a contract with a
8 Federal agency; and

9 (B) for which the contractor performance
10 is adversely impacted as a result of COVID–19;

11 (3) the term “economically disadvantaged
12 women-owned small business” has the meaning
13 given the term in section 127.102 of title 13, Code
14 of Federal Regulations, or any successor regulation;

15 (4) the term “HUBZone small business con-
16 cern” has the meaning given the term in section
17 31(b) of the Small Business Act (15 U.S.C.
18 657a(b));

19 (5) the term “SCORE” means the Service
20 Corps of Retired Executives program established
21 under section 8(b)(1)(B) of the Small Business Act
22 (15 U.S.C. 637(b)(1)(B));

23 (6) the term “small business concern owned
24 and controlled by service-disabled veterans” has the

1 meaning given the term in section 3(q) of the Small
 2 Business Act (15 U.S.C. 632(q));

3 (7) the term “small business concern owned
 4 and controlled by women” has the meaning given the
 5 term in section 8(m) of the Small Business Act (15
 6 U.S.C. 637(m));

7 (8) the term “small business development cen-
 8 ter” has the meaning given the term in section 3(t)
 9 of the Small Business Act (15 U.S.C. 632(t)); and

10 (9) the term “women’s business center” means
 11 a women’s business center described in section 29 of
 12 the Small Business Act (15 U.S.C. 656).

13 (c) PROMOTION OF SMALL BUSINESS CON-
 14 TRACTING.—

15 (1) SMALL BUSINESS CONTRACTING RELIEF.—
 16 Notwithstanding any other provision of law or regu-
 17 lation, during the period beginning on the date of
 18 enactment of this Act and ending on September 30,
 19 2021, the head of the Federal agency with which a
 20 covered entity has a contract shall provide the cov-
 21 ered entity with the greater of—

22 (A) 30 additional days to carry out the re-
 23 sponsibilities of the covered entity under the
 24 contract; or

1 (B) an additional amount of time to carry
2 out the responsibilities of the covered entity
3 under the contract that the head of the Federal
4 agency determines to be appropriate after tak-
5 ing into consideration the severity of the ad-
6 verse impact experienced by the covered entity.

7 (2) PAYMENT CONTINUATION.—If the perform-
8 ance of all or any part of the work of a Federal
9 goods or services contract with a contractor that is
10 a small business concern or a nonprofit organization
11 in force and effect during the period beginning on
12 the date of enactment of this Act and ending on
13 September 30, 2021, is unavoidably delayed or inter-
14 rupted by the inability of the employees of the small
15 business concern or nonprofit organization, as appli-
16 cable, to access Government facilities, systems, or
17 other Government-provided resources due to restric-
18 tions related to COVID–19 that have been imposed
19 by any authority or due to orders or instructions
20 issued by the contracting agency in response to
21 COVID–19—

22 (A) the Government shall pay the small
23 business concern or nonprofit organization, as
24 applicable, upon the submission of the docu-
25 mentation required by the contract and accord-

ing to the terms specified in the contract, the prices stipulated in the contract for goods or services as if the small business concern or non-profit organization, as applicable, had rendered and the Government accepted the goods or services; and

(B) contractor delivery schedules shall be revised and the small business concern or non-profit organization, as applicable, shall be eligible for equitable adjustments based on the revised schedules.

(3) TEMPORARY SOLE-SOURCE AWARD PARITY AMONG CONTRACTING PROGRAMS.—Notwithstanding any other provision of law or regulation, during the period beginning on the date of enactment of this Act and ending on September 30, 2021, with respect to a small business concern owned and controlled by women, an economically disadvantaged women-owned small business, a HUBZone small business concern, or a small business concern owned and controlled by service-disabled veterans, a contracting officer may award a sole source contract to the small business concern if the anticipated award price of the contract will not exceed the maximum permissible amount for the contract, as provided under the

1 applicable provision of the Small Business Act (15
2 U.S.C. 631 et seq.), as amended by this subsection.

3 (4) INCREASING SOLE SOURCE CAPS.—

4 (A) QUALIFIED HUBZONE SMALL BUSI-
5 NESS CONCERNS.—Section 31(c)(2)(A)(ii) of
6 the Small Business Act (15 U.S.C.
7 657a(c)(2)(A)(ii)) is amended—

8 (i) in subclause (I), by striking
9 “\$5,000,000” and inserting
10 “\$10,000,000”; and

11 (ii) in subclause (II), by striking
12 “\$3,000,000” and inserting “\$8,000,000”.

13 (B) SMALL BUSINESS CONCERNS OWNED
14 AND CONTROLLED BY SERVICE-DISABLED VET-
15 ERANS.—Section 36(a)(2) of the Small Busi-
16 ness Act (15 U.S.C. 657f(a)(2)) is amended—

17 (i) in subparagraph (A), by striking
18 “\$5,000,000” and inserting
19 “\$10,000,000”; and

20 (ii) in subparagraph (B), by striking
21 “\$3,000,000” and inserting “\$8,000,000”.

22 (C) SMALL BUSINESS CONCERNS OWNED
23 AND CONTROLLED BY SOCIALLY AND ECONOMI-
24 CALLY DISADVANTAGED INDIVIDUALS.—Section

1 8(a)(1)(D)(i)(II) of the Small Business Act (15
2 U.S.C. 637(a)(1)(D)(i)(II)) is amended—

3 (i) by striking “\$5,000,000” and in-
4 serting “\$10,000,000”; and

5 (ii) by striking “\$3,000,000” and in-
6 serting “\$8,000,000”.

7 (D) CERTAIN SMALL BUSINESS CONCERNS
8 OWNED AND CONTROLLED BY WOMEN.—Section
9 8(m) of the Small Business Act (15 U.S.C.
10 637(m)) is amended—

11 (i) in paragraph (7)(B)—

12 (I) in clause (i), by striking
13 “\$6,500,000” and inserting
14 “\$10,000,000”; and

15 (II) in clause (ii), by striking
16 “\$4,000,000” and inserting
17 “\$8,000,000”; and

18 (ii) in paragraph (8)(B)—

19 (I) in clause (i), by striking
20 “\$6,500,000” and inserting
21 “\$10,000,000”; and

22 (II) in clause (ii), by striking
23 “\$4,000,000” and inserting
24 “\$8,000,000”.

1 (5) CATEGORY MANAGEMENT.—Section 15 of
 2 the Small Business Act (15 U.S.C. 644) is amended
 3 by adding at the end the following:

4 “(y) CATEGORY MANAGEMENT.—

5 “(1) DEFINITION OF CONTRACT.—In this sub-
 6 section, the term ‘contract’ includes a prime con-
 7 tract, a task order, a delivery order, a blanket pur-
 8 chase agreement, and a basic ordering agreement.

9 “(2) EXEMPTION.—Any acquisition for a con-
 10 tract to be awarded under the procedures of section
 11 8(a), 8(m), 31, or 36 or under subsection (a) or (j)
 12 of this section, including an acquisition for commer-
 13 cial items, shall be—

14 “(A) exempt from the procedural require-
 15 ments of agency-level or Governmentwide guid-
 16 ance on category management, best in class so-
 17 lutions, common contract solutions, or successor
 18 strategies for contract consolidation; and

19 “(B) disregarded when measuring attain-
 20 ment of any goal or benchmark established
 21 under agency-level or Governmentwide guidance
 22 on category management, best in class solu-
 23 tions, common contract solutions, or successor
 24 strategies for contract consolidation, unless con-

1 sidering the acquisition aids in the achievement
2 of the goal or benchmark.

3 “(3) PROHIBITION.—Once a contract has been
4 awarded under the section 8(a), 8(m), 31, or 36 or
5 under subsection (a) or (j) of this section, including
6 an acquisition for commercial items, the contract
7 shall not be removed and placed in category manage-
8 ment, best in class solutions, common contract solu-
9 tions, or successor strategies for contract consolida-
10 tion.”.

11 (6) PROMPT PAYMENTS.—Notwithstanding any
12 other provision of law or regulation, during any pe-
13 riod in which the President invokes the authorities
14 of the Defense Production Act of 1950 (50 U.S.C.
15 4501 et seq.), for any payment due by the head of
16 an agency on a contract for an item of property or
17 service provided—

18 (A) with respect to a prime contractor (as
19 defined in section 8701 of title 41, United
20 States Code) that is a small business concern or
21 nonprofit organization, the head of the agency
22 shall, to the fullest extent permitted by law and
23 to the maximum extent practicable, establish an
24 accelerated payment date of 15 days after a

1 proper invoice for the amount due is received;
 2 and

3 (B) with respect to a prime contractor (as
 4 defined in section 8701 of title 41, United
 5 States Code) that subcontracts with a small
 6 business concern or nonprofit organization, the
 7 head of the agency shall, to fullest extent per-
 8 mitted by law and to the maximum extent prac-
 9 ticable, establish an accelerated payment date
 10 of 15 days after receipt of a proper invoice for
 11 the amount due if the prime contractor agrees
 12 to make payments to the subcontractor in ac-
 13 cordance with the accelerated payment date, to
 14 the maximum extent practicable, without any
 15 further consideration from or fees charged to
 16 the subcontractor.

17 (d) PROMOTION OF SMALL BUSINESS ECONOMIC DE-
 18 VELOPMENT PROGRAMS.—

19 (1) AUTHORIZATION OF APPROPRIATIONS.—

20 There is authorized to be appropriated to the Ad-
 21 ministrator the following amounts, which shall re-
 22 main available until expended:

23 (A) \$18,750,000 to carry out the women's
 24 business center program under section 29 of
 25 the Small Business Act (15 U.S.C. 656), with

1 respect to which the following requirements
2 shall apply:

3 (i) The Administrator shall allocate
4 that amount so that each women’s busi-
5 ness center operating pursuant to that sec-
6 tion receives an equal allocation, unless the
7 Administrator determines that another
8 manner of allocation is necessary.

9 (ii) A center that receives amounts
10 under this subparagraph shall not be sub-
11 ject to the requirement to provide non-Fed-
12 eral funding under section 29(c) of the
13 Small Business Act (15 U.S.C. 656(c)).

14 (iii) A center that receives amounts
15 under this subparagraph shall use the
16 grant to—

17 (I) enhance remote services pro-
18 vided by the center; and

19 (II) provide counseling, training,
20 and other related services, such as
21 promoting long-term resiliency, to
22 small business concerns and entre-
23 preneurs impacted by or experiencing
24 substantial economic injury as a result
25 of COVID–19.

