

AMENDMENT NO. _____ Calendar No. _____

Purpose: To establish the Paycheck Protection Program Second Draw Loan.

IN THE SENATE OF THE UNITED STATES—116th Cong., 2d Sess.

S. 178

To condemn gross human rights violations of ethnic Turkic Muslims in Xinjiang, and calling for an end to arbitrary detention, torture, and harassment of these communities inside and outside China.

Referred to the Committee on _____ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT intended to be proposed by Mr. RUBIO (for himself and Ms. COLLINS)

Viz:

1 At the appropriate place, insert the following:

2 **SEC. ____ . SMALL BUSINESS RECOVERY.**

3 (a) **SHORT TITLE.**—This section may be cited as the

4 “Continuing the Paycheck Protection Program Act”.

5 (b) **DEFINITIONS.**—In this section:

6 (1) **ADMINISTRATION; ADMINISTRATOR.**—The

7 terms “Administration” and “Administrator” mean

8 the Small Business Administration and the Adminis-

9 trator thereof, respectively.

1 (2) SMALL BUSINESS CONCERN.—The term
2 “small business concern” has the meaning given the
3 term in section 3 of the Small Business Act (15
4 U.S.C. 632).

5 (c) EMERGENCY RULEMAKING AUTHORITY.— Not
6 later than 30 days after the date of enactment of this Act,
7 the Administrator shall issue regulations to carry out this
8 section and the amendments made by this section without
9 regard to the notice requirements under section 553(b) of
10 title 5, United States Code.

11 (d) ADDITIONAL ELIGIBLE EXPENSES.—

12 (1) ALLOWABLE USE OF PPP LOAN.—Section
13 7(a)(36)(F)(i) of the Small Business Act (15 U.S.C.
14 636(a)(36)(F)(i)) is amended—

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

17 (B) in subclause (VII), by striking the pe-
18 riod at the end and inserting a semicolon; and

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

20 “(VIII) covered operations ex-
21 penditures, as defined in section
22 1106(a) of the CARES Act (15
23 U.S.C. 9005(a));

1 “(IX) covered property damage
2 costs, as defined in such section
3 1106(a);

4 “(X) covered supplier costs, as
5 defined in such section 1106(a); and

6 “(XI) covered worker protection
7 expenditures, as defined in such sec-
8 tion 1106(a).”.

9 (2) LOAN FORGIVENESS.—Section 1106 of the
10 CARES Act (15 U.S.C. 9005) is amended—

11 (A) in subsection (a)—

12 (i) by redesignating paragraphs (6),
13 (7), and (8) as paragraphs (10), (11), and
14 (12), respectively;

15 (ii) by redesignating paragraph (5) as
16 paragraph (8);

17 (iii) by redesignating paragraph (4) as
18 paragraph (6);

19 (iv) by redesignating paragraph (3) as
20 paragraph (4);

21 (v) by inserting after paragraph (2)
22 the following:

23 “(3) the term ‘covered operations expenditure’
24 means a payment for any business software or cloud
25 computing service that facilitates business oper-

1 ations, product or service delivery, the processing,
2 payment, or tracking of payroll expenses, human re-
3 sources, sales and billing functions, or accounting or
4 tracking of supplies, inventory, records and ex-
5 penses;”;

6 (vi) by inserting after paragraph (4),
7 as so redesignated, the following:

8 “(5) the term ‘covered property damage cost’
9 means a cost related to property damage and van-
10 dalism or looting due to public disturbances that oc-
11 curred during 2020 that was not covered by insur-
12 ance or other compensation;”;

13 (vii) by inserting after paragraph (6),
14 as so redesignated, the following:

15 “(5) the term ‘covered supplier cost’ means an
16 expenditure made by an entity to a supplier of goods
17 pursuant to a contract in effect before February 15,
18 2020 for the supply of goods that are essential to
19 the operations of the entity at the time at which the
20 expenditure is made;”;

21 (viii) by inserting after paragraph (8),
22 as so redesignated, the following:

23 “(9) the term ‘covered worker protection ex-
24 penditure’—

1 “(A) means an operating or a capital ex-
2 penditure that is required to facilitate the adap-
3 tation of the business activities of an entity to
4 comply with requirements established or guid-
5 ance issued by the Department of Health and
6 Human Services, the Centers for Disease Con-
7 trol, or the Occupational Safety and Health Ad-
8 ministration during the period beginning on
9 March 1, 2020 and ending December 31, 2020
10 related to the maintenance of standards for
11 sanitation, social distancing, or any other work-
12 er or customer safety requirement related to
13 COVID-19;

14 “(B) may include—

15 “(i) the purchase, maintenance, or
16 renovation of assets that create or ex-
17 pand—

18 “(I) a drive-through window fa-
19 cility;

20 “(II) an indoor, outdoor, or com-
21 bined air or air pressure ventilation or
22 filtration system;

23 “(III) a physical barrier such as
24 a sneeze guard;

1 “(IV) an indoor, outdoor, or com-
2 bined commercial real property;

3 “(V) an onsite or offsite health
4 screening capability; or

5 “(VI) other assets relating to the
6 compliance with the requirements or
7 guidance described in subparagraph
8 (A), as determined by the Adminis-
9 trator in consultation with the Sec-
10 retary of Health and Human Services
11 and the Secretary of Labor; and

12 “(ii) the purchase of—

13 “(I) covered materials described
14 in section 328.103(a) of title 44, Code
15 of Federal Regulations, or any suc-
16 cessor regulation;

17 “(II) particulate filtering face-
18 piece respirators approved by the Na-
19 tional Institute for Occupational Safe-
20 ty and Health, including those ap-
21 proved only for emergency use author-
22 ization; or

23 “(III) other kinds of personal
24 protective equipment, as determined
25 by the Administrator in consultation

1 with the Secretary of Health and
2 Human Services and the Secretary of
3 Labor; and

4 “(C) does not include residential real prop-
5 erty or intangible property;”; and

6 (ix) in paragraph (11), as so redesign-
7 nated—

8 (I) in subparagraph (C), by strik-
9 ing “and” at the end;

10 (II) in subparagraph (D), by
11 striking “and” at the end; and

12 (III) by adding at the end the
13 following:

14 “(E) covered operations expenditures;

15 “(F) covered property damage costs;

16 “(G) covered supplier costs; and

17 “(H) covered worker protection expendi-
18 tures; and”;

19 (B) in subsection (b), by adding at the end
20 the following:

21 “(5) Any covered operations expenditure.

22 “(6) Any covered property damage cost.

23 “(7) Any covered supplier cost.

24 “(8) Any covered worker protection expendi-
25 ture.”;

1 (C) in subsection (d)(8), by inserting “any
2 payment on any covered operations expenditure,
3 any payment on any covered property damage
4 cost, any payment on any covered supplier cost,
5 any payment on any covered worker protection
6 expenditure,” after “rent obligation,”; and

7 (D) in subsection (e)—

8 (i) in paragraph (2), by inserting
9 “payments on covered operations expendi-
10 tures, payments on covered property dam-
11 age costs, payments on covered supplier
12 costs, payments on covered worker protec-
13 tion expenditures,” after “lease obliga-
14 tions,”; and

15 (ii) in paragraph (3)(B), by inserting
16 “make payments on covered operations ex-
17 penditures, make payments on covered
18 property damage costs, make payments on
19 covered supplier costs, make payments on
20 covered worker protection expenditures,”
21 after “rent obligation,”.

