

116TH CONGRESS  
2D SESSION

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

To provide assistance to small businesses impacted by the coronavirus, and  
for other purposes.

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IN THE SENATE OF THE UNITED STATES

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Mr. RUBIO introduced the following bill; which was read twice and referred  
to the Committee on \_\_\_\_\_

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**A BILL**

To provide assistance to small businesses impacted by the  
coronavirus, 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 “Immediate Measures  
5 to Protect Against COVID-19 Threats for Small Busi-  
6 nesses Act of 2020” or the “IMPACT for Small Busi-  
7 nesses Act of 2020”.

8 **SEC. 2. DEFINITIONS.**

9 In this Act—

1           (1) the terms “Administration” and “Adminis-  
2           trator” mean the Small Business Administration  
3           and the Administrator thereof; and

4           (2) the term “coronavirus” has the meaning  
5           given the term in section 506 of the Coronavirus  
6           Preparedness and Response Supplemental Appro-  
7           priations Act, 2020 (Public Law 116–123).

8   **SEC. 3. 7(A) LOAN GUARANTY PROGRAM AND ECONOMIC IN-**  
9                                   **JURY DISASTER LOANS.**

10          (a) ALLOWABLE USES OF 7(A) PROGRAM LOANS.—

11           (1) IN GENERAL.—During the 1-year period  
12           following the date of enactment of this Act, a recipi-  
13           ent of a loan made under section 7(a) of the Small  
14           Business Act (15 U.S.C. 636(a)) (including a recipi-  
15           ent of assistance under the Community Advantage  
16           Pilot Program of the Administration) may, in addi-  
17           tion to the allowable uses of such a loan, use the  
18           proceeds of the loan for—

19                   (A) payroll support, including paid sick,  
20                   medical, or family leave, and costs related to  
21                   the continuation of group health care benefits  
22                   during those periods of leave;

23           (2) GUIDANCE.—Not later than 15 days after  
24           the date of enactment of this Act, the Administrator  
25           shall issue guidance to lenders under section 7(a) of

1 the Small Business Act (15 U.S.C. 636(a)) on pay-  
2 roll and support and disrupted supply chain eligi-  
3 bility under paragraph (1).

4 (b) FEE WAIVER FOR 7(A) LOANS.—During the 1-  
5 year period following the date of enactment of this Act,  
6 with respect to each loan guaranteed under section 7(a)  
7 of the Small Business Act (15 U.S.C. 636(a))—

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

13 (2) for which the application is approved on or  
14 after the date of enactment of this Act, the Adminis-  
15 trator shall, in lieu of the fee otherwise applicable  
16 under section 7(a)(18)(A) of the Small Business Act  
17 (15 U.S.C. 636(a)(18)(A)), collect no fee or reduce  
18 fees to the maximum extent possible.

19 (c) GUARANTEE AMOUNT FOR 7(A) LOANS.—

20 (1) IN GENERAL.—Section 7(a)(2)(A) of the  
21 Small Business Act (15 U.S.C. 636(a)(2)(A)) is  
22 amended by striking “equal to—” and all that fol-  
23 lows through the end of the subparagraph and in-  
24 serting “equal to 90 percent of the balance of the fi-

1       nancing outstanding at the time of disbursement of  
2       the loan.”.

3           (2) PROSPECTIVE REPEAL.—Effective 1 year  
4       after the date of enactment of this Act, section  
5       7(a)(2)(A) of the Small Business Act (15 U.S.C.  
6       636(a)(2)(A)) is amended by striking “equal to 90  
7       percent of the balance of financing outstanding at  
8       the time of disbursement of the loan” and inserting  
9       “equal to—

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

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

18       (d) EXPRESS LOANS.—

19           (1) IN GENERAL.—Section 7(a)(31)(D) of the  
20       Small Business Act (15 U.S.C. 636(a)(31)(D)) is  
21       amended by striking “\$350,000” and inserting  
22       “\$1,000,000”.

23           (2) PROSPECTIVE REPEAL.—Effective 1 year  
24       after the date of enactment of this Act, section  
25       7(a)(31)(D) of the Small Business Act (15 U.S.C.

1       636(a)(31)(D)) is amended by striking  
2       “\$1,000,000” and inserting “\$500,000”.

3       (e) COMMITMENTS FOR 7(A) LOANS.—During fiscal  
4 year 2020, commitments for general business loans au-  
5 thorized under section 7(a) of the Small Business Act (15  
6 U.S.C. 636(a)) shall not exceed \$50,000,000,000 in addi-  
7 tion to the amount authorized under the heading “BUSI-  
8 NESS LOANS PROGRAM ACCOUNT” under the heading  
9 “SMALL BUSINESS ADMINISTRATION” under title V of the  
10 Consolidated Appropriations Act, 2020 (Public Law 116–  
11 93; 133 Stat. 2475).

12       (f) ECONOMIC INJURY DISASTER LOANS.—With re-  
13 spect to a loan made under section 7(b)(2) of the Small  
14 Business Act (15 U.S.C. 636(b)(2)) in response to the  
15 coronavirus, if the loan does not exceed \$350,000, the Ad-  
16 ministration—

17           (1) may determine repayment ability based on  
18       the credit score of the applicant, and in this cir-  
19       cumstance, shall not require an applicant to submit  
20       a tax return or a tax return transcript; and

21           (2) is not required to find that the applicant is  
22       unable to obtain credit elsewhere.

23       (g) SUBSIDY COSTS.—For the 60-day period fol-  
24 lowing the date of enactment of this Act, the Administra-  
25 tion may use amounts appropriated under the following

1 to cover any subsidy cost to the Administration related  
2 to the waiver of fees under this Act:

3           (1) Amounts appropriated under the heading  
4           “Small Business Administration—Disaster Loans  
5           Program Account” under title V of the Consolidated  
6           Appropriations Act, 2020 (Public Law 116–93; 133  
7           Stat. 2475).

8           (2) Amounts appropriated under the heading  
9           “Small Business Administration—Disaster Loans  
10           Program Account” under title V of division B of the  
11           Bipartisan Budget Act of 2018 (Public Law 115–  
12           123; 132 Stat. 80).