1 (B) \$1,000,000 to carry out SCORE,
2 which shall be used to—

3 (i) hire staff members with respect to
4 SCORE to develop and implement an edu-
5 cation program to—

6 (I) provide mentoring and other
7 related services, such as promoting
8 long-term resiliency, to small business
9 concerns and entrepreneurs impacted
10 by or experiencing substantial eco-
11 nomic injury as a result of COVID-
12 19;

13 (II) help owners of small busi-
14 ness concerns address issues relating
15 to COVID-19; and

16 (III) educate volunteers with re-
17 spect to the program regarding issues
18 relating to COVID-19;

19 (ii) develop and design content relat-
20 ing to the issues described in clause (i);

21 (iii) encourage the use of virtual men-
22 toring and workshops in carrying out
23 SCORE; and

24 (iv) recruit and train more virtual
25 mentors.

1 (C) \$40,000,000 to hire additional staff to
2 carry out the small business development pro-
3 gram established under section 21 of the Small
4 Business Act (15 U.S.C. 648), with respect to
5 which the following requirements shall apply:

6 (i) A small business development cen-
7 ter receiving funds under this subpara-
8 graph shall not be subject to the require-
9 ment to provide matching amounts under
10 subparagraphs (A) and (B) of section
11 21(a)(4) of the Small Business Act (15
12 U.S.C. 648(a)(4)).

13 (ii) The Administrator shall allocate
14 the funds according to the funding formula
15 described in section 21(a)(4)(C) of the
16 Small Business Act (15 U.S.C.
17 648(a)(4)(C)), unless the Administrator
18 determines that another manner of alloca-
19 tion is necessary.

20 (iii) Funds provided under this sub-
21 paragraph shall be used to provide coun-
22 seling, training, and other related services,
23 such as promoting long-term resiliency, to
24 small business concerns and entrepreneurs
25 impacted by or experiencing substantial

1 economic injury as a result of COVID–19,
2 which shall include training and advising
3 on—

4 (I) the hazards and prevention of
5 the transmission and communication
6 of the COVID–19 and other commu-
7 nicable diseases;

8 (II) the potential effects to their
9 supply chains and the distribution and
10 sale of products, and the mitigation of
11 those effects;

12 (III) the management and prac-
13 tice of telework to reduce possible
14 transmission;

15 (IV) the management and prac-
16 tice of remote customer service by
17 electronic or other means;

18 (V) the risks and mitigation of
19 cyber threats in remote customer serv-
20 ice or telework practices;

21 (VI) the mitigation of the effects
22 of reduced travel or outside activities
23 on small business concerns during
24 COVID–19 or similar occurrences;
25 and

1 (VII) any other relevant business
2 practices necessary to mitigate the
3 economic effects of COVID-19 or
4 similar occurrences.

5 (2) METRICS.—The Administrator, in coopera-
6 tion with recipients of financial assistance under
7 paragraph (1), shall establish metrics and goals for
8 performance of activities using funds provided under
9 paragraph (1).

10 (3) APPLICATION.—

11 (A) IN GENERAL.—A small business devel-
12 opment center, a women’s business center, or
13 SCORE shall submit an application to the Ad-
14 ministrator to receive assistance under para-
15 graph (1).

16 (B) PROVISION OF ASSISTANCE.—The Ad-
17 ministrator shall provide assistance under para-
18 graph (1) after making a determination that
19 the applicant is in need of financial assistance
20 due to economic injury as a result of COVID-
21 19 or has the capacity to provide assistance to
22 small business concerns affected by COVID-19.

23 (4) WAIVER.—During the period beginning on
24 the date of enactment of this Act and ending on
25 September 30, 2021, the requirement relating to ob-

1 taining matching contributions from non-Federal
 2 sources under sections 21(a)(4) and 29(c) of the
 3 Small Business Act (15 U.S.C. 648(a)(4), 656(c)) is
 4 waived for any recipient of assistance under such
 5 section 21 or 29, respectively.

6 (5) SBA CREATION OF MADE IN AMERICA
 7 LIST.—

8 (A) SHORT TERM RESPONSE.—Not later
 9 than 60 days after the date of enactment of
 10 this Act the resource partners of the Adminis-
 11 tration, including small business development
 12 centers, women’s business centers, SCORE, and
 13 veterans business outreach centers, shall pro-
 14 vide the Administrator with a list of the small
 15 business concerns—

16 (i) that those partners have served
 17 during the 10-year period preceding the
 18 date on which the list is created; and

19 (ii) that self-identify as having, or as
 20 expecting to have, supply chain
 21 vulnerabilities.

22 (B) CREATION OF LIST.—Based on the list
 23 provided under subparagraph (A), the Adminis-
 24 tration shall create a list of small business con-
 25 cerns entitled the “Made in America” list.

1 (C) LONG TERM RESPONSE.—

2 (i) IN GENERAL.—After the creation
3 of the list under subparagraph(B)—

4 (I) the Administrator shall—

5 (aa) share the list with the
6 resource partners of the Adminis-
7 tration, including the entities de-
8 scribed in subparagraph (A);

9 (bb) update the list not less
10 frequently than once every 6
11 months, or at such intervals as
12 the Administrator may determine
13 appropriate;

14 (cc) on an ongoing basis,
15 seek to match the small business
16 concerns identified on the list
17 (referred to in this subparagraph
18 as “listed small business con-
19 cerns”), as updated under item
20 (bb), with—

21 (AA) suppliers identi-
22 fied under subclause (II);
23 and

24 (BB) any other supplier
25 that may be able to address

1 the supply chain
2 vulnerabilities of the listed
3 small business concerns; and
4 (dd) in carrying out item
5 (cc), collaborate with other Fed-
6 eral agencies, including the Mi-
7 nority Business Development
8 Agency of the Department of
9 Commerce, to identify supply
10 chain vulnerabilities in the
11 United States that small business
12 concerns may be able to address;
13 and

14 (II) the resource partners of the
15 Administration shall disseminate the
16 list received under subclause (I)(aa)
17 to manufacturing clients of those
18 partners with the objective of match-
19 ing the listed small business concerns
20 with suppliers that are able to address
21 the supply chain vulnerabilities of
22 those small business concerns.

23 (ii) REPORT.—Not later than 1 year
24 after the date of enactment of this Act,
25 and annually thereafter, the Administrator

1 shall submit to the Committee on Small
2 Business and Entrepreneurship of the Sen-
3 ate and the Committee on Small Business
4 of the House of Representatives a report
5 that contains—

6 (I) the number of listed small
7 business concerns, as updated under
8 clause (i)(I)(bb);

9 (II) the number of notification of
10 opportunities that went out requesting
11 new small business concern suppliers;
12 and

13 (III) the number of matches
14 made from the list required under this
15 paragraph.

16 (e) AUTHORIZATION OF APPROPRIATIONS.—In addi-
17 tion to amounts provided under any other provision of law,
18 there is authorized to be appropriated \$150,000,000, to
19 remain available until expended, under the heading “Small
20 Business Administration—Entrepreneurial Development
21 Programs”, of which—

22 (1) \$40,000,000 shall be to support programs
23 carried out by small business development centers
24 described in section 21 of the Small Business Act
25 (15 U.S.C. 648);

1 (2) \$18,750,000 shall be to support programs
2 carried out by women’s business centers described in
3 section 29 of such Act (15 U.S.C. 656);

4 (3) \$1,000,000 shall be to support programs
5 carried out by the Service Corps of Retired Execu-
6 tives authorized under section 8(b)(1) of such Act
7 (15 U.S.C. 637(b)(1));

8 (4) \$50,000,000 shall be for microloan tech-
9 nical assistance grants under section 7(m)(4) of
10 such Act (15 U.S.C. 636(m)(4)); and

11 (5) \$40,250,000 shall be for additional grants
12 for technical assistance, counseling, mentoring,
13 training, and workshops for outreach to small busi-
14 ness concerns impacted by COVID–19.

15 **SEC. 18. SMALL BUSINESS INTERMEDIARY LENDING PRO-**
16 **GRAM.**

17 (a) IN GENERAL.—Section 7(l) of the Small Business
18 Act (15 U.S.C. 636(l)) is amended—

19 (1) in the subsection heading, by striking
20 “PILOT”;

21 (2) in paragraph (1)—

22 (A) in subparagraph (A), by striking
23 “and” at the end;

24 (B) by redesignating subparagraph (B) as
25 subparagraph (C);

1 (C) by inserting after subparagraph (A)
 2 the following:

3 “(B) the term ‘newly established small
 4 business concern’ means a small business con-
 5 cern that has been existence for not more than
 6 2 years on the date on which a loan is made to
 7 the small business concern under the Pro-
 8 gram;”;

9 (D) in subparagraph (C), as so redesign-
 10 nated—

11 (i) by striking “pilot”; and

12 (ii) by striking the period at the end
 13 and inserting a semicolon; and

14 (E) by adding at the end the following:

15 “(D) the term ‘small business concern in
 16 an underserved market’ means a small business
 17 concern—

18 “(i) that is located in—

19 “(I) a low- to moderate-income
 20 community;

21 “(II) a HUBZone;

22 “(III) a community that has been
 23 designated as an empowerment zone
 24 or an enterprise community under

1 section 1391 of the Internal Revenue
2 Code of 1986;

3 “(IV) a community that has been
4 designated as a promise zone by the
5 Secretary of Housing and Urban De-
6 velopment;

7 “(V) a community that has been
8 designated as a qualified opportunity
9 zone under section 1400Z–1 of the In-
10 ternal Revenue Code of 1986; or

11 “(VI) a rural area;

12 “(ii) that has more than 50 percent of
13 employees residing in a low- or moderate-
14 income community;

15 “(iii) that is a startup or new busi-
16 ness;

17 “(iv) owned and controlled by socially
18 and economically disadvantaged individ-
19 uals, including Black Americans, Hispanic
20 Americans, Native Americans, Asian Pa-
21 cific Americans, and other minorities;

22 “(v) owned and controlled by women;

23 “(vi) owned and controlled by vet-
24 erans;

1 “(vii) owned and controlled by service-
2 disabled veterans;

3 “(viii) not less than 51 percent owned
4 and controlled by 1 or more—

5 “(I) members of the Armed
6 Forces participating in the Transition
7 Assistance Program of the Depart-
8 ment of Defense;