22 (e) LENDER SAFE HARBOR.—Subsection (h) of sec-
23 tion 1106 of the CARES Act (15 U.S.C. 9005) is amended
24 to read as follows:

25 “(h) HOLD HARMLESS.—

1 “(1) IN GENERAL.—A lender may rely on any
2 certification or documentation submitted by an ap-
3 plicant for a covered loan or an eligible recipient of
4 a covered loan that—

5 “(A) is submitted pursuant to any statu-
6 tory requirement relating to covered loans or
7 any rule or guidance issued to carry out any ac-
8 tion relating to covered loans; and

9 “(B) attests that the applicant or eligible
10 recipient, as applicable, has accurately verified
11 any certification or documentation provided to
12 the lender.

13 “(2) NO ENFORCEMENT ACTION.—With respect
14 to a lender that relies on a certification or docu-
15 mentation described in paragraph (1)—

16 “(A) an enforcement action may not be
17 taken against the lender acting in good faith re-
18 lating to origination or forgiveness of a covered
19 loan based on such reliance; and

20 “(B) the lender acting in good faith shall
21 not be subject to any penalties relating to origi-
22 nation or forgiveness of a covered loan based on
23 such reliance.”.

1 (f) SELECTION OF COVERED PERIOD FOR FORGIVE-
2 NESS.—Section 1106 of the CARES Act (15 U.S.C. 9005)
3 is amended—

4 (1) by amending paragraph (4) of subsection
5 (a), as so redesignated by subsection (d) of this sec-
6 tion, to read as follows:

7 “(4) the term ‘covered period’ means the pe-
8 riod—

9 “(A) beginning on the date of the origina-
10 tion of a covered loan; and

11 “(B) ending on a date selected by the eligi-
12 ble recipient of the covered loan that occurs
13 during the period—

14 “(i) beginning on the date that is 8
15 weeks after such date of origination; and

16 “(ii) ending on December 31, 2020;”;
17 and

18 (2) by striking subsection (l).

19 (g) SIMPLIFIED APPLICATION.—Section 1106 of the
20 CARES Act (15 U.S.C. 9005), as amended by subsection
21 (f) of this section, is amended—

22 (1) in subsection (e), in the matter preceding
23 paragraph (1), by striking “An eligible” and insert-
24 ing “Except as provided in subsection (l), an eligi-
25 ble”;

1 (2) in subsection (f), by inserting “or the infor-
2 mation required under subsection (l), as applicable”
3 after “subsection (e)”; and

4 (3) by adding at the end the following:

5 “(1) SIMPLIFIED APPLICATION.—

6 “(1) COVERED LOANS UNDER \$150,000.—

7 “(A) IN GENERAL.—Notwithstanding sub-
8 section (e), with respect to a covered loan made
9 to an eligible recipient that is not more than
10 \$150,000, the covered loan amount shall be for-
11 given under this section if the eligible recipi-
12 ent—

13 “(i) signs and submits to the lender
14 an attestation that the eligible recipient
15 made a good faith effort to comply with
16 the requirements under section 7(a)(36) of
17 the Small Business Act (15 U.S.C.
18 636(a)(36)); and

19 “(ii) for the 1-year period following
20 submission of the attestation under clause
21 (i), retains records relevant to the attesta-
22 tion that prove compliance with those re-
23 quirements.

24 “(B) DEMOGRAPHIC INFORMATION.—An
25 eligible recipient of a covered loan described in

1 subparagraph (A) may complete and submit
2 any form related to borrower demographic in-
3 formation.

4 “(C) AUDIT.—The Administrator may—

5 “(i) review and audit covered loans
6 described in subparagraph (A); and

7 “(ii) in the case of fraud, ineligibility,
8 or other material noncompliance with ap-
9 plicable loan or loan forgiveness require-
10 ments, modify—

11 “(I) the amount of a covered loan
12 described in subparagraph (A); or

13 “(II) the loan forgiveness amount
14 with respect to a covered loan de-
15 scribed in subparagraph (A).

16 “(2) COVERED LOANS BETWEEN \$150,000 AND
17 \$2,000,000.—

18 “(A) IN GENERAL.—Notwithstanding sub-
19 section (e), with respect to a covered loan made
20 to an eligible recipient that is more than
21 \$150,000 and not more than \$2,000,000—

22 “(i) the eligible recipient seeking loan
23 forgiveness under this section—

24 “(I) is not required to submit the
25 supporting documentation described

1 in paragraph (1) or (2) of subsection
2 (e) or the certification described in
3 subsection (e)(3)(A);

4 “(II) shall retain all relevant
5 schedules, worksheets, and supporting
6 documentation for the 3-year period
7 following submission of the applica-
8 tion for loan forgiveness; and

9 “(III) may complete and submit
10 any form related to borrower demo-
11 graphic information;

12 “(ii) review by the lender of an appli-
13 cation submitted by the eligible recipient
14 for loan forgiveness under this section shall
15 be limited to whether the lender received a
16 complete application, with all fields com-
17 pleted, initialed, or signed, as applicable;
18 and

19 “(iii) the lender shall—

20 “(I) accept the application sub-
21 mitted by the eligible recipient for
22 loan forgiveness under this section;
23 and

24 “(II) submit the application to
25 the Administrator.

1 “(B) AUDIT.—The Administrator may—
2 “(i) review and audit covered loans
3 described in subparagraph (A); and
4 “(ii) in the case of fraud, ineligibility,
5 or other material noncompliance with ap-
6 plicable loan or loan forgiveness require-
7 ments, modify—
8 “(I) the amount of a covered loan
9 described in subparagraph (A); or
10 “(II) the loan forgiveness amount
11 with respect to a covered loan de-
12 scribed in subparagraph (A).
13 “(3) AUDIT PLAN.—
14 “(A) IN GENERAL.—Not later than 30
15 days after the date of enactment of the Con-
16 tinuing the Paycheck Protection Program Act,
17 the Administrator shall submit to the Com-
18 mittee on Small Business and Entrepreneurship
19 of the Senate and the Committee on Small
20 Business of the House of Representatives an
21 audit plan that details—
22 “(i) the policies and procedures of the
23 Administrator for conducting reviews and
24 audits of covered loans; and

1 “(ii) the metrics that the Adminis-
2 trator shall use to determine which covered
3 loans will be audited for each category of
4 covered loans described in paragraphs (1)
5 and (2).

6 “(B) REPORTS.—Not later than 30 days
7 after the date on which the Administrator sub-
8 mits the audit plan required under subpara-
9 graph (A), and each month thereafter, the Ad-
10 ministrator shall submit to the Committee on
11 Small Business and Entrepreneurship of the
12 Senate and the Committee on Small Business
13 of the House of Representatives a report on the
14 review and audit activities of the Administrator
15 under this subsection, which shall include—

16 “(i) the number of active reviews and
17 audits;

18 “(ii) the number of reviews and audits
19 that have been ongoing for more than 60
20 days; and

21 “(iii) any substantial changes made to
22 the audit plan submitted under subpara-
23 graph (A).”.

24 (h) GROUP INSURANCE PAYMENTS AS PAYROLL
25 COSTS.—Section 7(a)(36)(A)(viii)(I)(aa)(EE) of the

1 Small Business Act (15 U.S.C.
2 636(a)(36)(A)(viii)(I)(aa)(EE)) is amended by inserting
3 “and other group insurance” before “benefits”.

