

117TH CONGRESS  
1ST SESSION

**S.** \_\_\_\_\_

To modify the 7(a) loan guaranty program of the Small Business Administration, and for other purposes.

---

IN THE SENATE OF THE UNITED STATES

Mr. RUBIO (for himself, Mr. RISCH, and Ms. COLLINS) introduced the following bill; which was read twice and referred to the Committee on

---

## **A BILL**

To modify the 7(a) loan guaranty 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 “Small Business Access  
5 to Recovery Capital Act”.

6 **SEC. 2. CHANGES TO THE 7(a) LOAN GUARANTY PROGRAM.**

7 (a) FEE WAIVER.—During the 1-year period fol-  
8 lowing the date of enactment of this Act, and to the extent  
9 that the cost of such elimination or reduction of fees is  
10 offset by appropriations, with respect to each loan guaran-

1 teed under section 7(a) of the Small Business Act (15  
2 U.S.C. 636(a))—

3 (1) in lieu of the fee otherwise applicable under  
4 section 7(a)(23)(A) of the Small Business Act (15  
5 U.S.C. 636(a)(23)(A)), the Administrator shall col-  
6 lect no fee or reduce fees to the maximum extent  
7 possible; and

8 (2) for which the application is approved on or  
9 after the date of enactment of this Act, the Adminis-  
10 trator shall, in lieu of the fee otherwise applicable  
11 under section 7(a)(18)(A) of the Small Business Act  
12 (15 U.S.C. 636(a)(18)(A)), collect no fee or reduce  
13 fees to the maximum extent possible.

14 (b) GUARANTEE AMOUNT.—

15 (1) IN GENERAL.—Section 7(a)(2) of the Small  
16 Business Act (15 U.S.C. 636(a)(2)), as amended by  
17 section 326(a)(1) of the Economic Aid to Hard-Hit  
18 Small Businesses, Nonprofits, and Venues Act, is  
19 amended—

20 (A) in subparagraph (A)—

21 (i) by striking “(E), and (F)” and in-  
22 sserting “and (E),”; and

23 (ii) by striking “90 percent” and in-  
24 sserting “95 percent”;

1 (B) by striking subparagraphs (D) and (E)  
2 and inserting the following:

3 “(D) PARTICIPATION UNDER THE EX-  
4 PRESS LOAN PROGRAM.—In an agreement to  
5 participate in a loan on a deferred basis under  
6 paragraph (31), the participation by the Admin-  
7 istration shall be equal to—

8 “(i) 75 percent of the balance of the  
9 financing outstanding at the time of dis-  
10 bursement of the loan, if such balance ex-  
11 ceeds \$150,000; or

12 “(ii) 85 percent of the balance of the  
13 financing outstanding at the time of dis-  
14 bursement of the loan, if such balance is  
15 less than or equal to \$150,000.”; and

16 (C) by redesignating subparagraph (F) as  
17 subparagraph (E).

18 (2) PROSPECTIVE REPEAL.—Effective 1 year  
19 after the date of enactment of this Act, section  
20 7(a)(2) of the Small Business Act (15 U.S.C.  
21 636(a)(2)) is amended—

22 (A) by striking subparagraph (A) and in-  
23 sserting the following:

24 “(A) IN GENERAL.—Except as provided in  
25 subparagraphs (B), (D), (E), and (F), in an

1 agreement to participate in a loan on a deferred  
2 basis under this subsection (including a loan  
3 made under the Preferred Lenders Program),  
4 such participation by the Administrator shall be  
5 equal to—

6 “(i) 75 percent of the balance of the  
7 financing outstanding at the time of dis-  
8 bursement of the loan, if such balance ex-  
9 ceeds \$150,000; or

10 “(ii) 85 percent of the balance of the  
11 financing outstanding at the time of dis-  
12 bursement of the loan, if such balance is  
13 less than or equal to \$150,000.”;

14 (B) by redesignating subparagraph (E) as  
15 subparagraph (F); and

16 (C) by striking subparagraph (D) and in-  
17 serting the following:

18 “(D) PARTICIPATION UNDER EXPORT  
19 WORKING CAPITAL PROGRAM.—In an agreement  
20 to participate in a loan on a deferred basis  
21 under the Export Working Capital Program es-  
22 tablished pursuant to paragraph (14)(A), such  
23 participation by the Administration shall be 90  
24 percent.

1           “(E) PARTICIPATION IN INTERNATIONAL  
2           TRADE LOAN.—In an agreement to participate  
3           in a loan on a deferred basis under paragraph  
4           (16), the participation by the Administration  
5           may not exceed 90 percent.”.

6           (3) REPEAL OF OTHER PROSPECTIVE AMEND-  
7           MENT.—Section 326(a)(2) of the the Economic Aid  
8           to Hard-Hit Small Businesses, Nonprofits, and  
9           Venues Act is repealed.

10          (c) MAXIMUM LOAN AMOUNT.—

11           (1) IN GENERAL.—Section 7(a)(3) of the Small  
12          Business Act (15 U.S.C. 636(a)(3)) is amended—

13           (A) in subparagraph (A)—

14           (i) by striking “\$3,750,000” and in-  
15           serting “\$9,500,000”; and

16           (ii) by striking “\$5,000,000” and in-  
17           serting “\$10,000,000”; and

18           (B) in subparagraph (B)—

19           (i) by striking “\$4,500,000” and in-  
20           serting “\$9,500,000”; and

21           (ii) by striking “\$5,000,000” and in-  
22           serting “\$10,000,000”.

23           (2) PROSPECTIVE REPEAL.—Effective 1 year  
24          after the date of enactment of this Act, section

1       7(a)(3) of the Small Business Act (15 U.S.C.  
2       636(a)(3)) is amended—

3               (A) in subparagraph (A)—

4                       (i) by striking “\$9,500,000” and in-  
5                       serting “\$3,750,000”; and

6                       (ii) by striking “\$10,000,000” and in-  
7                       serting “\$5,000,000”; and

8               (B) in subparagraph (B)—

9                       (i) by striking “\$9,500,000” and in-  
10                      serting “\$4,500,000”; and

11                      (ii) by striking “\$10,000,000” and in-  
12                      serting “\$5,000,000”.

13       (d) COVID–19 GUIDANCE.—Not later than 10 days  
14 after the date of enactment of this Act, the Administrator  
15 shall issue guidance that—

16               (1) temporarily updates the standard operating  
17               procedures of the Administration to provide require-  
18               ments for appropriate lending given the economic  
19               conditions and considerations as of the date of en-  
20               actment of this Act; and

21               (2) shall be utilized with respect to all approval  
22               and subsequent actions taken on loans made under  
23               such section 7(a) during the 1-year period following  
24               the date of enactment of this Act.