9 “(II) Reservists;

10 “(III) spouses of veterans, mem-
11 bers of the Armed Forces, or Reserv-
12 ists; or

13 “(IV) surviving spouses of vet-
14 erans who died on active duty or as a
15 result of a service-connected disability;
16 or

17 “(V) individuals who have com-
18 pleted a term of imprisonment in Fed-
19 eral, State, or local jail or prison; or

20 “(ix) that is eligible to receive a vet-
21 erans advantage loan;

22 “(E) the term ‘small business concern
23 owned and controlled by socially and economi-
24 cally disadvantaged individuals’ has the mean-
25 ing given the term in section 8(d)(3)(C); and

1 “(F) the term ‘startup’ means a business
2 that has not yet opened.”;

3 (3) in paragraph (2)—

4 (A) by striking “3-year”; and

5 (B) by striking “pilot”;

6 (4) in paragraph (3)—

7 (A) in subparagraph (A), by striking
8 “and” at the end;

9 (B) in subparagraph (B), by striking the
10 period at the end and inserting “; and”; and

11 (C) by adding at the end the following:

12 “(C) to provide flexible capital to and
13 through mission lenders who are best positioned
14 to understand community need and respond
15 quickly to it during times of economic down-
16 turn, especially as a result of a disaster, includ-
17 ing those caused by public health threats.”;

18 (5) in paragraph (4)—

19 (A) by striking subparagraph (B) and in-
20 serting the following:

21 “(B) LOAN LIMITS.—

22 “(i) SINGLE LOAN.—

23 “(I) IN GENERAL.—Except as
24 provided in subclause (II), no single
25 loan to an eligible intermediary under

1 this subsection may exceed
2 \$1,000,000.

3 “(II) EXCEPTION FOR UNDER-
4 SERVED MARKETS.—If an eligible
5 intermediary makes not less than 60
6 percent of its loans to small business
7 concerns in underserved markets, the
8 eligible intermediary may receive a
9 single loan under this subsection of
10 \$1,500,000.

11 “(ii) TOTAL AMOUNT.—The total
12 amount outstanding and committed to an
13 eligible intermediary by the Administrator
14 under the Program may not exceed
15 \$5,000,000.

16 “(iii) CONSIDERATIONS.—In deter-
17 mining whether to make a loan to an eligi-
18 ble intermediary before prior loans made to
19 the eligible intermediary under the Pro-
20 gram are paid off, the Administrator shall
21 take into consideration the lending experi-
22 ence and track record of the eligible inter-
23 mediary within the Program.”; and

24 (B) by striking subparagraphs (F) and (G)
25 and inserting the following:

1 “(F) DELAYED PAYMENTS.—

2 “(i) IN GENERAL.—The Administrator
3 shall not require the repayment of prin-
4 cipal or interest on a loan made to an eligi-
5 ble intermediary under the Program dur-
6 ing the 2-year period beginning on the date
7 of the initial disbursement of funds under
8 that loan.

9 “(ii) DELAYED PAYMENTS FOR CER-
10 TAIN SMALL BUSINESS CONCERNS.—An el-
11 igible intermediary shall not require the re-
12 payment of principal or interest on a loan
13 made to a manufacturing or high-tech, in-
14 novative small business concern for the
15 purposes of commercialization, including
16 firms involved in the SBIR and STTR pro-
17 grams under section 9, until the earlier
18 of—

19 “(I) that date that is 6 months
20 after the date of the initial disburse-
21 ment of funds under that loan; or

22 “(II) the date on which the small
23 business concern brings in revenue.

24 “(G) REPAYMENT STRUCTURES.—The Ad-
25 ministrator may allow eligible intermediaries to

1 engage borrowers in prudent repayment struc-
2 tures, including revenue-based financing, based
3 on the type of business and business industry
4 needs.

5 “(H) MAXIMUM AMOUNTS.—In each fiscal
6 year, the Administrator may make loans under
7 the Program in a total amount of not more
8 than \$30,000,000.”; and

9 (6) by striking paragraph (6) and inserting the
10 following:

11 “(6) REPORT.—Not later than 1 year after the
12 date of enactment of the COVID–19 Recovery by
13 Enhancing Loan, Investment, and Education Funds
14 for Small Businesses Act of 2020, the Administrator
15 shall submit to the Committee on Small Business
16 and Entrepreneurship of the Senate and the Com-
17 mittee on Small Business of the House of Rep-
18 resentatives a report regarding the performance and
19 effectiveness of the Program, which shall include—

20 “(A) the number and dollar amount of
21 loans made in each year the Program has been
22 in effect;

23 “(B) each eligible intermediary that re-
24 ceived a loan under the Program; and

1 “(C) any recommendations for improve-
2 ments to the Program.

3 “(7) AUTHORIZATION OF APPROPRIATIONS.—
4 There is authorized to be appropriated to carry out
5 this section—

6 “(A) \$20,000,000 for fiscal year 2020; and

7 “(B) \$30,000,000 for fiscal year 2021.”.

8 (b) RULEMAKING AUTHORITY.—Not later than 180
9 days after the date of enactment of this Act, the Adminis-
10 trator shall issue regulations to carry out section 7(l) of
11 the Small Business Act (15 U.S.C. 636(l)), as amended
12 by subsection (a).

13 **SEC. 19. COMMUNITY ADVANTAGE LOAN PROGRAM.**

14 Section 7(a) of the Small Business Act (15 U.S.C.
15 636(a)) is amended by adding at the end the following:

16 “(36) COMMUNITY ADVANTAGE LOAN PRO-
17 GRAM.—

18 “(A) PURPOSES.—The purposes of the
19 Community Advantage Loan Program are—

20 “(i) to create a mission-oriented loan
21 guarantee program that builds on the dem-
22 onstrated success of the Community Ad-
23 vantage Pilot Program of the Administra-
24 tion, as established in 2011, to reach more
25 underserved small business concerns;

1 “(ii) to increase lending to small busi-
2 ness concerns in underserved and rural
3 markets, including veterans and members
4 of the military community, small business
5 concerns owned and controlled by socially
6 and economically disadvantaged individ-
7 uals, women, and startups;

8 “(iii) to ensure that the program
9 under this subsection (in this paragraph
10 referred to as the ‘7(a) loan program’) is
11 more inclusive and more broadly meets
12 congressional intent to reach borrowers
13 who are unable to get credit elsewhere on
14 reasonable terms and conditions;

15 “(iv) to help underserved small busi-
16 ness concerns become bankable by utilizing
17 the small-dollar financing and business
18 support experience of mission-oriented
19 lenders;

20 “(v) to allow certain mission-oriented
21 lenders, primarily nonprofit financial inter-
22 mediaries focused on economic develop-
23 ment in underserved markets, access to
24 guarantees for loans under this subsection
25 (in this paragraph referred to as ‘7(a)

1 loans') of not more than \$350,000 and
2 provide management and technical assist-
3 ance to small business concerns as needed;

4 “(vi) to provide certainty for the lend-
5 ing partners that make loans under this
6 subsection and to attract new lenders; and

7 “(vii) to encourage collaboration be-
8 tween mission-oriented and conventional
9 lenders under this subsection in order to
10 support underserved small business con-
11 cerns.

12 “(B) DEFINITIONS.—In this paragraph—

13 “(i) the term ‘covered institution’
14 means—

15 “(I) a development company, as
16 defined in section 103 of the Small
17 Business Investment Act of 1958 (15
18 U.S.C. 662), participating in the 504
19 Loan Guaranty program established
20 under title V of that Act (15 U.S.C.
21 695 et seq.);

22 “(II) a nonprofit intermediary, as
23 defined in subsection (m)(11), partici-
24 pating in the microloan program
25 under subsection (m);

1 “(III) a non-Federally regulated
2 entity certified as a community devel-
3 opment financial institution by the
4 Community Development Financial
5 Institutions Fund established under
6 section 104(a) of the Riegle Commu-
7 nity Development and Regulatory Im-
8 provement Act of 1994 (12 U.S.C.
9 4703(a)); and

10 “(IV) an eligible intermediary, as
11 defined in subsection (l)(1), partici-
12 pating in the Intermediary Lending
13 Program established under subsection
14 (l)(2);

15 “(ii) the term ‘existing business’
16 means a small business concern that has
17 been in existence for not less than 2 years
18 on the date on which a loan is made to the
19 small business concern under the program;

20 “(iii) the term ‘new business’ means a
21 small business concern that has been exist-
22 ence for not more than 2 years on the date
23 on which a loan is made to the small busi-
24 ness concern under the program;

1 “(iv) the term ‘program’ means the
2 Community Advantage Loan Program es-
3 tablished under subparagraph (C);

4 “(v) the term ‘Reservist’ means a
5 member of a reserve component of the
6 Armed Forces named in section 10101 of
7 title 10, United States Code;

8 “(vi) the term ‘rural area’ means any
9 county that the Bureau of the Census has
10 defined as mostly rural or completely rural
11 in the most recent decennial census;

12 “(vii) the term ‘service-connected’ has
13 the meaning given the term in section
14 101(16) of title 38, United States Code;

15 “(viii) the term ‘small business con-
16 cern in an underserved market’ means a
17 small business concern—

18 “(I) that is located in—

19 “(aa) a low- to moderate-in-
20 come community;

21 “(bb) a HUBZone, as that
22 term is defined in section 31(b);

23 “(cc) a community that has
24 been designated as an empower-
25 ment zone or an enterprise com-

1 munity under section 1391 of the
2 Internal Revenue Code of 1986;

3 “(dd) a community that has
4 been designated as a promise
5 zone by the Secretary of Housing
6 and Urban Development;

7 “(ee) a community that has
8 been designated as a qualified
9 opportunity zone under section
10 1400Z–1 of the Internal Revenue
11 Code of 1986; or

12 “(ff) a rural area;

13 “(II) for which more than 50
14 percent of the employees reside in a
15 low- or moderate-income community;

16 “(III) that is a startup or new
17 business;

18 “(IV) owned and controlled by
19 socially and economically disadvan-
20 taged individuals, including Black
21 Americans, Hispanic Americans, Na-
22 tive Americans, Asian Pacific Ameri-
23 cans, and other minorities;

24 “(V) owned and controlled by
25 women;

1 “(VI) owned and controlled by
2 veterans;

3 “(VII) owned and controlled by
4 service-disabled veterans;

5 “(VIII) not less than 51 percent
6 owned and controlled by 1 or more—

7 “(aa) members of the Armed
8 Forces participating in the Tran-
9 sition Assistance Program of the
10 Department of Defense;

11 “(bb) Reservists;

12 “(cc) spouses of veterans,
13 members of the Armed Forces, or
14 Reservists; or

15 “(dd) surviving spouses of
16 veterans who died on active duty
17 or as a result of a service-con-
18 nected disability;

19 “(IX) that is eligible to receive a
20 veterans advantage loan; or

21 “(X) owned and controlled by an
22 individual who has completed a term
23 of imprisonment in a Federal, State,
24 or local jail or prison;

1 “(ix) the term ‘small business concern
2 owned and controlled by socially and eco-
3 nomically disadvantaged individuals’ has
4 the meaning given the term in section
5 8(d)(3)(C);

6 “(x) the term ‘startup’ means a busi-
7 ness that has not yet opened; and

8 “(xi) the term ‘veterans advantage
9 loan’ means a loan made to a small busi-
10 ness concern under this subsection that is
11 eligible for a waiver of the guarantee fee
12 under paragraph (18) or the yearly fee
13 under paragraph (23) because the small
14 business concern is a concern described in
15 subclause (VI), (VII), or (VIII) of clause
16 (viii).

