

116TH CONGRESS H.R. 7175

To modify the calculation of the maximum loan amount for certain farmers and ranchers under the paycheck protection program of the Small Business Administration, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

June 11, 2020

Mr. Kind (for himself, Mr. Thompson of Pennsylvania, Mr. Brindisi, and Mr. Joyce of Pennsylvania) introduced the following bill; which was referred to the Committee on Small Business

A BILL

- To modify the calculation of the maximum loan amount for certain farmers and ranchers under the paycheck protection program of the Small Business Administration, 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 "Paycheck Protection
- 5 for Producers Act".

1	SEC. 2. CALCULATION OF MAXIMUM LOAN AMOUNT FOR
2	FARMERS AND RANCHERS UNDER THE PAY-
3	CHECK PROTECTION PROGRAM.
4	(a) In General.—Section 7(a)(36) of the Small
5	Business Act (15 U.S.C. 636(a)(36)) is amended—
6	(1) in subparagraph (E), in the matter pre-
7	ceding clause (i), by striking "During" and inserting
8	"Except as provided in subparagraph (T), during";
9	and
10	(2) by adding at the end the following:
11	"(T) CALCULATION OF MAXIMUM LOAN
12	AMOUNT FOR FARMERS AND RANCHERS.—
13	"(i) Definition.—In this subpara-
14	graph, the term 'covered recipient' means
15	an eligible recipient that—
16	"(I) operates as a sole propri-
17	etorship or as an independent con-
18	tractor, or is an eligible self-employed
19	individual;
20	"(II) reports farm income or ex-
21	penses on a Schedule F (or any equiv-
22	alent successor schedule); and
23	"(III) was in business during the
24	period beginning on February 15,
25	2019, and ending on June 30, 2019.

1	"(ii) No employees.—With respect
2	to covered recipient without employees, the
3	maximum covered loan amount shall be the
4	lesser of—
5	"(I) the sum of—
6	"(aa) the product obtained
7	by multiplying—
8	"(AA) the gross income
9	of the covered recipient in
10	2019, as reported on a
11	Schedule F (or any equiva-
12	lent successor schedule),
13	that is not more than
14	\$100,000, divided by 12;
15	and
16	"(BB) 2.5; and
17	"(bb) the outstanding
18	amount of a loan under sub-
19	section (b)(2) that was made
20	during the period beginning on
21	January 31, 2020, and ending on
22	April 3, 2020, that the borrower
23	intends to refinance under the
24	covered loan, not including any
25	amount of any advance under the

1	loan that is not required to be re-
2	paid; or
3	"(II) \$10,000,000.
4	"(iii) WITH EMPLOYEES.—With re-
5	spect to a covered recipient with employ-
6	ees, the maximum covered loan amount
7	shall be calculated using the formula de-
8	scribed in subparagraph (E), except that
9	the gross income of the covered recipient
10	described in clause (ii)(I)(aa)(AA) of this
11	subparagraph, as divided by 12, shall be
12	added to the sum calculated under sub-
13	paragraph (E)(i)(I).
14	"(iv) Recalculation.—A lender that
15	made a covered loan to a covered recipient
16	before the date of enactment of this sub-
17	paragraph may, at the request of the cov-
18	ered recipient—
19	"(I) recalculate the maximum
20	loan amount applicable to that cov-
21	ered loan based on the formula de-
22	scribed in clause (ii) or (iii), as appli-
23	cable, if doing so would result in a
24	larger covered loan amount; and

1	"(II) provide the covered recipi-
2	ent with additional covered loan
3	amounts based on that recalcula-
4	tion.".

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