4 (i) PAYCHECK PROTECTION PROGRAM SECOND
5 DRAW LOANS.—Section 7(a) of the Small Business Act
6 (15 U.S.C. 636(a)) is amended by adding at the end the
7 following:

8 “(37) PAYCHECK PROTECTION PROGRAM SEC-
9 OND DRAW LOANS.—

10 “(A) DEFINITIONS.—In this paragraph—

11 “(i) the terms ‘community financial
12 institutions’, ‘credit union’, ‘eligible self-
13 employed individual’, ‘insured depository
14 institution’, ‘nonprofit organization’, ‘pay-
15 roll costs’, ‘seasonal employer’, and ‘vet-
16 erans organization’ have the meanings
17 given those terms in paragraph (36), ex-
18 cept that ‘eligible entity’ shall be sub-
19 stituted for ‘eligible recipient’ each place it
20 appears in the definitions of those terms;

21 “(ii) the term ‘covered loan’ means a
22 loan made under this paragraph;

23 “(iii) the terms ‘covered mortgage ob-
24 ligation’, ‘covered operating expenditure’,
25 ‘covered property damage cost’, ‘covered

1 rent obligation’, ‘covered supplier cost’,
2 ‘covered utility payment’, and ‘covered
3 worker protection expenditure’ have the
4 meanings given those terms in section
5 1106(a) of the CARES Act (15 U.S.C.
6 9005(a));

7 “(iv) the term ‘covered period’ means
8 the period beginning on the date of the
9 origination of a covered loan and ending on
10 December 31, 2020;

11 “(v) the term ‘eligible entity’—

12 “(I) means any business concern,
13 nonprofit organization, veterans orga-
14 nization, Tribal business concern, eli-
15 gible self-employed individual, sole
16 proprietor, independent contractor, or
17 small agricultural cooperative that—

18 “(aa)(AA) with respect to a
19 business concern, would qualify
20 as a small business concern by
21 the annual receipts size standard
22 (if applicable) established by sec-
23 tion 121.201 of title 13, Code of
24 Federal Regulations, or any suc-
25 cessor regulation; or

1 “(BB) if the entity does not
2 qualify as a small business con-
3 cern, meets the alternative size
4 standard established under sec-
5 tion 3(a)(5);

6 “(bb) employs not more
7 than 300 employees; and

8 “(cc)(AA) except as provided
9 in subitems (BB), (CC), and
10 (DD), had gross receipts during
11 the first or second quarter in
12 2020 that are not less than 35
13 percent less than the gross re-
14 ceipts of the entity during the
15 same quarter in 2019;

16 “(BB) if the entity was not
17 in business during the first or
18 second quarter of 2019, but was
19 in business during the third and
20 fourth quarter of 2019, had gross
21 receipts during the first or sec-
22 ond quarter of 2020 that are less
23 than 35 percent of the amount of
24 the gross receipts of the entity

1 during the third or fourth quar-
2 ter of 2019;

3 “(CC) if the entity was not
4 in business during the first, sec-
5 ond, or third quarter of 2019,
6 but was in business during the
7 fourth quarter of 2019, had gross
8 receipts during the first or sec-
9 ond quarter of 2020 that are less
10 than 35 percent of the amount of
11 the gross receipts of the entity
12 during the fourth quarter of
13 2019; or

14 “(DD) if the entity was not
15 in business during 2019, but was
16 in operation on February 15,
17 2020, had gross receipts during
18 the second quarter of 2020 that
19 are less than 35 percent of the
20 amount of the gross receipts of
21 the entity during the first quar-
22 ter of 2020;

23 “(II) includes an organization de-
24 scribed in subparagraph (D)(vii) of
25 paragraph (36) that is eligible to re-

1 ceive a loan under that paragraph and
2 that meets the requirements described
3 in items (aa) and (cc) of subclause
4 (I); and

5 “(III) does not include—

6 “(aa) an issuer, the securi-
7 ties of which are listed on an ex-
8 change registered a national se-
9 curities exchange under section 6
10 of the Securities Exchange Act of
11 1934 (15 U.S.C. 78f);

12 “(bb) any entity that—

13 “(AA) is a type of busi-
14 ness concern described in
15 subsection (b), (c), (d), (e),
16 (f), (h), (l) (m), (p), (q), (r),
17 or (s) of section 120.110 of
18 title 13, Code of Federal
19 Regulations, or any suc-
20 cessor regulation;

21 “(BB) is a type of busi-
22 ness concern described in
23 section 120.110(g) of title
24 13, Code of Federal Regula-
25 tions, or any successor regu-

1 lation, except as otherwise
2 provided in the interim final
3 rule of the Administration
4 entitled ‘Business Loan Pro-
5 gram Temporary Changes;
6 Paycheck Protection Pro-
7 gram—Additional Eligibility
8 Criteria and Requirements
9 for Certain Pledges of
10 Loans’ (85 Fed. Reg. 21747
11 (April 20, 2020));

12 “(CC) is a type of busi-
13 ness concern described in
14 section 120.110(i) of title
15 13, Code of Federal Regula-
16 tions, or any successor regu-
17 lation, except if the business
18 concern is an organization
19 described in paragraph
20 (36)(D)(vii);

21 “(DD) is a type of
22 business concern described
23 in section 120.110(j) of title
24 13, Code of Federal Regula-
25 tions, or any successor regu-

1 lation, except as otherwise
2 provided in the interim final
3 rules of the Administration
4 entitled ‘Business Loan Pro-
5 gram Temporary Changes;
6 Paycheck Protection Pro-
7 gram—Eligibility of Certain
8 Electric Cooperatives’ (85
9 Fed. Reg. 29847 (May 19,
10 2020)) and ‘Business Loan
11 Program Temporary
12 Changes; Paycheck Protec-
13 tion Program—Eligibility of
14 Certain Telephone Coopera-
15 tives’ (85 Fed. Reg. 35550
16 (June 11, 2020)) or any
17 other guidance or rule
18 issued or that may be issued
19 by the Administrator;

20 “(EE) is a type of busi-
21 ness concern described in
22 section 120.110(n) of title
23 13, Code of Federal Regula-
24 tions, or any successor regu-
25 lation, except as otherwise

1 provided in the interim final
2 rule of the Administration
3 entitled ‘Business Loan Pro-
4 gram Temporary Changes;
5 Paycheck Protection Pro-
6 gram—Additional Eligibility
7 Revisions to First Interim
8 Final Rule’ (85 Fed. Reg.
9 38301 (June 26, 2020)) or
10 any other guidance or rule
11 issued or that may be issued
12 by the Administrator;

13 “(FF) is a type of busi-
14 ness concern described in
15 section 120.110(o) of title
16 13, Code of Federal Regula-
17 tions, or any successor regu-
18 lation, except as otherwise
19 provided in any guidance or
20 rule issued or that may be
21 issued by the Administrator;
22 or

23 “(GG) is an entity that
24 is organized for research or
25 for engaging in advocacy in

1 areas such as public policy
2 or political strategy or other-
3 wise describes itself as a
4 think tank in any public
5 documents;

6 “(HH) is an entity that
7 would be described in the
8 subsections listed in
9 subitems (AA) through (GG)
10 if the entity were a business
11 concern; or

12 “(II) is assigned, or
13 was approved for a loan
14 under paragraph (36) with,
15 a North American Industry
16 Classification System code
17 beginning with 52;

18 “(cc) any business concern
19 or entity primarily engaged in
20 political or lobbying activities,
21 which shall include any entity
22 that is organized for research or
23 for engaging in advocacy in areas
24 such as public policy or political
25 strategy or otherwise describes

1 itself as a think tank in any pub-
2 lic documents; or

3 “*(dd)* any business concern
4 or entity—

5 “*(AA)* for which an en-
6 tity created in or organized
7 under the laws of the Peo-
8 ple’s Republic of China or
9 the Special Administrative
10 Region of Hong Kong, or
11 that has significant oper-
12 ations in the People’s Re-
13 public of China or the Spe-
14 cial Administrative Region
15 of Hong Kong, owns or
16 holds, directly or indirectly,
17 not less than 20 percent of
18 the economic interest of the
19 business concern or entity,
20 including as equity shares or
21 a capital or profit interest in
22 a limited liability company
23 or partnership; or

24 “*(BB)* that retains, as
25 a member of the board of di-

1 rectors of the business con-
2 cern, a person who is a resi-
3 dent of the People’s Repub-
4 lic of China;

5 “(vi) the terms ‘exchange’, ‘issuer’,
6 and ‘security’ have the meanings given
7 those terms in section 3(a) of the Securi-
8 ties Exchange Act of 1934 (15 U.S.C.
9 78c(a)); and

10 “(vii) the term ‘Tribal business con-
11 cern’ means a Tribal business concern de-
12 scribed in section 31(b)(2)(C).

