

116TH CONGRESS
2D SESSION

H. R. 6343

To require the Administrator of the Small Business Administration to provide economic injury grants for small business concerns affected by the COVID–19 pandemic, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 23, 2020

Mr. ESPAILLAT introduced the following bill; which was referred to the Committee on Small Business

A BILL

To require the Administrator of the Small Business Administration to provide economic injury grants for small business concerns affected by the COVID–19 pandemic, 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
5 COVID–19 Recovery Grants Act of 2020”.

1 **SEC. 2. ECONOMIC INJURY GRANTS FOR SMALL BUSINESS**
2 **CONCERNS.**

3 (a) GRANTS.—The Administrator of the Small Busi-
4 ness Administration shall provide grants to eligible small
5 business concerns that have suffered a substantial eco-
6 nomic injury (as defined in section 7(b)(2) of the Small
7 Business Act (15 U.S.C. 636(b)(2)), directly or indirectly,
8 as a result of the public health emergency declared be-
9 cause of COVID–19.

10 (b) DEFINITION OF ELIGIBLE SMALL BUSINESS
11 CONCERN.—In this section, the term “eligible small busi-
12 ness concern” means a small business concern (as defined
13 under section 3 of the Small Business Act (15 U.S.C.
14 632)) or an independent contractor.

15 (c) AMOUNT OF GRANT.—A grant provided under
16 this section shall be in an amount that is not more than
17 \$100,000.

18 (d) USE OF FUNDS.—An eligible small business con-
19 cern that receives a grant under this section may use the
20 grant funds to address the direct effects of the COVID–
21 19 pandemic, including—

22 (1) providing paid sick leave to employees un-
23 able to work;

24 (2) maintaining payroll to retain employees dur-
25 ing business disruptions or substantial slowdowns;

1 (3) meeting increased costs to obtain materials
2 unavailable from the original source of the eligible
3 small business concern due to interrupted supply
4 chains;

5 (4) making payments under a lease or mortgage
6 loan related to a place of operation of the small busi-
7 ness concern;

8 (5) repaying obligations that cannot be met due
9 to revenue losses; and

10 (6) other expenses as deemed appropriate by
11 the Administrator.

12 (e) APPLICATION.—

13 (1) IN GENERAL.—An eligible small business
14 concern desiring a grant under this section shall
15 submit to the Administration an application at such
16 time, in such manner, and containing such informa-
17 tion as the Administration may require.

18 (2) STANDARDS.—The Administrator shall es-
19 tablish minimum qualifying standards to ensure that
20 applicants adversely impacted by the effects of
21 COVID–19 pandemic receive funds expeditiously
22 under this section.

23 (f) PROCEDURES.—The Administrator shall establish
24 procedures to verify and document compliance with the re-

1 requirements under this section in order to prevent waste,
2 fraud, and abuse of funds awarded under this section.

3 (g) AUTHORIZATION OF APPROPRIATIONS.—There is
4 authorized to be appropriated \$100,000,000,000 to the
5 Administrator to carry out this section.

6 (h) EMERGENCY RULEMAKING AUTHORITY.—

7 (1) IN GENERAL.—Within 15 days after the
8 date of the enactment of this section, the Adminis-
9 trator of the Small Business Administration shall
10 issue rules to carry out this section.

11 (2) NOTICE.—Notice requirements of section
12 553(b) of title 5, United States Code, shall not apply
13 to any issuance of rules under paragraph (1).

14 (i) REPORT.—Not later than March 31, 2022, the
15 Administrator of the Small Business Administration shall
16 submit to Congress a report that includes—

17 (1) the number of grants made under this sec-
18 tion, disaggregated by the number of grants made—

19 (A) in an amount less than or equal to
20 \$20,000;

21 (B) in an amount greater than \$20,000
22 but less than or equal to \$40,000;

23 (C) in an amount greater than \$40,000
24 but less than or equal to \$60,000;

1 (D) in an amount greater than \$60,000
2 but less than or equal to \$80,000; and

3 (E) in an amount greater than \$80,000
4 but less than or equal to \$100,000;

5 (2) the average amount of an award;

6 (3) an analysis of the program established
7 under this section and recommendations for im-
8 provement;

9 (4) the average time from receipt of an applica-
10 tion to approval of grant under this section; and

11 (5) the average time from approval of grant to
12 disbursement of grant funds.

13 (j) TERMINATION.—The authority to carry out
14 grants under this section shall terminate on September 30,
15 2021.

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