17 “(C) ESTABLISHMENT.—There is estab-
18 lished a Community Advantage Loan Program
19 under which the Administration may guarantee
20 loans made by covered institutions under this
21 subsection, including loans made to small busi-
22 ness concerns in underserved markets.

23 “(D) PROGRAM LEVELS.—In each of fiscal
24 years 2020, 2021, 2022, 2023, 2024, and 2025,
25 not more than 10 percent of the number of

1 loans guaranteed under this subsection may be
2 guaranteed under the program.

3 “(E) NEW LENDERS.—

4 “(i) FISCAL YEARS 2021 AND 2022.—In
5 each of fiscal years 2021 and 2022—

6 “(I) not more than 150 covered
7 institutions shall participate in the
8 program; and

9 “(II) the Administrator shall
10 allow for new applicants and give pri-
11 ority to applications submitted by any
12 covered institution that is located in
13 an area with insufficient or no lending
14 under the program.

15 “(ii) FISCAL YEARS 2023, 2024, AND
16 2025.—

17 “(I) IN GENERAL.—In each of
18 fiscal years 2023, 2024, and 2025—

19 “(aa) except as provided in
20 subclause (II), not more than
21 175 covered institutions shall
22 participate in the program; and

23 “(bb) the Administrator
24 shall allow for new applicants
25 and give priority to applications

submitted by any covered institution that is located in an area with insufficient or no lending under the program.

“(II) EXCEPTION FOR FISCAL YEAR 2025.—In fiscal year 2025, not more than 200 covered institutions may participate in the program if—

“(aa) after reviewing the report under subparagraph (M), the Administrator determines that not more than 200 covered institutions may participate in the program;

“(bb) the Administrator notifies Congress in writing of the determination of the Administrator under item (aa); and

“(cc) not later than July 30, 2024, the Administrator notifies the public of the determination of the Administrator under item (aa).

“(F) GRANDFATHERING OF EXISTING LENDERS.—Any covered institution that par-

1 ticipated in the Community Advantage Pilot
 2 Program of the Administration and is in good
 3 standing on the day before the date of enact-
 4 ment of this paragraph—

5 “(i) shall retain designation in the
 6 program; and

7 “(ii) shall not be required to submit
 8 an application to participate in the pro-
 9 gram.

10 “(G) REQUIREMENT TO MAKE LOANS TO
 11 UNDERSERVED MARKETS.—Not less than 75
 12 percent of loans made by a covered institution
 13 under the program shall consist of loans made
 14 to small business concerns in underserved mar-
 15 kets.

16 “(H) MAXIMUM LOAN AMOUNT.—

17 “(i) IN GENERAL.—Except as pro-
 18 vided in clause (ii), the maximum loan
 19 amount for a loan guaranteed under the
 20 program is \$250,000.

21 “(ii) EXCEPTION.—

22 ““(I) IN GENERAL.—The Ad-
 23 ministration may, in the discretion of
 24 the Administration, approve a guar-
 25 antee of a loan under the program

1 that is more than \$250,000 and not
2 more than \$350,000.

3 “(II) NOTIFICATION.—Not later
4 than 2 days after receiving a request
5 for an exception to the maximum loan
6 amount established under clause (i),
7 the Administration shall—

8 “(aa) review the request;
9 and

10 “(bb) provide a decision re-
11 garding the request to the cov-
12 ered institution making the loan.

13 “(I) TRAINING AND TECHNICAL ASSIST-
14 ANCE.—The Administration—

15 “(i) shall, in person and online, pro-
16 vide upfront and ongoing training and
17 technical assistance for covered institutions
18 making loans under the program in order
19 to support prudent lending standards and
20 improve the interface between the covered
21 institutions and the Administration, which
22 shall include—

23 “(I) guidance for following the
24 regulations of the Administration, in-

1 including best practices for maintaining
 2 healthy portfolios of loans; and

3 “(II) directions for covered insti-
 4 tutions to do what is in the best inter-
 5 est of the borrowers, including by en-
 6 suring to the maximum extent pos-
 7 sible that those borrowers are in-
 8 formed about loans with the most fa-
 9 vorable terms for those borrowers;

10 “(ii) shall ensure that the training
 11 and technical assistance described in clause
 12 (i) is provided for free or at a low-cost;

13 “(iii) may enter into a contract to
 14 provide the training or technical assistance
 15 described in clause (i) with an organization
 16 with expertise in lending under this sub-
 17 section, mission-oriented lending, and lend-
 18 ing to underserved markets; and

19 “(iv) shall ensure that covered institu-
 20 tions adequately report the extent to which
 21 the covered institutions take the actions re-
 22 quired under clause (i)(II).

23 “(J) DELEGATED AUTHORITY.—A covered
 24 institution is not eligible to receive delegated
 25 authority from the Administration under the

1 program until the covered institution makes not
2 less than 10 loans under the program, unless
3 the Administration determines otherwise after
4 an opportunity for public comment for a period
5 of not less than 30 days before implementing
6 such a change.

7 “(K) REGULATIONS.—

8 “(i) IN GENERAL.—Not later than
9 180 days after the date of enactment of
10 this paragraph and in accordance with the
11 notice and comment procedures under sec-
12 tion 553 of title 5, United States Code, the
13 Administrator shall promulgate regulations
14 to carry out the program, which shall be
15 substantially similar to the Community Ad-
16 vantage Pilot Program of the Administra-
17 tion, as in effect on September 1, 2018,
18 and shall—

19 “(I) outline the requirements for
20 participation by covered institutions in
21 the program;

22 “(II) define performance metrics
23 for covered institutions participating
24 in the program for the first time,
25 which are required to be met in order

1 to continue participating in the pro-
2 gram;

3 “(III) establish an acceptable
4 range of program costs and level of
5 risk that shall be based on other loan
6 products—

7 “(aa) of similar size;

8 “(bb) that use similar lend-
9 ers; and

10 “(cc) that are intended to
11 reach similar borrowers;

12 “(IV) determine the credit score
13 of a small business concern under
14 which the Administration is required
15 to underwrite a loan provided to the
16 small business concern under the pro-
17 gram and the loan may not be made
18 using the delegated authority of a cov-
19 ered institution;

20 “(V) require each covered institu-
21 tion that sells loans made under the
22 program on the secondary market to
23 establish a loan loss reserve fund,
24 which—

“(aa) with respect to covered institutions in good standing, including the covered institutions described in subparagraph (F), shall be maintained at a level equal to 3 percent of the outstanding guaranteed portion of the loans; and

“(bb) with respect to any other covered institution, shall be maintained at a level equal to 5 percent of the outstanding guaranteed portion of the loans; and

“(VI) allow the Administrator to require additional amounts to be deposited into a loan loss reserve fund established by a covered institution under subclause (V) based on the risk characteristics or performance of the covered institution and the loan portfolio of the covered institution.

“(ii) TERMINATION OF PILOT PROGRAM.—Beginning on the date on which the regulations promulgated by the Administrator under clause (i) take effect, the

1 Administrator may not carry out the Com-
2 munity Advantage Pilot Program of the
3 Administration.

4 “(L) GAO REPORT.—Not later than 3
5 years after the date of enactment of this para-
6 graph, the Comptroller General of the United
7 States shall submit to the Administrator, the
8 Committee on Small Business and Entrepre-
9 neurship of the Senate, and the Committee on
10 Small Business of the House of Representatives
11 a report—

12 “(i) assessing—

13 “(I) the extent to which the pro-
14 gram fulfills the requirements of this
15 paragraph; and

16 “(II) the performance of covered
17 institutions participating in the pro-
18 gram; and

19 “(ii) providing recommendations on
20 the administration of the program and the
21 findings under subclauses (I) and (II) of
22 clause (i).

23 “(M) WORKING GROUP.—

24 “(i) IN GENERAL.—Not later than 90
25 days after the date of enactment of this

1 paragraph, the Administrator shall estab-
2 lish a Community Advantage Working
3 Group, which shall—

4 “(I) include—

5 “(aa) a geographically di-
6 verse representation of members
7 from among covered institutions
8 participating in the program; and

9 “(bb) representatives from
10 the Office of Capital Access of
11 the Administration, including the
12 Office of Credit Risk Manage-
13 ment, the Office of Financial As-
14 sistance, and the Office of Eco-
15 nomic Opportunity;

16 “(II) develop recommendations
17 on how the Administration can effec-
18 tively manage, support, and promote
19 the program and the mission of the
20 program;

21 “(III) establish metrics of suc-
22 cess and benchmarks that reflect the
23 mission and population served by cov-
24 ered institutions under the program,
25 which the Administration shall use to

1 evaluate the performance of those cov-
2 ered institutions;

3 “(IV) institute regular and sus-
4 tainable systems of communication be-
5 tween the Administration and covered
6 institutions participating in the pro-
7 gram; and

8 “(V) establish criteria for covered
9 institutions regarding when those in-
10 stitutions should provide technical as-
11 sistance to borrowers under the pro-
12 gram and the scope of that technical
13 assistance.