13 “(B) LOANS.—Except as otherwise pro-
14 vided in this paragraph, the Administrator may
15 guarantee covered loans to eligible entities
16 under the same terms, conditions, and processes
17 as a loan made under paragraph (36).

18 “(C) MAXIMUM LOAN AMOUNT.—

19 “(i) IN GENERAL.—Except as other-
20 wise provided in this subparagraph, the
21 maximum amount of a covered loan made
22 to an eligible entity is the lesser of—

23 “(I) the product obtained by mul-
24 tiplying—

1 “(aa) at the election of the
2 eligible entity, the average total
3 monthly payment for payroll
4 costs incurred or paid by the eli-
5 gible entity during—

6 “(AA) the 1-year period
7 before the date on which the
8 loan is made; or

9 “(BB) calendar year
10 2019; by

11 “(bb) 2.5; or

12 “(II) \$2,000,000.

13 “(ii) SEASONAL EMPLOYERS.—The
14 maximum amount of a covered loan made
15 to an eligible entity that is a seasonal em-
16 ployer is the lesser of—

17 “(I) the product obtained by mul-
18 tiplying—

19 “(aa) at the election of the
20 eligible entity, the average total
21 monthly payments for payroll
22 costs incurred or paid by the eli-
23 gible entity—

24 “(AA) for a 12-week
25 period beginning February

1 15, 2019 or March 1, 2019
2 and ending June 30, 2019;
3 or

4 “(BB) for a consecutive
5 12-week period between May
6 1, 2019 and September 15,
7 2019; by

8 “(bb) 2.5; or

9 “(II) \$2,000,000.

10 “(iii) NEW ENTITIES.—The maximum
11 amount of a covered loan made to an eligi-
12 ble entity that did not exist during the 1-
13 year period preceding February 15, 2020
14 is the lesser of—

15 “(I) the product obtained by mul-
16 tiplying—

17 “(aa) the quotient obtained
18 by dividing—

19 “(AA) the sum of the
20 total monthly payments by
21 the eligible entity for payroll
22 costs paid or incurred by the
23 eligible entity as of the date
24 on which the eligible entity

1 applies for the covered loan;

2 by

3 “(BB) the number of

4 months in which those pay-

5 roll costs were paid or in-

6 curred; by

7 “(bb) 2.5; or

8 “(II) \$2,000,000.

9 “(iv) LIMIT FOR MULTIPLE LOCA-
10 TIONS.—With respect to an eligible entity
11 with more than 1 physical location, the
12 total amount of all covered loans shall be
13 not more than \$2,000,000.

14 “(v) LOAN NUMBER LIMITATION.—An
15 eligible entity may only receive 1 covered
16 loan.

17 “(vi) 90 DAY RULE FOR MAXIMUM
18 LOAN AMOUNT.—The maximum aggregate
19 loan amount of loans guaranteed under
20 this subsection that are approved for an el-
21 igible entity (including any affiliates) with-
22 in 90 days of approval of another loan
23 under this subsection for the eligible entity
24 (including any affiliates) shall not exceed
25 \$10,000,000.

1 “(D) EXCEPTION FROM CERTAIN CERTIFI-
2 CATION REQUIREMENTS.—An eligible entity ap-
3 plying for a covered loan shall not be required
4 to make the certification described in subclause
5 (III) or (IV) of paragraph (36)(G)(i).

6 “(E) FEE WAIVER.—With respect to a cov-
7 ered loan—

8 “(i) in lieu of the fee otherwise appli-
9 cable under paragraph (23)(A), the Ad-
10 ministrator shall collect no fee; and

11 “(ii) in lieu of the fee otherwise appli-
12 cable under paragraph (18)(A), the Ad-
13 ministrator shall collect no fee.

14 “(F) ELIGIBLE CHURCHES AND RELIGIOUS
15 ORGANIZATIONS.—

16 “(i) SENSE OF CONGRESS.—It is the
17 sense of Congress that the interim final
18 rule of the Administration entitled ‘Busi-
19 ness Loan Program Temporary Changes;
20 Paycheck Protection Program’ (85 Fed.
21 Reg. 20817 (April 15, 2020)) properly
22 clarified the eligibility of churches and reli-
23 gious organizations for loans made under
24 paragraph (36).

1 “(ii) APPLICABILITY OF PROHIBI-
2 TION.—The prohibition on eligibility estab-
3 lished by section 120.110(k) of title 13,
4 Code of Federal Regulations, or any suc-
5 cessor regulation, shall not apply to a cov-
6 ered loan.

7 “(G) GROSS RECEIPTS FOR NONPROFIT
8 AND VETERANS ORGANIZATIONS.—For purposes
9 of calculating gross receipts under subpara-
10 graph (A)(v)(I)(cc) for an eligible entity that is
11 a nonprofit organization, a veterans organiza-
12 tion, or an organization described in subpara-
13 graph (A)(v)(II), gross receipts—

14 “(i) shall include proceeds from fund-
15 raising events, federated campaigns, gifts,
16 donor-advised funds, and funds from simi-
17 lar sources; and

18 “(ii) shall not include—

19 “(I) Federal grants (excluding
20 any loan forgiveness on loans received
21 under paragraph (36) or this para-
22 graph);

23 “(II) revenues from a supporting
24 organization;

1 costs incurred or expenditures made during
2 the covered period:

3 “(I) Payroll costs.

4 “(II) Any payment of interest on
5 any covered mortgage obligation
6 (which shall not include any prepay-
7 ment of or payment of principal on a
8 covered mortgage obligation).

9 “(III) Any covered operations ex-
10 penditure.

11 “(IV) Any covered property dam-
12 age cost.

13 “(V) Any payment on any cov-
14 ered rent obligation.

15 “(VI) Any covered utility pay-
16 ment.

17 “(VII) Any covered supplier cost.

18 “(VIII) Any covered worker pro-
19 tection expenditure.

20 “(iii) LIMITATION ON FORGIVENESS
21 FOR ALL ELIGIBLE ENTITIES.—The for-
22 giveness amount under this subparagraph
23 shall be equal to the lesser of—

24 “(I) the amount described in
25 clause (ii); and

1 “(II) the amount equal to the
2 quotient obtained by dividing—

3 “(aa) the amount of the cov-
4 ered loan used for payroll costs
5 during the covered period; and

6 “(bb) 0.60.

7 “(I) LENDER ELIGIBILITY.—Except as
8 otherwise provided in this paragraph, a lender
9 approved to make loans under paragraph (36)
10 may make covered loans under the same terms
11 and conditions as in paragraph (36).

12 “(J) REIMBURSEMENT FOR LOAN PROC-
13 ESSING AND SERVICING.—The Administrator
14 shall reimburse a lender authorized to make a
15 covered loan in an amount that is—

16 “(i) 3 percent of the principal amount
17 of the financing of the covered loan up to
18 \$350,000; and

19 “(ii) 1 percent of the principal
20 amount of the financing of the covered
21 loan above \$350,000, if applicable.

22 “(K) SET ASIDE FOR SMALL ENTITIES.—
23 Not less than \$25,000,000,000 of the total
24 amount of covered loans guaranteed by the Ad-
25 ministrator shall be made to eligible entities

1 with not more than 10 employees as of Feb-
2 ruary 15, 2020.

