

116TH CONGRESS
2D SESSION

S. _____

To set the interest rate applicable to certain economic injury disaster loans,
and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. SCHATZ (for himself and Ms. CORTEZ MASTO) introduced the following
bill; which was read twice and referred to the Committee on

A BILL

To set the interest rate applicable to certain economic injury
disaster loans, 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 Dis-
5 aster Loan Enhancement Act of 2020”.

6 **SEC. 2. ECONOMIC INJURY DISASTER LOANS.**

7 (a) DEFINITIONS.—In this section, the terms “Ad-
8 ministration” and “Administrator” means the Adminis-
9 tration and the Administrator thereof.

1 (b) INTEREST RATE.—Notwithstanding any other
2 provision of law, any economic injury disaster loan made
3 under section 7(b)(2) of the Small Business Act (15
4 U.S.C. 636(b)(2)) during the period beginning on Feb-
5 ruary 15, 2020 and ending on December 31, 2020 shall
6 have an interest rate of not more than 1 percent.

7 (c) ADDITIONAL LOAN FOR EXISTING BOR-
8 ROWERS.—

9 (1) IN GENERAL.—A recipient of an economic
10 disaster injury loan made under section 7(b)(2) of
11 the Small Business Act (15 U.S.C. 636(b)(2)) dur-
12 ing the period beginning on February 15, 2020 and
13 ending on December 31, 2020 may submit to the
14 Administration an application for an additional
15 amount to increase in the amount of that loan, pro-
16 vided that the aggregate amount received under such
17 section by the recipient during that period shall be
18 not more than \$2,000,000.

19 (2) CONSIDERATION.—In considering an appli-
20 cation submitted under paragraph (1), the Adminis-
21 trator shall only consider the financial need and abil-
22 ity to repay of the applicant.

23 (d) LOANS FOR NEW BORROWERS.—With respect to
24 an economic injury disaster loan made under section
25 7(b)(2) of the Small Business Act (15 U.S.C. 636(b)(2))

1 during the period beginning on the date of enactment of
2 this Act and ending on December 31, 2020—

3 (1) the Administrator shall not impose a max-
4 imum loan amount limit that is lower than
5 \$2,000,000; and

6 (2) in determining the amount of the loan, the
7 Administrator shall only consider the financial need
8 and ability to repay of the applicant.

9 (e) EMERGENCY EIDL GRANTS.—Section 1110(e) of
10 division A of the CARES Act (Public Law 116–136) is
11 amended—

12 (1) in paragraph (1), by inserting “full” before
13 “amount”;

14 (2) in paragraph (3)—

15 (A) by striking “The” and inserting the
16 following:

17 “(A) IN GENERAL.—Except as provided in
18 this paragraph, the”; and

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

20 “(B) ADDITIONAL AMOUNT.—A recipient
21 of an advance under this subsection of less than
22 the full amount requested may submit to the
23 Administrator a request for an additional
24 amount, provided that the aggregate amount
25 received shall be not more than \$10,000 or, in

1 the case of an entity described in subparagraph
2 (C), not more than \$25,000.

3 “(C) INCREASED AMOUNT FOR CERTAIN
4 APPLICANTS.—

5 “(i) IN GENERAL.—An eligible entity
6 described in paragraph (1) that suffered a
7 decline in gross receipts of not less than 50
8 percent during an 8-week period between
9 March 2, 2020 and December 31, 2020
10 relative to a comparable 8-week period im-
11 mediately preceding March 2, 2020 or dur-
12 ing 2019 may request an advance of not
13 more than \$25,000.

14 “(ii) DETERMINATION OF NEED.—In
15 determining the amount of the advance
16 under clause (i), the Administrator shall
17 only consider the financial need of the ap-
18 plicant.”; and

19 (3) in paragraph (7), by striking
20 “\$20,000,000,000” and inserting
21 “\$40,000,000,000”.

22 (f) APPROPRIATIONS.—Out of amounts in the Treas-
23 ury not otherwise appropriated, there is appropriated—

24 (1) to the Administration \$80,000,000,000 to
25 carry out subsection (c); and

1 (2) for an additional amount for “Emergency
2 EIDL Grants” for the cost of emergency EIDL
3 grants authorized by section 1110 of division A of
4 the CARES Act (Public Law 116-136),
5 \$20,000,000,000, to remain available until ex-
6 pended, to prevent, prepare for, and respond to
7 coronavirus, domestically or internationally.

8 (g) TRANSFER OF UNOBLIGATED PP AMOUNTS TO
9 EIDL ACCOUNT.—Any amounts appropriated for loans
10 made under section 7(a)(36) of the Small Business Act
11 (15 U.S.C. 636(a)(36)) that are unobligated as of August
12 8, 2020 shall be transferred to the appropriations account
13 under the heading “Small Business Administration—Dis-
14 aster Loans Program Account” and made available for the
15 purpose of carrying out section 7(b)(2) of the Small Busi-
16 ness Act (15 U.S.C. 636(b)(2)).

17 (h) EMERGENCY DESIGNATION.—

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

22 (2) DESIGNATION IN SENATE.—In the Senate,
23 this section is designated as an emergency require-
24 ment pursuant to section 4112(a) of H. Con. Res.

1 71 (115th Congress), the concurrent resolution on
2 the budget for fiscal year 2018.