14 “(ii) REPORT.—Not later than 180
15 days after the date of enactment of this
16 paragraph, the Administrator shall submit
17 to the Committee on Small Business and
18 Entrepreneurship of the Senate and the
19 Committee on Small Business of the
20 House of Representatives a report that in-
21 cludes—

22 “(I) the recommendations of the
23 Community Advantage Working
24 Group established under clause (i);
25 and

1 “(II) a recommended plan and
 2 timeline for implementation of those
 3 recommendations.”.

4 **SEC. 20. ACCELERATING SMALL BUSINESS INNOVATIONS.**

5 (a) PURPOSE.—The purpose of this section is to ac-
 6 celerate the review and award of SBIR and STTR (as de-
 7 fined in section 9 of the Small Business Act (15 U.S.C.
 8 638)) projects at most civilian agencies in order to speed
 9 the development of innovations, which is particularly nec-
 10 essary to stimulate the economy and provide agencies with
 11 new technologies.

12 (b) AMENDMENTS.—Section 9 of the Small Business
 13 Act (15 U.S.C. 638) is amended—

14 (1) in subsection (g)(8)—

15 (A) in subparagraph (B), by striking
 16 “and” at the end;

17 (B) in subparagraph (C), by adding “and”
 18 at the end; and

19 (C) by adding at the end the following:

20 “(D) the average and median amount of
 21 time that each Federal agency with an SBIR
 22 program takes to review and make a final deci-
 23 sion on proposals submitted under the pro-
 24 gram;”;

25 (2) in subsection (o)(9)—

1 (A) in subparagraph (B), by striking
2 “and” at the end;

3 (B) in subparagraph (C), by adding “and”
4 at the end; and

5 (C) by adding at the end the following:

6 “(D) the average and median amount of
7 time that each Federal agency with an STTR
8 program takes to review and make a final deci-
9 sion on proposals submitted under the pro-
10 gram;”;

11 (3) in subsection (hh), by adding at the end the
12 following:

13 “(3) REQUIREMENT TO ACCELERATE SBIR AND
14 STTR AWARDS OF CIVILIAN AGENCIES.—Not later
15 than 1 year after the date of enactment of this para-
16 graph, each Federal agency participating in the
17 SBIR program or STTR program, other than the
18 Department of Defense, shall establish a process to
19 reduce the time for awards under the SBIR and
20 STTR programs of the Federal agency by—

21 “(A) developing simplified and standard-
22 ized application processes and requirements and
23 simplified and standardized model contracts or
24 awards throughout the Federal agency for
25 Phase I, Phase II, and Phase III SBIR awards;

1 “(B) for Phase I SBIR and STTR awards,
2 reducing the amount of time between solicita-
3 tion closure and award;

4 “(C) for Phase II SBIR and STTR
5 awards, reducing the amount of time between
6 the end of a Phase I award and the start of the
7 Phase II award;

8 “(D) for Phase II SBIR and STTR
9 awards that skip Phase I, reducing the amount
10 of time between solicitation closure and award;

11 “(E) for sequential Phase II SBIR and
12 STTR awards, reducing the amount of time be-
13 tween Phase II awards; and

14 “(F) reducing the award times described in
15 subparagraphs (B), (C), (D), and (E) to not
16 later than 180 days with respect to the Depart-
17 ment of Health and Human Services, the Na-
18 tional Science Foundation, and the Department
19 of Agriculture, and as close to 90 days as pos-
20 sible with respect to any other participating
21 agency.”; and

22 (4) in subsection (ii), by adding at the end the
23 following:

24 “(3) ADDITIONAL COMPTROLLER GENERAL RE-
25 PORTS.—The Comptroller General of the United

1 States shall submit to the Committee on Small Busi-
2 ness and Entrepreneurship of the Senate and the
3 Committee on Small Business of the House of Rep-
4 resentatives—

5 “(A) not later than 2 years after the date
6 of enactment of this paragraph, a report that—

7 “(i) provides the average and median
8 amount of time that each Federal agency
9 with an SBIR or STTR program takes to
10 review and make a final decision on pro-
11 posals submitted under the program; and

12 “(ii) compares that average and me-
13 dian amount of time with that of the pre-
14 vious 5 fiscal years; and

15 “(B) not later than March 31, 2024, a re-
16 port that—

17 “(i) includes the information described
18 in subparagraph (A);

19 “(ii) assesses where each Federal
20 agency participating in the SBIR or STTR
21 program needs improvement with respect
22 to the proposal review and award times
23 under the program;

24 “(iii) identifies best practices for
25 shortening the proposal review and award

1 times under the SBIR and STTR pro-
 2 grams; and

3 “(iv) analyzes the efficacy of the pro-
 4 gram established under subsection
 5 (hh)(3).”.

6 **SEC. 21. IMPROVEMENTS TO SBIR/STTR COMMERCIALIZA-**
 7 **TION.**

8 (a) PURPOSE.—The purpose of this section is to
 9 make the small business research programs permanent,
 10 allow limited skipping of the first research phase, and des-
 11 ignate a Technology Commercialization Officer in each
 12 participating agency to help companies with commer-
 13 cialization.

14 (b) PERMANENCY OF SBIR AND STTR PRO-
 15 GRAMS.—

16 (1) SBIR.—Section 9(m) of the Small Business
 17 Act (15 U.S.C. 638(m)) is amended—

18 (A) in the subsection heading, by striking
 19 “TERMINATION” and inserting “SBIR PRO-
 20 GRAM AUTHORIZATION”; and

21 (B) by striking “terminate on September
 22 30, 2022” and inserting “be in effect for each
 23 fiscal year”.

1 (2) STTR.—Section 9(n)(1)(A) of the Small
2 Business Act (15 U.S.C. 638(n)(1)(A)) is amended
3 by striking “through fiscal year 2022”.

4 (c) COMMERCIALIZATION SELECTION.—Section 9 of
5 the Small Business Act (15 U.S.C. 638) is amended—

6 (1) in subsection (g)—

7 (A) in paragraph (4)(B)(i)—

8 (i) by striking “1 year” and inserting
9 “180 days”; and

10 (ii) by striking “National Institutes of
11 Health or the National Science Founda-
12 tion” and inserting “Department of Health
13 and Human Services, the National Science
14 Foundation, or the Department of Agri-
15 culture”;

16 (B) in paragraph (11), by striking “and”
17 at the end;

18 (C) in paragraph (12), by striking the pe-
19 riod at the end and inserting “; and”; and

20 (D) by adding at the end the following:

21 “(13) with respect to peer review carried out
22 under the SBIR program, to the extent practicable,
23 include in the peer review—

1 “(A) the likelihood of commercialization in
 2 addition to scientific and technical merit and
 3 feasibility; and

4 “(B) not less than 1 reviewer with com-
 5 mercialization expertise who is capable of as-
 6 sessing the likelihood of commercialization.”;

7 (2) in subsection (o)—

8 (A) in paragraph (4)(B)(i)—

9 (i) by striking “1 year” and inserting
 10 “180 days”; and

11 (ii) by striking “National Institutes of
 12 Health or the National Science Founda-
 13 tion” and inserting “Department of Health
 14 and Human Services, the National Science
 15 Foundation, or the Department of Agri-
 16 culture”;

17 (B) in paragraph (15), by striking “and”
 18 at the end;

19 (C) in paragraph (16), by striking the pe-
 20 riod at the end and inserting “; and”; and

21 (D) by adding at the end the following:

22 “(17) with respect to peer review carried out
 23 under the STTR program, to the extent practicable,
 24 include in the peer review—

1 “(A) the likelihood of commercialization in
2 addition to scientific and technical merit and
3 feasibility; and

4 “(B) not less than 1 reviewer with com-
5 mercialization expertise who is capable of as-
6 sessing the likelihood of commercialization.”;

7 (3) in subsection (aa), by adding at the end the
8 following:

9 “(6) APPLICATION OF WAIVER.—The waiver
10 authority under paragraph (4) shall not apply to
11 Phase II awards that skip Phase I unless the addi-
12 tional funds are needed to respond to an urgent
13 need in the United States, such as a pandemic.”;

14 (4) in subsection (cc)—

15 (A) by striking “During fiscal years 2012
16 through 2022, the National Institutes of
17 Health, the Department of Defense, and the
18 Department of Education” and inserting the
19 following:

20 “(1) IN GENERAL.—During fiscal years 2020
21 through 2025, each Federal agency with an SBIR or
22 STTR program”; and

23 (B) by adding at the end the following:

1 “(2) LIMITATION.—The total value of awards
2 provided by a Federal agency under this subsection
3 in a fiscal year shall be—

4 “(A) except as provided in subparagraph
5 (B), not more than 10 percent of the total
6 funds allocated to the SBIR and STTR pro-
7 grams of the Federal agency during that fiscal
8 year; and

9 “(B) with respect to the Department of
10 Health and Human Services, not more than 15
11 percent of the total funds allocated to the SBIR
12 and STTR programs of the Department of
13 Health and Human Services during that fiscal
14 year.

15 “(3) EXTENSION.—During fiscal years 2024
16 and 2025, each Federal agency with an SBIR or
17 STTR program may continue phase flexibility as de-
18 scribed in this subsection only if—

19 “(A) the reports required under subsection
20 (tt)(1)(B) have been submitted to the appro-
21 priate committees;

22 “(B) the results in the reports demonstrate
23 that skipping Phase I is effective at commer-
24 cializing SBIR and STTR projects; and

1 “(C) the allocation percentages in sub-
2 sections (f)(1) and (n)(1) have been increased
3 above 3.2 percent and .45 percent, respec-
4 tively.”;

5 (5) in subsection (hh)(2)(A)(i), by striking
6 “procedures and model contracts” and inserting
7 “processes and requirements and simplified and
8 standardized model contracts or awards”; and

9 (6) by adding at the end the following:

10 “(vv) TECHNOLOGY COMMERCIALIZATION OFFI-
11 CIAL.—Each Federal agency participating in the SBIR or
12 STTR program shall designate a Technology Commer-
13 cialization Official in the Federal agency, who shall—

14 “(1) have sufficient commercialization experi-
15 ence;

16 “(2) provide assistance to SBIR and STTR
17 program awardees in commercializing and
18 transitioning technologies;

19 “(3) identify SBIR and STTR program tech-
20 nologies with sufficient technology and commer-
21 cialization readiness to advance to Phase III awards
22 or other non-SBIR or STTR program contracts;

23 “(4) coordinate with the Technology Commer-
24 cialization Officials of other Federal agencies to
25 identify additional markets and commercialization

1 pathways for promising SBIR and STTR program
2 technologies;

3 “(5) submit to the Administration an annual
4 report on the number of technologies from the SBIR
5 or STTR program that have advanced commer-
6 cialization activities, including information required
7 in the commercialization impact assessment under
8 subsection (xx) and how those activities may relate
9 to support of the diversification of the United States
10 supply chain;

11 “(6) submit to the Administration an annual
12 report on actions taken by the Federal agency, and
13 the results of those actions, to simplify, standardize,
14 and expedite the application process and require-
15 ments, procedures, and contracts as required under
16 subsection (hh) and described in subsection (xx)(E);
17 and

18 “(7) carry out such other duties as the Federal
19 agency determines necessary.”.