3 “(L) SET ASIDE FOR COMMUNITY FINAN-
4 CIAL INSTITUTIONS, SMALL INSURED DEPOSI-
5 TORY INSTITUTIONS, CREDIT UNIONS, AND
6 FARM CREDIT SYSTEM INSTITUTIONS.—Not less
7 than \$10,000,000,000 of the total amount of
8 covered loans guaranteed by the Administrator
9 shall be made by—

10 “(i) community financial institutions;

11 “(ii) insured depository institutions
12 with consolidated assets of less than
13 \$10,000,000,000;

14 “(iii) credit unions with consolidated
15 assets of less than \$10,000,000,000; and

16 “(iv) institutions of the Farm Credit
17 System chartered under the Farm Credit
18 Act of 1971 (12 U.S.C. 2001 et seq.) with
19 consolidated assets of less than
20 \$10,000,000,000 (not including the Fed-
21 eral Agricultural Mortgage Corporation).

22 “(M) PUBLICATION OF GUIDANCE.—Not
23 later than 10 days after the date of enactment
24 of this paragraph, the Administrator shall issue
25 guidance addressing barriers to accessing cap-

1 ital for minority, underserved, veteran, and
2 women-owned business concerns for the purpose
3 of ensuring equitable access to covered loans.

4 “(N) STANDARD OPERATING PROCE-
5 DURE.—The Administrator shall, to the max-
6 imum extent practicable, allow a lender ap-
7 proved to make covered loans to use existing
8 program guidance and standard operating pro-
9 cedures for loans made under this subsection.

10 “(O) PROHIBITION ON USE OF PROCEEDS
11 FOR LOBBYING ACTIVITIES.—None of the pro-
12 ceeds of a covered loan may be used for—

13 “(i) lobbying activities, as defined in
14 section 3 of the Lobbying Disclosure Act of
15 1995 (2 U.S.C. 1602);

16 “(ii) lobbying expenditures related to
17 a State or local election; or

18 “(iii) expenditures designed to influ-
19 ence the enactment of legislation, appro-
20 priations, regulation, administrative action,
21 or Executive order proposed or pending be-
22 fore Congress or any State government,
23 State legislature, or local legislature or leg-
24 islative body.”.

1 (j) CONTINUED ACCESS TO THE PAYCHECK PROTEC-
2 TION PROGRAM.—

3 (1) IN GENERAL.—Section 7(a)(36)(E)(ii) of
4 the Small Business Act (15 U.S.C.
5 636(a)(36)(E)(ii)) is amended by striking
6 “\$10,000,000” and inserting “\$2,000,000”.

7 (2) APPLICABILITY OF MAXIMUM LOAN AMOUNT
8 CALCULATION.—

9 (A) DEFINITIONS.—In this paragraph, the
10 terms “covered loan” and “eligible recipient”
11 have the meanings given those terms in section
12 7(a)(36) of the Small Business Act (15 U.S.C.
13 636(a)(36)).

14 (B) APPLICABILITY.—The amendment
15 made by paragraph (1) shall apply only with re-
16 spect to a covered loan applied for by an eligible
17 recipient on or after the date of enactment of
18 this Act.

19 (k) INCREASED ABILITY FOR PAYCHECK PROTEC-
20 TION PROGRAM BORROWERS TO REQUEST AN INCREASE
21 IN LOAN AMOUNT DUE TO UPDATED REGULATIONS.—

22 (1) DEFINITIONS.—In this subsection, the
23 terms “covered loan” and “eligible recipient” have
24 the meanings given those terms in section 7(a)(36)
25 of the Small Business Act (15 U.S.C. 636(a)(36)).

1 (2) INCREASED AMOUNT.—Notwithstanding the
2 interim final rule issued by the Administration enti-
3 tled “Business Loan Program Temporary Changes;
4 Paycheck Protection Program—Loan Increases” (85
5 Fed. Reg. 29842 (May 19, 2020)), an eligible recipi-
6 ent of a covered loan that is eligible for an increased
7 covered loan amount as a result of any interim final
8 rule that allows for covered loan increases may sub-
9 mit a request for an increase in the covered loan
10 amount even if—

11 (A) the initial covered loan amount has
12 been fully disbursed; or

13 (B) the lender of the initial covered loan
14 has submitted to the Administration a Form
15 1502 report related to the covered loan.

16 (l) CALCULATION OF MAXIMUM LOAN AMOUNT FOR
17 FARMERS AND RANCHERS UNDER THE PAYCHECK PRO-
18 TECTION PROGRAM.—

19 (1) IN GENERAL.—Section 7(a)(36) of the
20 Small Business Act (15 U.S.C. 636(a)(36)), as
21 amended by subsection (j) of this section, is amend-
22 ed—

23 (A) in subparagraph (E), in the matter
24 preceding clause (i), by striking “During” and

1 inserting “Except as provided in subparagraph
2 (T), during”; and

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

4 “(T) CALCULATION OF MAXIMUM LOAN
5 AMOUNT FOR FARMERS AND RANCHERS.—

6 “(i) DEFINITION.—In this subpara-
7 graph, the term ‘covered recipient’ means
8 an eligible recipient that—

9 “(I) operates as a sole propri-
10 etorship or as an independent con-
11 tractor, or is an eligible self-employed
12 individual;

13 “(II) reports farm income or ex-
14 penses on a Schedule F (or any equiv-
15 alent successor schedule); and

16 “(III) was in business during the
17 period beginning on February 15,
18 2019 and ending on June 30, 2019.

19 “(ii) NO EMPLOYEES.—With respect
20 to covered recipient without employees, the
21 maximum covered loan amount shall be the
22 lesser of—

23 “(I) the sum of—

24 “(aa) the product obtained
25 by multiplying—

1 “(AA) the gross income
2 of the covered recipient in
3 2019, as reported on a
4 Schedule F (or any equiva-
5 lent successor schedule),
6 that is not more than
7 \$100,000, divided by 12;
8 and

9 “(BB) 2.5; and
10 “(bb) the outstanding
11 amount of a loan under sub-
12 section (b)(2) that was made
13 during the period beginning on
14 January 31, 2020 and ending on
15 April 3, 2020 that the borrower
16 intends to refinance under the
17 covered loan, not including any
18 amount of any advance under the
19 loan that is not required to be re-
20 paid; or

21 “(II) \$2,000,000.

22 “(iii) WITH EMPLOYEES.—With re-
23 spect to a covered recipient with employ-
24 ees, the maximum covered loan amount
25 shall be calculated using the formula de-

1 scribed in subparagraph (E), except that
2 the gross income of the covered recipient
3 described in clause (ii)(I)(aa)(AA) of this
4 subparagraph, as divided by 12, shall be
5 added to the sum calculated under sub-
6 paragraph (E)(i)(I).

7 “(iv) RECALCULATION.—A lender that
8 made a covered loan to a covered recipient
9 before the date of enactment of this sub-
10 paragraph may, at the request of the cov-
11 ered recipient—

12 “(I) recalculate the maximum
13 loan amount applicable to that cov-
14 ered loan based on the formula de-
15 scribed in clause (ii) or (iii), as appli-
16 cable, if doing so would result in a
17 larger covered loan amount; and

18 “(II) provide the covered recipi-
19 ent with additional covered loan
20 amounts based on that recalcula-
21 tion.”.

22 (m) FARM CREDIT SYSTEM INSTITUTIONS.—

23 (1) DEFINITION OF FARM CREDIT SYSTEM IN-
24 STITUTION.—In this subsection, the term “Farm
25 Credit System institution”—

1 (A) means an institution of the Farm
2 Credit System chartered under the Farm Credit
3 Act of 1971 (12 U.S.C. 2001 et seq.); and

4 (B) does not include the Federal Agricul-
5 tural Mortgage Corporation.

