

117TH CONGRESS 1ST SESSION S. 1232

To modify the maximum paycheck protection program loan amount for farmers and ranchers, sole proprietors, independent contractors, and self-employed individuals.

IN THE SENATE OF THE UNITED STATES

APRIL 20, 2021

Ms. Baldwin introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

A BILL

To modify the maximum paycheck protection program loan amount for farmers and ranchers, sole proprietors, independent contractors, and self-employed individuals.

- 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. CALCULATION OF MAXIMUM PPP LOAN
- 4 AMOUNT.
- 5 (a) IN GENERAL.—Section 7(a)(36)(V) of the Small
- 6 Business Act (15 U.S.C. 636(a)(36)(V)) is amended—
- 7 (1) by striking clause (i) and inserting the fol-
- 8 lowing:

1	"(i) Definition.—In this subpara-
2	graph, the term 'covered recipient' means
3	an eligible recipient that—
4	"(I)(aa) operates as a sole pro-
5	prietorship, as an independent con-
6	tractor, or as a partnership with gross
7	farming income from self-employment;
8	or
9	"(bb) is an eligible self-employed
10	individual;
11	"(II) reports farm income or ex-
12	penses on a Schedule F (or any equiv-
13	alent successor schedule); and
14	"(III) was in business as of Feb-
15	ruary 15, 2020."; and
16	(2) by striking clause (iv) and inserting the fol-
17	lowing:
18	"(iv) Partnerships with no em-
19	PLOYEES.—With respect to a partnership
20	without employees, the maximum covered
21	loan amount shall be equal to the sum of—
22	"(I) the product obtained by mul-
23	tiplying—
24	"(aa) the gross income, lim-
25	ited to the amount attributable to

1	general partners as determined
2	by the sum of their distributive
3	shares of gross farming income
4	from self-employment, that is not
5	more than \$100,000 per partner,
6	and no more than \$500,000 in
7	total, divided by 12; and
8	"(bb) 2.5; and
9	"(II) the outstanding amount of
10	a loan under subsection (b)(2) that
11	was made during the period beginning
12	on January 31, 2020 and ending on
13	April 3, 2020 that the borrower in-
14	tends to refinance under the covered
15	loan, not including any amount of any
16	advance under the loan that is not re-
17	quired to be repaid.
18	"(v) Recalculation.—
19	"(I) IN GENERAL.—A lender that
20	made a covered loan before the date
21	of enactment of the PPP Flexibility
22	for Farmers, Ranchers, and the Self-
23	Employed Act may, at the request of
24	the covered recipient—

1	"(aa) recalculate the max-
2	imum loan amount applicable to
3	that covered loan based on the
4	formula described in clause (ii),
5	(iii), or (iv), as applicable, if
6	doing so would result in a larger
7	covered loan amount; and
8	"(bb) provide the covered re-
9	cipient with additional covered
10	loan amounts based on that re-
11	calculation.
12	"(II) LOAN LIMITATION.—For
13	purposes of receiving a recalculated
14	loan amount related to a covered loan
15	under subclause (I), paragraph
16	(37)(F) shall not apply.
17	"(III) EFFECT OF FORGIVE-
18	NESS.—Subject to rules issued by the
19	Administrator, a covered recipient
20	shall be eligible to submit a request
21	for a recalculated loan amount related
22	to a covered loan under subclause (I)
23	without regard to whether the covered
24	recipient has sought or received for-

1	giveness with respect to the applicable
2	covered loan under section 7A.
3	"(IV) Forgiveness of recal-
4	CULATED LOAN AMOUNT.—For pur-
5	poses of this subparagraph, as soon as
6	is practicable upon expenditure of ad-
7	ditional covered loan amounts pro-
8	vided under subclause (I)—
9	"(aa) an eligible recipient
10	shall attest to compliance with
11	applicable requirements under
12	this paragraph; and
13	"(bb) the additional covered
14	loan amounts shall be forgiven
15	under section 7A.
16	"(V) Reimbursement for
17	LOAN PROCESSING.—The Adminis-
18	trator shall reimburse a lender for
19	processing recalculation requests
20	under this clause in an amount deter-
21	mined by the Administrator.".
22	(b) Effective Date; Applicability.—The amend-
23	ments made by subsection (a) shall be effective as if in-
24	cluded in the CARES Act (Public Law 116–136) and shall
25	apply to any loan made pursuant to section 7(a)(36) of

- 1 the Small Business Act (15 U.S.C. 636(a)(36)) before, on,
- 2 or after the date of enactment of this Act.

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