20 **SEC. 22. SPURRING INNOVATION IN UNDERSERVED MAR-**
21 **KETS.**

22 (a) IN GENERAL.—The Small Business Act (15
23 U.S.C. 631 et seq.) is amended—

24 (1) by redesignating section 49 (15 U.S.C. 631
25 note) as section 50; and

1 (2) by inserting after section 48 (15 U.S.C.
2 657u) the following:

3 **“SEC. 49. INNOVATION CENTERS PROGRAM.**

4 “(a) DEFINITIONS.—In this section:

5 “(1) ACCELERATOR.—The term ‘accelerator’
6 means an organization—

7 “(A) that—

8 “(i) works with a startup or growing
9 small business concern for a predetermined
10 period; and

11 “(ii) provides mentorship and instruc-
12 tion to scale businesses; and

13 “(B) that may—

14 “(i) provide, but is not exclusively de-
15 signed to provide, seed investment in ex-
16 change for a small amount of equity; and

17 “(ii) offer startup capital or the op-
18 portunity to raise capital from outside in-
19 vestors.

20 “(2) FEDERALLY RECOGNIZED AREA OF ECO-
21 NOMIC DISTRESS.—The term ‘federally recognized
22 area of economic distress’ means—

23 “(A) a HUBZone; or

24 “(B) an area that has been designated
25 as—

1 “(i) an empowerment zone under sec-
 2 tion 1391 of the Internal Revenue Code of
 3 1986;

4 “(ii) a qualified opportunity zone
 5 under section 1400Z-1 of the Internal
 6 Revenue Code of 1986;

7 “(iii) a Promise Zone by the Secretary
 8 of Housing and Urban Development; or

9 “(iv) a low-income neighborhood or
 10 moderate-income neighborhood for pur-
 11 poses of the Community Reinvestment Act
 12 of 1977 (12 U.S.C. 2901 et seq.).

13 “(3) GROWING; NEWLY ESTABLISHED; START-
 14 UP.—The terms ‘growing’, ‘newly established’, and
 15 ‘startup’, with respect to a small business concern,
 16 mean growing, newly established, and startup, re-
 17 spectively, within the meaning given those terms
 18 under section 7(m).

19 “(4) INCUBATOR.—The term ‘incubator’ means
 20 an organization—

21 “(A) that—

22 “(i) tends to work with startup and
 23 newly established small business concerns;
 24 and

1 “(ii) provides mentorship to startup
 2 and newly established small business con-
 3 cerns; and

4 “(B) that may—

5 “(i) provide a co-working environment
 6 or a month-to-month lease program; and

7 “(ii) work with a startup or newly es-
 8 tablished small business concern for a pre-
 9 determined period or an open-ended pe-
 10 riod.

11 “(5) INDIVIDUALS WITH A DISABILITY.—The
 12 term ‘individuals with a disability’ means more than
 13 one individual with a disability, as defined in section
 14 3 of the Americans with Disabilities Act of 1990 (42
 15 U.S.C. 12102).

16 “(6) ELIGIBLE ENTITY.—The term ‘eligible en-
 17 tity’ means—

18 “(A) an institution described in any of
 19 paragraphs (1) through (7) of section 371(a) of
 20 the Higher Education Act of 1965 (20 U.S.C.
 21 1067q(a));

22 “(B) a junior or community college, as de-
 23 fined in section 312 of the Higher Education
 24 Act of 1965 (20 U.S.C. 1058); or

1 “(C) any nonprofit organization associated
2 with an entity described in subparagraph (A) or
3 (B).

4 “(7) RURAL AREA.—The term ‘rural area’ has
5 the meaning given that term in section 7(m)(11).

6 “(8) SOCIALLY AND ECONOMICALLY DISADVAN-
7 TAGED INDIVIDUALS.—The term ‘socially and eco-
8 nomically disadvantaged individual’ means a socially
9 and economically disadvantaged individual within the
10 meaning given that term under section 8(d)(3)(C).

11 “(b) ESTABLISHMENT.—Not later than 18 months
12 after the date of enactment of the COVID–19 Recovery
13 by Enhancing Loan, Investment, and Education Funds
14 for Small Businesses Act of 2020, the Administrator shall
15 develop and begin implementing a program (to be known
16 as the ‘Innovation Centers Program’) to enter into cooper-
17 ative agreements with eligible entities under this section.

18 “(c) PURPOSES.—The purposes of the Innovation
19 Centers Program are to—

20 “(1) stimulate economic growth in underserved
21 communities by creating good paying jobs and path-
22 ways to prosperity, which are especially important in
23 times of economic downturn;

24 “(2) increase prospects for success for small
25 business concerns in underserved communities,

1 which often suffer from higher business failure rates
2 than the national average;

3 “(3) help create a pipeline for small business
4 concerns in underserved and rural markets into
5 high-growth sectors, where they are generally under-
6 represented;

7 “(4) help address the multi-decade decline in
8 the rate of new business creation;

9 “(5) close the gaps that underserved small busi-
10 ness concerns often have in terms of revenue and
11 number of employees, which represent lost oppor-
12 tunity for the economy; and

13 “(6) encourage collaboration between the Ad-
14 ministration and institutions of higher learning that
15 serve low-income and minority communities.

16 “(d) AUTHORITY.—

17 “(1) IN GENERAL.—The Administrator may—

18 “(A) enter into cooperative agreements to
19 provide financial assistance to eligible entities
20 to conduct 5-year projects for the benefit of
21 startup, newly established, or growing small
22 business concerns; and

23 “(B) renew a cooperative agreement en-
24 tered into under this section for additional 3-
25 year periods, in accordance with paragraph (3).

1 “(2) PROJECT REQUIREMENTS.—A project con-
2 ducted under a cooperative agreement under this
3 section shall—

4 “(A) include operating as an accelerator,
5 an incubator, or any other small business inno-
6 vation-focused project as the Administrator ap-
7 proves;

8 “(B) be carried out in such locations as to
9 provide maximum accessibility and benefits to
10 the small business concerns that the project is
11 intended to serve;

12 “(C) have a full-time staff, including a
13 full-time director who shall—

14 “(i) have the authority to make ex-
15 penditures under the budget of the project;
16 and

17 “(ii) manage the activities carried out
18 under the project;

19 “(D) include the joint provision of pro-
20 grams and services by the eligible entity and
21 the Administration, which—

22 “(i) shall be jointly developed, nego-
23 tiated, and agreed upon, with full partici-
24 pation of both parties, pursuant to an exe-

1 cuted cooperative agreement between the
2 eligible entity and the Administration; and

3 “(ii) shall include—

4 “(I) 1-to-1 individual counseling
5 as described in section 21(c)(3)(A);
6 and

7 “(II) a formal, structured
8 mentorship program;

9 “(E) incorporate continuous upgrades and
10 modifications to the services and programs of-
11 fered under the project, as needed to meet the
12 changing and evolving needs of the business
13 community;

14 “(F) involve working with underserved
15 groups, which include—

16 “(i) women;

17 “(ii) socially and economically dis-
18 advantaged individuals;

19 “(iii) veterans;

20 “(iv) individuals with disabilities; or

21 “(v) startup, newly established, or
22 growing small business concerns located in
23 rural areas;

24 “(G) not impose or otherwise collect a fee
25 or other compensation in connection with par-

1 participation in the programs and services de-
2 scribed in subparagraph (D)(ii); and

3 “(H) ensure that small business concerns
4 participating in the project have access, includ-
5 ing through resource partners, to information
6 concerning Federal, State, and local regulations
7 that affect small business concerns.

8 “(3) CONTINUED FUNDING.—

9 “(A) IN GENERAL.—An eligible entity that
10 enters into an initial cooperative agreement or
11 a renewal of a cooperative under paragraph (1)
12 may submit an application for a 3-year renewal
13 of the cooperative agreement at such time, in
14 such manner, and accompanied by such infor-
15 mation as the Administrator may establish.

16 “(B) APPLICATION AND APPROVAL CRI-
17 TERIA.—

18 “(i) CRITERIA.—The Administrator
19 shall develop and publish criteria for the
20 consideration and approval of applications
21 for renewals by eligible entities under this
22 paragraph, which shall take into account
23 the structure and the stated goals of the
24 project.

1 “(ii) NOTIFICATION.—Not later than
2 60 days after the date of the deadline to
3 submit applications for each fiscal year,
4 the Administrator shall approve or deny
5 any application under this paragraph and
6 notify the applicant for each such applica-
7 tion.

8 “(C) PRIORITY.—In allocating funds made
9 available for cooperative agreements under this
10 section, the Administrator shall give applica-
11 tions under this paragraph priority over first-
12 time applications for cooperative agreements
13 under paragraph (1)(A).

14 “(4) LIMIT ON USE OF FUNDS.—Amounts re-
15 ceived by an eligible entity under a cooperative
16 agreement under this section may not be used to
17 provide capital to a participant in the project carried
18 out under the cooperative agreement.

19 “(5) SCOPE OF AUTHORITY.—

20 “(A) SUBJECT TO APPROPRIATIONS.—The
21 authority of the Administrator to enter into co-
22 operative agreements under this section shall be
23 in effect for each fiscal year only to the extent
24 and in the amounts as are provided in advance
25 in appropriations Acts.

1 “(B) SUSPENSION, TERMINATION, AND
 2 FAILURE TO RENEW OR EXTEND.—After the
 3 Administrator has entered into a cooperative
 4 agreement with an eligible entity under this sec-
 5 tion, the Administrator shall not suspend, ter-
 6 minate, or fail to renew or extend the coopera-
 7 tive agreement unless the Administrator pro-
 8 vides the eligible entity with written notification
 9 setting forth the reasons therefore and affords
 10 the eligible entity an opportunity for a hearing,
 11 appeal, or other administrative proceeding
 12 under chapter 5 of title 5, United States Code.