6 (2) FACILITATION OF PARTICIPATION IN PPP
7 AND SECOND DRAW LOANS.—

8 (A) APPLICABLE RULES.—Solely with re-
9 spect to loans under paragraphs (36) and (37)
10 of section 7(a) of the Small Business Act (15
11 U.S.C. 636(a)), Farm Credit Administration
12 regulations and guidance issued as of July 14,
13 2020, and compliance with such regulations and
14 guidance, shall be deemed functionally equiva-
15 lent to requirements referenced in section
16 3(a)(iii)(II) of the interim final rule of the Ad-
17 ministration entitled “Business Loan Program
18 Temporary Changes; Paycheck Protection Pro-
19 gram” (85 Fed. Reg. 20811 (April 15, 2020))
20 or any similar requirement referenced in that
21 interim final rule in implementing such para-
22 graph (37).

23 (B) APPLICABILITY OF CERTAIN LOAN RE-
24 QUIREMENTS.—For purposes of making loans
25 under paragraph (36) or (37) of section 7(a) of

1 the Small Business Act (15 U.S.C. 636(a)) or
2 forgiving those loans in accordance with section
3 1106 of the CARES Act (15 U.S.C. 9005) and
4 subparagraph (H) of such paragraph (37), sec-
5 tions 4.13, 4.14, and 4.14A of the Farm Credit
6 Act of 1971 (12 U.S.C. 2199, 2202, 2202a)
7 (including regulations issued under those sec-
8 tions) shall not apply.

9 (C) RISK WEIGHT.—

10 (i) IN GENERAL.—With respect to the
11 application of Farm Credit Administration
12 capital requirements, a loan described in
13 clause (ii)—

14 (I) shall receive a risk weight of
15 zero percent; and

16 (II) shall not be included in the
17 calculation of any applicable leverage
18 ratio or other applicable capital ratio
19 or calculation.

20 (ii) LOANS DESCRIBED.—A loan re-
21 ferred to in clause (i) is—

22 (I) a loan made by a Farm Cred-
23 it Bank described in section 1.2(a) of
24 the Farm Credit Act of 1971 (12
25 U.S.C. 2002(a)) to a Federal Land

1 Bank Association, a Production Credit
2 Association, or an agricultural credit
3 association described in that section
4 to make loans under paragraph (36)
5 or (37) of section 7(a) of the Small
6 Business Act (15 U.S.C. 636(a)) or
7 forgive those loans in accordance with
8 section 1106 of the CARES Act (15
9 U.S.C. 9005) and subparagraph (H)
10 of such paragraph (37); or

11 (II) a loan made by a Federal
12 Land Bank Association, a Production
13 Credit Association, an agricultural
14 credit association, or the bank for co-
15 operatives described in section 1.2(a)
16 of the Farm Credit Act of 1971 (12
17 U.S.C. 2002(a)) under paragraph
18 (36) or (37) of section 7(a) of the
19 Small Business Act (15 U.S.C.
20 636(a)).

21 (D) RESERVATION OF LOAN GUARAN-
22 TEES.—Section 7(a)(36)(S) of the Small Busi-
23 ness Act (15 U.S.C. 636(a)(36)(S)) is amend-
24 ed—

25 (i) in clause (i)—

1 (I) in subclause (I), by striking
2 “and” at the end;

3 (II) in subclause (II), by striking
4 the period at the end and inserting “;
5 and”; and

6 (III) by adding at the end the
7 following:

8 “(III) institutions of the Farm
9 Credit System chartered under the
10 Farm Credit Act of 1971 (12 U.S.C.
11 2001 et seq.) with consolidated assets
12 of not less than \$10,000,000,000 and
13 less than \$50,000,000,000.”; and

14 (ii) in clause (ii)—

15 (I) in subclause (II), by striking
16 “and” at the end;

17 (II) in subclause (III), by strik-
18 ing the period at the end and insert-
19 ing “; and”; and

20 (III) by adding at the end the
21 following:

22 “(IV) institutions of the Farm
23 Credit System chartered under the
24 Farm Credit Act of 1971 (12 U.S.C.

1 2001 et seq.) with consolidated assets
2 of less than \$10,000,000,000.”.

3 (n) DEFINITION OF SEASONAL EMPLOYER.—

4 (1) PPP LOANS.—Section 7(a)(36)(A) of the
5 Small Business Act (15 U.S.C. 636(a)(36)(A)) is
6 amended—

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

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

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

12 “(xiii) the term ‘seasonal employer’
13 means an eligible recipient that—

14 “(I) does not operate for more
15 than 7 months in any calendar year;

16 or

17 “(II) during the preceding cal-
18 endar year, had gross receipts for any
19 6 months of that year that were not
20 more than 33.33 percent of the gross
21 receipts of the employer for the other
22 6 months of that year.”.

23 (2) LOAN FORGIVENESS.—Paragraph (12) of
24 section 1106(a) of the CARES Act (15 U.S.C.

1 9005(a)), as so redesignated by subsection (d)(2) of
2 this section, is amended to read as follows:

3 “(12) the terms ‘payroll costs’ and ‘seasonal
4 employer’ have the meanings given those terms in
5 section 7(a)(36) of the Small Business Act (15
6 U.S.C. 636(a)(36)).”.

7 (o) ELIGIBILITY OF 501(C)(6) ORGANIZATIONS FOR
8 LOANS UNDER THE PAYCHECK PROTECTION PRO-
9 GRAM.—Section 7(a)(36)(D) of the Small Business Act
10 (15 U.S.C. 636(a)(36)(D)) is amended—

11 (1) in clause (v), by inserting “or whether an
12 organization described in clause (vii) employs not
13 more than 150 employees,” after “clause (i)(I),”;

14 (2) in clause (vi), by inserting “, an organiza-
15 tion described in clause (vii),” after “nonprofit orga-
16 nization”; and

17 (3) by adding at the end the following:

18 “(vii) ELIGIBILITY FOR CERTAIN
19 501(C)(6) ORGANIZATIONS.—

20 “(I) IN GENERAL.—Except as
21 provided in subclause (II), any organi-
22 zation that is described in section
23 501(c)(6) of the Internal Revenue
24 Code and that is exempt from tax-
25 ation under section 501(a) of such

1 Code (excluding professional sports
2 leagues and organizations with the
3 purpose of promoting or participating
4 in a political campaign or other activ-
5 ity) shall be eligible to receive a cov-
6 ered loan if—

7 “(aa) the organization does
8 not receive more than 10 percent
9 of its receipts from lobbying ac-
10 tivities;

11 “(bb) the lobbying activities
12 of the organization do not com-
13 prise more than 10 percent of the
14 total activities of the organiza-
15 tion; and

16 “(cc) the organization em-
17 ploys not more than 150 employ-
18 ees.

19 “(II) DESTINATION MARKETING
20 ORGANIZATIONS.—Notwithstanding
21 subclause (I), during the covered pe-
22 riod, any destination marketing orga-
23 nization shall be eligible to receive a
24 covered loan if—

1 “(aa) the destination mar-
2 keting organization does not re-
3 ceive more than 10 percent of its
4 receipts from lobbying activities;

5 “(bb) the lobbying activities
6 of the destination marketing or-
7 ganization do not comprise more
8 than 10 percent of the total ac-
9 tivities of the organization;

10 “(cc) the destination mar-
11 keting organization employs not
12 more than 150 employees; and

13 “(dd) the destination mar-
14 keting organization—

15 “(AA) is described in
16 section 501(c) of the Inter-
17 nal Revenue Code and is ex-
18 empt from taxation under
19 section 501(a) of such Code;
20 or

21 “(BB) is a quasi-gov-
22 ernmental entity or is a po-
23 litical subdivision of a State
24 or local government, includ-

1 ing any instrumentality of
2 those entities.”.

3 (p) PROHIBITION ON USE OF LOAN PROCEEDS FOR
4 LOBBYING ACTIVITIES.—Section 7(a)(36)(F) of the Small
5 Business Act (15 U.S.C. 636(a)(36)(F)) is amended by
6 adding at the end the following:

7 “(vi) PROHIBITION.—None of the pro-
8 ceeds of a covered loan may be used for—

9 “(I) lobbying activities, as de-
10 fined in section 3 of the Lobbying
11 Disclosure Act of 1995 (2 U.S.C.
12 1602);

13 “(II) lobbying expenditures re-
14 lated to a State or local election; or

15 “(III) expenditures designed to
16 influence the enactment of legislation,
17 appropriations, regulation, adminis-
18 trative action, or Executive order pro-
19 posed or pending before Congress or
20 any State government, State legisla-
21 ture, or local legislature or legislative
22 body.”.

23 (q) EFFECTIVE DATE; APPLICABILITY.—The amend-
24 ments made to paragraph (36) of section 7(a) of the Small
25 Business Act (15 U.S.C. 636(a)) and title I of the CARES

1 Act (Public Law 116–136) under this section shall be ef-
2 fective as if included in the CARES Act and shall apply
3 to any loan made pursuant to section 7(a)(36) of the
4 Small Business Act (15 U.S.C. 636(a)(36)).

5 (r) BANKRUPTCY PROVISIONS.—

6 (1) IN GENERAL.—Section 364 of title 11,
7 United States Code, is amended by adding at the
8 end the following:

9 “(g)(1) The court, after notice and a hearing, may
10 authorize a debtor in possession or a trustee that is au-
11 thorized to operate the business of the debtor under sec-
12 tion 1183, 1184, 1203, 1204, or 1304 of this title to ob-
13 tain a loan under paragraph (36) or (37) of section 7(a)
14 of the Small Business Act (15 U.S.C. 636(a)), and such
15 loan shall be treated as a debt to the extent the loan is
16 not forgiven in accordance with section 1106 of the
17 CARES Act (15 U.S.C. 9005) or subparagraph (H) of
18 such paragraph (37), as applicable, with priority equal to
19 a claim of the kind specified in subsection (c)(1) of this
20 section.

21 “(2) The trustee may incur debt described in para-
22 graph (1) notwithstanding any provision in a contract,
23 prior order authorizing the trustee to incur debt under this
24 section, prior order authorizing the trustee to use cash col-

1 lateral under section 363, or applicable law that prohibits
2 the debtor from incurring additional debt.

3 “(3) The court shall hold a hearing within 7 days
4 after the filing and service of the motion to obtain a loan
5 described in paragraph (1).”.

6 (2) ALLOWANCE OF ADMINISTRATIVE EX-
7 PENSES.—Section 503(b) of title 11, United States
8 Code, is amended—

9 (A) in paragraph (8)(B), by striking “and”
10 at the end;

11 (B) in paragraph (9), by striking the pe-
12 riod at the end and inserting “; and”; and

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

14 “(10) any debt incurred under section
15 364(g)(1) of this title.”.

16 (3) CONFIRMATION OF PLAN FOR REORGANIZA-
17 TION.—Section 1191 of title 11, United States Code,
18 is amended by adding at the end the following:

19 “(f) SPECIAL PROVISION RELATED TO COVID-19
20 PANDEMIC.—Notwithstanding section 1129(a)(9)(A) of
21 this title and subsection (e) of this section, a plan that
22 provides for payment of a claim of a kind specified in sec-
23 tion 503(b)(10) of this title may be confirmed under sub-
24 section (b) of this section if the plan proposes to make

1 payments on account of such claim when due under the
2 terms of the loan giving rise to such claim.”.

3 (4) CONFIRMATION OF PLAN FOR FAMILY
4 FARMERS AND FISHERMEN.—Section 1225 of title
5 11, United States Code, is amended by adding at
6 the end the following:

7 “(d) Notwithstanding section 1222(a)(2) of this title
8 and subsection (b)(1) of this section, a plan that provides
9 for payment of a claim of a kind specified in section
10 503(b)(10) of this title may be confirmed if the plan pro-
11 poses to make payments on account of such claim when
12 due under the terms of the loan giving rise to such
13 claim.”.

14 (5) CONFIRMATION OF PLAN FOR INDIVID-
15 UALS.—Section 1325 of title 11, United States
16 Code, is amended by adding at the end the fol-
17 lowing:

18 “(d) Notwithstanding section 1322(a)(2) of this title
19 and subsection (b)(1) of this section, a plan that provides
20 for payment of a claim of a kind specified in section
21 503(b)(10) of this title may be confirmed if the plan pro-
22 poses to make payments on account of such claim when
23 due under the terms of the loan giving rise to such
24 claim.”.

25 (6) EFFECTIVE DATE; SUNSET.—

1 (A) EFFECTIVE DATE.—The amendments
2 made by paragraphs (1) through (5) shall—

3 (i) take effect on the date on which
4 the Administrator submits to the Director
5 of the Executive Office for United States
6 Trustees a written determination that, sub-
7 ject to satisfying any other eligibility re-
8 quirements, any debtor in possession or
9 trustee that is authorized to operate the
10 business of the debtor under section 1183,
11 1184, 1203, 1204, or 1304 of title 11,
12 United States Code, would be eligible for a
13 loan under paragraphs (36) and (37) of
14 section 7(a) of the Small Business Act (15
15 U.S.C. 636(a)); and

16 (ii) apply to any case pending on or
17 commenced on or after the date described
18 in clause (i).

19 (B) SUNSET.—

20 (i) IN GENERAL.—If the amendments
21 made by this subsection take effect under
22 subparagraph (A), effective on the date
23 that is 2 years after the date of enactment
24 of this Act—

1 (I) section 364 of title 11, United
2 States Code, is amended by striking
3 subsection (g);

4 (II) section 503(b) of title 11,
5 United States Code, is amended—

6 (aa) in paragraph (8)(B), by
7 adding “and” at the end;

8 (bb) in paragraph (9), by
9 striking “; and” at the end and
10 inserting a period; and

11 (cc) by striking paragraph
12 (10);

13 (III) section 1191 of title 11,
14 United States Code, is amended by
15 striking subsection (f);

16 (IV) section 1225 of title 11,
17 United States Code, is amended by
18 striking subsection (d); and

19 (V) section 1325 of title 11,
20 United States Code, is amended by
21 striking subsection (d).

22 (ii) APPLICABILITY.—Notwithstanding
23 the amendments made by clause (i) of this
24 subparagraph, if the amendments made by
25 paragraphs (1), (2), (3), (4), and (5) take

1 effect under subparagraph (A) of this
2 paragraph, such amendments shall apply
3 to any case under title 11, United States
4 Code, commenced before the date that is 2
5 years after the date of enactment of this
6 Act.

7 (s) OVERSIGHT.—

8 (1) COMPLIANCE WITH OVERSIGHT REQUIRE-
9 MENTS.—

10 (A) IN GENERAL.—Except as provided in
11 subparagraph (B), on and after the date of en-
12 actment of this Act, the Administrator shall
13 comply with any data or information requests
14 or inquiries made by the Comptroller General of
15 the United States not later than 30 days (or
16 such later date as the Comptroller General may
17 specify) after receiving the request or inquiry.