13 “(e) CRITERIA.—

14 “(1) IN GENERAL.—The Administrator shall—

15 “(A) establish and rank in terms of rel-
 16 ative importance the criteria the Administrator
 17 shall use in awarding cooperative agreements
 18 under this section, which shall include—

19 “(i) whether the proposed project will
 20 be located in—

21 “(I) a federally recognized area
 22 of economic distress;

23 “(II) a rural area; or

24 “(III) an area lacking sufficient
 25 entrepreneurial development re-

1 sources, as determined by the Admin-
2 istrator; and

3 “(ii) whether the proposed project
4 demonstrates a commitment to partner
5 with core stakeholders working with small
6 business concerns in the relevant area, in-
7 cluding—

8 “(I) investment and lending orga-
9 nizations;

10 “(II) nongovernmental organiza-
11 tions;

12 “(III) programs of State and
13 local governments that are concerned
14 with aiding small business concerns;

15 “(IV) Federal agencies; and

16 “(V) for-profit organizations with
17 an expertise in small business innova-
18 tion;

19 “(B) make publicly available, including on
20 the website of the Administration, and state in
21 each solicitation for applications for cooperative
22 agreements under this section the selection cri-
23 teria and ranking established under subpara-
24 graph (A); and

1 “(C) evaluate and rank applicants for co-
2 operative agreements under this section in ac-
3 cordance with the selection criteria and ranking
4 established under subparagraph (A).

5 “(2) CONTENTS.—The criteria established
6 under paragraph (1)(A)—

7 “(A) for eligible entities that have in oper-
8 ation an accelerator, incubator, or other small
9 business innovation-focused project shall include
10 the record of the eligible entity in assisting
11 growing, newly established, and startup small
12 business concerns, including, for each of the 3
13 full years before the date on which the eligible
14 entity applies for a cooperative agreement
15 under this section, or if the accelerator, incu-
16 bator, or other small business innovation-fo-
17 cused project has been in operation for less
18 than 3 years, for the most recent full year the
19 accelerator, incubator, or other small business
20 innovation-focused project was in operation—

21 “(i) the number and retention rate of
22 growing, newly established, and startup
23 business concerns in the program of the el-
24 igible entity;

1 “(ii) the average period of participa-
2 tion by growing, newly established, and
3 startup small business concerns in the pro-
4 gram of the eligible entity;

5 “(iii) the total and median capital
6 raised by growing, newly established, and
7 startup small business concerns partici-
8 pating in the program of the eligible entity;

9 “(iv) the number of investments or
10 loans received by growing, newly estab-
11 lished, and startup small business concerns
12 participating in the program of the eligible
13 entity; and

14 “(v) the total and median number of
15 employees of growing, newly established,
16 and startup small business concerns par-
17 ticipating in the program of the eligible en-
18 tity; and

19 “(B) for all eligible entities—

20 “(i) shall include whether the eligible
21 entity—

22 “(I) indicates the structure and
23 goals of the project;

24 “(II) demonstrates ties to the
25 business community;

1 “(III) identifies the resources
2 available for the project;

3 “(IV) describes the capabilities of
4 the project, including coordination
5 with local resource partners and local
6 or national lending partners of the
7 Administration;

8 “(V) addresses the unique busi-
9 ness and economic challenges faced by
10 the community in which the eligible
11 entity is located and businesses in
12 that community; and

13 “(VI) provides a proposed budget
14 and plan for use of funds; and

15 “(ii) may include any other criteria
16 determined appropriate by the Adminis-
17 trator.

18 “(f) PROGRAM EXAMINATION.—

19 “(1) IN GENERAL.—The Administrator shall—

20 “(A) develop and implement an annual
21 programmatic and financial examination of
22 each project conducted under this section,
23 under which each eligible entity entering into a
24 cooperative agreement under this section shall
25 provide to the Administrator—

1 “(i) an itemized cost breakdown of ac-
2 tual expenditures for costs incurred during
3 the preceding year; and

4 “(ii) documentation regarding—

5 “(I) the amount of matching as-
6 sistance from non-Federal sources ob-
7 tained and expended by the eligible
8 entity during the preceding year in
9 order to meet the matching require-
10 ment; and

11 “(II) with respect to any in-kind
12 contributions that were used to satisfy
13 the matching requirement, verification
14 of the existence and valuation of those
15 contributions; and

16 “(B) analyze the results of each examina-
17 tion conducted under subparagraph (A) and,
18 based on that analysis, make a determination
19 regarding the programmatic and financial via-
20 bility of each eligible entity.

21 “(2) CONDITIONS FOR CONTINUED FUNDING.—

22 In determining whether to continue or renew a coop-
23 erative agreement under this section, the Adminis-
24 trator—

1 “(A) shall consider the results of the most
2 recent examination of the project under para-
3 graph (1); and

4 “(B) may terminate or not renew a cooper-
5 ative agreement, if the Administrator deter-
6 mines that the eligible entity has failed to pro-
7 vide any information required to be provided
8 (including information provide for purpose of
9 the annual report by the Administrator under
10 subsection (n)) or the information provided by
11 the eligible entity is inadequate.

12 “(g) TRAINING AND TECHNICAL ASSISTANCE.—The
13 Administrator—

14 “(1) shall provide in person or online training
15 and technical assistance to each eligible entity enter-
16 ing into a cooperative agreement under this section
17 at the beginning of the participation of the eligible
18 entity in the Innovation Centers Program, or as re-
19 quested by the eligible entity, in order to build the
20 capacity of the eligible entity and ensure compliance
21 with procedures established by the Administrator;

22 “(2) shall ensure that the training and tech-
23 nical assistance described in paragraph (1) is pro-
24 vided at no cost or at a low cost; and

1 “(3) may enter into a contract to provide the
2 training or technical assistance described in para-
3 graph (1) with 1 or more organizations with exper-
4 tise in the entrepreneurial development programs of
5 the Administration, innovation, and entrepreneurial
6 development.

7 “(h) COORDINATION.—In carrying out a project
8 under this section, an eligible entity may coordinate
9 with—

10 “(1) resource and lending partners of the Ad-
11 ministration;

12 “(2) programs of State and local governments
13 that are concerned with aiding small business con-
14 cerns; and

15 “(3) other Federal agencies, including to pro-
16 vide services to and assist small business concerns in
17 participating in the SBIR and STTR programs, as
18 defined in section 9(e).

19 “(i) FUNDING LIMIT.—The amount of financial as-
20 sistance provided to an eligible entity under a cooperative
21 agreement entered into under this section shall be not
22 more than \$400,000 during each year.

23 “(j) MATCHING REQUIREMENT.—

24 “(1) IN GENERAL.—An eligible entity shall con-
25 tribute toward the cost of the project carried out

1 under the cooperative agreement under this section
2 an amount equal to 50 percent of the amount re-
3 ceived under the cooperative agreement.

4 “(2) IN-KIND CONTRIBUTIONS.—Not more than
5 75 percent of the contribution of an eligible entity
6 under paragraph (1) may be in the form of in-kind
7 contributions.

8 “(3) WAIVER.—

9 “(A) IN GENERAL.—If the Administrator
10 determines that an eligible entity is unable to
11 meet the contribution requirement under para-
12 graph (1), the Administrator may reduce the
13 required contribution.

14 “(B) PRESUMPTION.—

15 “(i) IN GENERAL.—The Administra-
16 tion shall, by regulation, establish criteria
17 to determine which eligible entities are pre-
18 sumed to be unable to meet the contribu-
19 tion requirement under paragraph (1).

20 “(ii) STAKEHOLDERS.—In estab-
21 lishing the criteria under clause (i), the
22 Administrator shall work with stakeholders
23 immediately impacted by the criteria.

24 “(iii) PERIODIC REVIEW.—The Ad-
25 ministration shall periodically review the

1 criteria established under clause (i) not
2 less than every 5 years to ensure that the
3 criteria aligns with economic conditions.

4 “(4) FAILURE TO OBTAIN NON-FEDERAL FUND-
5 ING.—If an eligible entity fails to obtain the re-
6 quired non-Federal contribution during any project,
7 or the reduced non-Federal contribution as deter-
8 mined by the Administrator—

9 “(A) the eligible entity shall not be eligible
10 thereafter for any other project for which it is
11 or may be funded by the Administration; and

12 “(B) prior to approving assistance for the
13 eligible entity for any other projects, the Ad-
14 ministrator shall specifically determine whether
15 the Administrator believes that the eligible enti-
16 ty will be able to obtain the requisite non-Fed-
17 eral funding and enter a written finding setting
18 the forth the reasons for making that deter-
19 mination.

20 “(5) RULE OF CONSTRUCTION.—The dem-
21 onstrated inability of an eligible entity to meet the
22 contribution requirement under paragraph (1) shall
23 not disqualify the eligible entity from entering into
24 a cooperative agreement under this section.

25 “(k) CONTRACT AUTHORITY.—

1 “(1) IN GENERAL.—An eligible entity may
2 enter into a contract with a Federal department or
3 agency to provide specific assistance to startup,
4 newly established, or growing small business con-
5 cerns.

6 “(2) PERFORMANCE.—Performance of a con-
7 tract entered into under paragraph (1) may not
8 hinder the eligible entity in carrying out the terms
9 of the cooperative agreement under this section.

10 “(3) EXEMPTION FROM MATCHING REQUIRE-
11 MENT.—A contract entered into under paragraph
12 (1) shall not be subject to the matching requirement
13 under subsection (j).

14 “(4) ADDITIONAL PROVISION.—Notwith-
15 standing any other provision of law, a contract for
16 assistance under paragraph (1) shall not be applied
17 to any Federal department or agency’s small busi-
18 ness, woman-owned business, or socially and eco-
19 nomically disadvantaged business contracting goal
20 under section 15(g).

21 “(l) PRIVACY REQUIREMENTS.—

22 “(1) IN GENERAL.—An eligible entity may not
23 disclose the name, address, or telephone number of
24 any individual or small business concern receiving

1 assistance under this section without the consent of
2 such individual or small business concern, unless—

3 “(A) the Administrator is ordered to make
4 such a disclosure by a court in any civil or
5 criminal enforcement action initiated by a Fed-
6 eral or State agency; or

7 “(B) the Administrator considers such a
8 disclosure to be necessary for the purpose of
9 conducting a financial audit of an eligible enti-
10 ty, but a disclosure under this subparagraph
11 shall be limited to the information necessary for
12 such audit.

13 “(2) ADMINISTRATION USE OF INFORMATION.—

14 This subsection shall not—

15 “(A) restrict Administration access to pro-
16 gram activity data; or

17 “(B) prevent the Administration from
18 using client information (other than the infor-
19 mation described in subparagraph (A)) to con-
20 duct client surveys.

21 “(3) REGULATIONS.—The Administrator shall
22 issue regulations to establish standards for requiring
23 disclosures during a financial audit under paragraph
24 (1)(B).

1 “(m) PUBLICATION OF INFORMATION.—The Admin-
2 istrator shall—

3 “(1) publish information about the program
4 under this section online, including—

5 “(A) on the website of the Administration;
6 and

7 “(B) on the social media of the Adminis-
8 tration; and

9 “(2) request that the resource and lending part-
10 ners of the Administration and the district offices of
11 the Administration publicize the program.

12 “(n) ANNUAL REPORTING.—Not later than 1 year
13 after the date on which the Administrator establishes the
14 program under this section, and every year thereafter, the
15 Administrator shall submit to Congress a report on the
16 activities under the program, including—

17 “(1) a list of all eligible entities participating in
18 the program;

19 “(2) the number of startup, newly established,
20 and growing small business concerns participating in
21 the project carried out by each eligible entity under
22 a cooperative agreement under this section (in this
23 paragraph referred to as ‘participants’), including a
24 breakdown of the owners of the participants by race,

1 gender, veteran status, and urban versus rural loca-
 2 tion;

3 “(3) the retention rate for participants;

4 “(4) the total and median amount of capital
 5 accessed by participants, including the type of cap-
 6 ital accessed;

7 “(5) the total and median number of employees
 8 of participants;

9 “(6) the number and median wage of jobs cre-
 10 ated by participants;

11 “(7) the number of jobs sustained by partici-
 12 pants; and

13 “(8) information regarding such other metrics
 14 as the Administrator determines appropriate.

15 “(o) FUNDING.—

16 “(1) AUTHORIZATION OF APPROPRIATIONS.—

17 There are authorized to be appropriated to carry out
 18 this section—

19 “(A) \$4,000,000 for the first fiscal year
 20 beginning after the date of enactment of the
 21 COVID–19 Recovery by Enhancing Loan, In-
 22 vestment, and Education Funds for Small Busi-
 23 nesses Act of 2020;

24 “(B) \$7,500,000 for the second fiscal year
 25 beginning after such date of enactment; and

1 “(C) \$12,000,000 for each of the third,
2 fourth, and fifth fiscal years beginning after
3 such date of enactment.

4 “(2) ADMINISTRATIVE EXPENSES.—Of the
5 amount made available to carry out this section for
6 any fiscal year, not more than 10 percent may be
7 used by the Administrator for administrative ex-
8 penses.”.

9 (b) REGULATIONS.—The Administrator shall promul-
10 gate regulations to carry out section 49 of the Small Busi-
11 ness Act, as added by subsection (b).

12 **SEC. 23. COORDINATING LENDING IN UNDERSERVED MAR-**
13 **KETS.**

14 Section 7 of the Small Business Act (15 U.S.C. 636)
15 is amended by adding at the end the following:

16 “(o) OFFICE OF EMERGING MARKETS.—

17 “(1) DEFINITIONS.—In this subsection—

18 “(A) the term ‘Associate Administrator’
19 means the Associate Administrator of the Office
20 of Capital Access of the Administration;

21 “(B) the term ‘Director’ means the Direc-
22 tor of the Office of Emerging Markets;

23 “(C) the term ‘microloan program’ means
24 the program described in subsection (m);

1 “(D) the term ‘Reservist’ means a member
2 of a reserve component of the Armed Forces
3 named in section 10101 of title 10, United
4 States Code;

5 “(E) the term ‘rural area’ has the meaning
6 given the term in subsection (m)(11);

7 “(F) the term ‘service-connected’ has the
8 meaning given the term in section 101 of title
9 38, United States Code; and

10 “(G) the term ‘small business concern in
11 an emerging market’ means a small business
12 concern—

13 “(i) that is located in—

14 “(I) a low income or moderate
15 income area for purposes of the Com-
16 munity Development Block Grant
17 Program under title I of the Housing
18 and Community Development Act of
19 1974 (42 U.S.C. 5301 et seq.);

20 “(II) a HUBZone;

21 “(III) a community that has been
22 designated as an empowerment zone
23 or an enterprise community under
24 section 1391 of the Internal Revenue
25 Code of 1986;

1 “(IV) a community that has been
2 designated as a Promise Zone by the
3 Secretary of Housing and Urban De-
4 velopment;

5 “(V) a community that has been
6 designated as a qualified opportunity
7 zone under section 1400Z–1 of the In-
8 ternal Revenue Code of 1986; or

9 “(VI) a rural area;

10 “(ii) that has more than 50 percent of
11 employees residing in a low- or moderate-
12 income community;

13 “(iii) that is growing, newly estab-
14 lished, or a startup, as those terms are
15 used in subsection (m);

16 “(iv) owned and controlled by socially
17 and economically disadvantaged individ-
18 uals, including Black Americans, Hispanic
19 Americans, Native Americans, Asian Pa-
20 cific Americans, and other minorities;

21 “(v) owned and controlled by women;

22 “(vi) owned and controlled by vet-
23 erans;

24 “(vii) owned and controlled by service-
25 disabled veterans; or

1 “(viii) not less than 51 percent owned
2 and controlled by 1 or more—

3 “(I) members of the Armed
4 Forces participating in the Transition
5 Assistance Program of the Depart-
6 ment of Defense;

7 “(II) Reservists;

8 “(III) spouses of veterans, mem-
9 bers of the Armed Forces, or Reserv-
10 ists;

11 “(IV) surviving spouses of vet-
12 erans who died on active duty or as a
13 result of a service-connected disability;
14 or

15 “(V) individuals with a disability,
16 as defined in section 3 of the Ameri-
17 cans with Disabilities Act of 1990 (42
18 U.S.C. 12102).

19 “(2) ESTABLISHMENT.—There is established
20 within the Administration the Office of Emerging
21 Markets, which shall be—

22 “(A) under the general management and
23 oversight of the Administration; and

24 “(B) responsible for the planning, coordi-
25 nation, implementation, evaluation, and im-

1 provement of the efforts of the Administrator to
2 enhance the economic well-being of small busi-
3 ness concerns in an emerging market.

4 “(3) PURPOSES.—The purposes of the Office of
5 Emerging Markets are—

6 “(A) to provide the Administration with an
7 integrated approach to the development of small
8 business concerns in emerging markets;

9 “(B) to reignite economic opportunity for
10 underserved or emerging markets, particularly
11 after an economic downturn; and

12 “(C) to oversee the expansion of access to
13 capital programs that meet the needs of emerg-
14 ing markets.

15 “(4) DIRECTOR.—

16 “(A) IN GENERAL.—Not later than 180
17 days after the date of enactment of the
18 COVID–19 Recovery by Enhancing Loan, In-
19 vestment, and Education Funds for Small Busi-
20 nesses Act of 2020, the Administrator shall ap-
21 point a Director of the Office of Emerging Mar-
22 kets, who shall—

23 “(i) supervise the Office of Emerging
24 Markets and report to the Associate Ad-
25 ministrators; and

1 “(ii) be in the Senior Executive Serv-
2 ice.

3 “(B) DUTIES.—The Director shall—

4 “(i) create and implement strategies
5 and programs that provide an integrated
6 approach to the development of small busi-
7 ness concerns in an emerging market;

8 “(ii) develop and recommend policies
9 concerning the microloan program and any
10 other access to capital program of the Ad-
11 ministration, as such programs pertain to
12 small business concerns in an emerging
13 market;

14 “(iii) establish partnerships to ad-
15 vance the goal of improving the economic
16 success of small business concerns in an
17 emerging market; and

18 “(iv) review the effectiveness and im-
19 pact of the microloan program and any
20 other access to capital program of the Ad-
21 ministration that is targeted to serve small
22 business concerns in an emerging market.

23 “(C) CONSULTATION.—In carrying out the
24 duties under this paragraph, the Director shall

1 consult with district offices of the Administra-
2 tion.”.

3 **SEC. 24. AUTHORIZATION OF APPROPRIATIONS AND OTHER**
4 **MATTERS.**

5 (a) AUTHORIZATION OF APPROPRIATIONS.—In addi-
6 tion to amounts provided under any other provision of law,
7 there is authorized to be appropriated, to remain available
8 until expended—

9 (1) \$5,000,000,000 to carry out sections 8, 9,
10 10, and 11;

11 (2) \$177,000,000 for administrative expenses
12 related to carrying out the disaster loan program
13 under section 7(b)(2) of the Small Business Act (15
14 U.S.C. 636(b)(2));

15 (3) \$1,000,000,000 for loan subsidies for the
16 disaster loan program under section 7(b)(2) of the
17 Small Business Act (15 U.S.C. 636(b)(2)); and

18 (4) \$200,000,000 for salaries and expenses for
19 the Administration.

20 (b) ALLOWABLE USES OF 7(a) PROGRAM LOANS.—

21 (1) IN GENERAL.—During the period beginning
22 on the date of enactment of this Act and ending on
23 September 30, 2021, a recipient of a loan made
24 under section 7(a) of the Small Business Act (15
25 U.S.C. 636(a)) (including a recipient of assistance

1 under the Community Advantage Pilot Program of
2 the Administration) may, in addition to the allow-
3 able uses of such a loan, use the proceeds of the loan
4 for payroll support, including paid sick, medical, or
5 family leave, and costs related to the continuation of
6 group health care benefits during those periods of
7 leave.

8 (2) GUIDANCE.—Not later than 15 days after
9 the date of enactment of this Act, the Administrator
10 shall issue guidance to lenders under section 7(a) of
11 the Small Business Act (15 U.S.C. 636(a)) on pay-
12 roll and support and disrupted supply chain eligi-
13 bility under paragraph (1).

14 **SEC. 25. EMERGENCY RULEMAKING AUTHORITY.**

15 Not later than 15 days after the date of enactment
16 of this Act, the Administrator shall issue regulations to
17 carry out this Act without regard to the notice require-
18 ments under section 553(b) of title 5, United States Code.

○