18 (B) EXCEPTION.—If the Administrator is
19 unable to comply with a request or inquiry de-
20 scribed in subparagraph (A) within the 30-day
21 period or, if applicable, later period described in
22 that clause, the Administrator shall, during
23 that 30-day (or later) period, submit to the
24 Committee on Small Business and Entrepre-
25 neurship of the Senate and the Committee on

1 Small Business of the House of Representatives
2 a notification that includes a detailed justifica-
3 tion for the inability of the Administrator to
4 comply with the request or inquiry.

5 (2) TESTIMONY.—Not later than the date that
6 is 30 days after the date of enactment of this Act,
7 and every quarter thereafter until the date that is 2
8 years after the date of enactment of this Act, the
9 Administrator and the Secretary of the Treasury
10 shall testify before the Committee on Small Business
11 and Entrepreneurship of the Senate and the Com-
12 mittee on Small Business of the House of Rep-
13 resentatives regarding implementation of this section
14 and the amendments made by this section.

15 (t) CONFLICTS OF INTEREST.—

16 (1) DEFINITIONS.—In this subsection:

17 (A) CONTROLLING INTEREST.—The term
18 “controlling interest” means owning, control-
19 ling, or holding not less than 20 percent, by
20 vote or value, of the outstanding amount of any
21 class of equity interest in an entity.

22 (B) COVERED ENTITY.—

23 (i) DEFINITION.—The term “covered
24 entity” means an entity in which a covered

1 individual directly or indirectly holds a
2 controlling interest.

3 (ii) TREATMENT OF SECURITIES.—

4 For the purpose of determining whether an
5 entity is a covered entity, the securities
6 owned, controlled, or held by 2 or more in-
7 dividuals who are related as described in
8 subparagraph (C)(ii) shall be aggregated.

9 (C) COVERED INDIVIDUAL.—The term
10 “covered individual” means—

11 (i) the President, the Vice President,
12 the head of an Executive department, or a
13 Member of Congress; and

14 (ii) the spouse, child, son-in-law, or
15 daughter-in-law, as determined under ap-
16 plicable common law, of an individual de-
17 scribed in clause (i).

18 (D) EXECUTIVE DEPARTMENT.—The term
19 “Executive department” has the meaning given
20 the term in section 101 of title 5, United States
21 Code.

22 (E) MEMBER OF CONGRESS.—The term
23 “Member of Congress” means a Member of the
24 Senate or House of Representatives, a Delegate

1 to the House of Representatives, and the Resi-
2 dent Commissioner from Puerto Rico.

3 (F) EQUITY INTEREST.—The term “equity
4 interest” means—

5 (i) a share in an entity, without re-
6 gard to whether the share is—

7 (I) transferable; or

8 (II) classified as stock or any-
9 thing similar;

10 (ii) a capital or profit interest in a
11 limited liability company or partnership; or

12 (iii) a warrant or right, other than a
13 right to convert, to purchase, sell, or sub-
14 scribe to a share or interest described in
15 clause (i) or (ii), respectively.

16 (2) REQUIREMENT.—The principal executive of-
17 ficer and the principal financial officer, or individ-
18 uals performing similar functions, of an entity seek-
19 ing to enter a transaction made under paragraph
20 (36) or (37) of section 7(a) of the Small Business
21 Act (15 U.S.C. 636(a)), as added and amended by
22 this section, shall, before that transaction is ap-
23 proved, disclose to the Administrator whether the
24 entity is a covered entity.

1 (3) APPLICABILITY.—The requirement under
2 paragraph (2)—

3 (A) shall apply with respect to any trans-
4 action made under paragraph (36) or (37) of
5 section 7(a) of the Small Business Act (15
6 U.S.C. 636(a)), as added and amended by this
7 section, on or after the date of enactment of
8 this Act; and

9 (B) shall not apply with respect to—

10 (i) any transaction described in sub-
11 paragraph (A) that was made before the
12 date of enactment of this Act; or

13 (ii) forgiveness under section 1106 of
14 the CARES Act (15 U.S.C. 9005) or any
15 other provision of law of any loan associ-
16 ated with any transaction described in sub-
17 paragraph (A) that was made before the
18 date of enactment of this Act.

19 (u) COMMITMENT AUTHORITY AND APPROPRIA-
20 TIONS.—

21 (1) COMMITMENT AUTHORITY.—Section
22 1102(b) of the CARES Act (Public Law 116–136)
23 is amended—

24 (A) in paragraph (1)—

1 (i) in the paragraph heading, by in-
2 sserting “AND SECOND DRAW” after
3 “PPP”;

4 (ii) by striking “August 8, 2020” and
5 inserting “December 31, 2020”;

6 (iii) by striking “paragraph (36)” and
7 inserting “paragraphs (36) and (37)”; and

8 (iv) by striking “\$659,000,000,000”
9 and inserting “\$816,690,000,000”; and

10 (B) by amending paragraph (2) to read as
11 follows:

12 “(2) OTHER 7(A) LOANS.—During fiscal year
13 2020, the amount authorized for commitments for
14 section 7(a) of the Small Business Act (15 U.S.C.
15 636(a)) under the heading ‘Small Business Adminis-
16 tration—Business Loans Program Account’ in the
17 Financial Services and General Government Appro-
18 priations Act, 2020 (division C of Public Law 116–
19 193) shall apply with respect to any commitments
20 under such section 7(a) other than under para-
21 graphs (36) and (37) of such section 7(a).”.

22 (2) DIRECT APPROPRIATIONS.—

23 (A) RESCISSION.—With respect to unobli-
24 gated balances under the heading “‘Small Busi-
25 ness Administration—Business Loans Program

1 Account, CARES Act” as of the day before the
2 date of enactment of this Act,
3 \$100,000,000,000 shall be rescinded and depos-
4 ited into the general fund of the Treasury.

5 (B) NEW DIRECT APPROPRIATIONS FOR
6 PPP LOANS, SECOND DRAW LOANS, AND THE
7 MBDA.—

8 (i) PPP AND SECOND DRAW LOANS.—

9 There is appropriated, out of amounts in
10 the Treasury not otherwise appropriated,
11 for the fiscal year ending September 30,
12 2020, to remain available until September
13 30, 2021, for additional amounts—

14 (I) \$257,690,000,000 under the
15 heading “Small Business Administra-
16 tion—Business Loans Program Ac-
17 count, CARES Act” for the cost of
18 guaranteed loans as authorized under
19 paragraph (36) and (37) of section
20 7(a) of the Small Business Act (15
21 U.S.C. 636(a)), as amended and
22 added by this Act; and

23 (II) \$10,000,000 under the head-
24 ing under the heading “Department
25 of Commerce—Minority Business De-

1 velopment Agency” for minority busi-
2 ness centers of the Minority Business
3 Development Agency to provide tech-
4 nical assistance to small business con-
5 cerns.

6 (C) AVAILABILITY OF AMOUNTS APPRO-
7 PRIATED FOR THE OFFICE OF INSPECTOR GEN-
8 ERAL.—Section 1107(a)(3) of the CARES Act
9 (15 U.S.C. 9006(a)(3)) is amended by striking
10 “September 20, 2024” and inserting “ex-
11 pended”.

12 (v) EMERGENCY DESIGNATION.—

13 (1) IN GENERAL.—The amounts provided under
14 this section are designated as an emergency require-
15 ment pursuant to section 4(g) of the Statutory Pay-
16 As-You-Go Act of 2010 (2 U.S.C. 933(g)).

17 (2) DESIGNATION IN SENATE.—In the Senate,
18 this section is designated as an emergency require-
19 ment pursuant to section 4112(a) of H. Con. Res.
20 71 (115th Congress), the concurrent resolution on
21 the budget for fiscal year 2018.