

117TH CONGRESS  
2D SESSION

# H. R. 3807

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## AN ACT

To amend the American Rescue Plan Act of 2021 to increase appropriations to the Restaurant Revitalization Fund, 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,*

1 **SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Relief for Restaurants  
3 and other Hard Hit Small Businesses Act of 2022”.

4 **SEC. 2. RESTAURANT REVITALIZATION GRANTS.**

5       (a) APPROPRIATION.—Section 5003(b)(2) of the  
6 American Rescue Plan Act of 2021 (15 U.S.C.  
7 9009c(b)(2)) is amended—

8           (1) in subparagraph (A)—

9               (A) by striking “\$28,600,000,000” and in-  
10               serting “\$70,600,000,000”; and

11               (B) by inserting “, of which not more than  
12               \$420,000,000 shall be for administrative ex-  
13               penses to carry out this section, and of which  
14               \$7,500,000 shall be for the Inspector General  
15               of the Small Business Administration,  
16               \$7,500,000 for the Department of Justice for  
17               investigative and prosecutorial activities related  
18               to fraud and abuse, and \$7,500,000 for Pan-  
19               demic Response Accountability Committee, for  
20               audits of grants under this section to inves-  
21               tigate fraud and to identify improper payments  
22               and ineligible recipients, and for other nec-  
23               essary expenses” before the period at the end;  
24               and

25               (2) in subparagraph (B)(i)(II), by striking  
26               “\$23,600,000,000” and inserting “any remaining

1 amounts not used for a purpose authorized under  
2 subparagraph (A) or clause (i) of this subpara-  
3 graph”.

4 (b) INSUFFICIENT FUNDING.—Section 5003 of the  
5 American Rescue Plan Act of 2021 (15 U.S.C. 9009c) is  
6 amended by adding at the end the following:

7 “(d) INSUFFICIENT FUNDING.—

8 “(1) IN GENERAL.—If the Administrator deter-  
9 mines that the amounts made available to carry out  
10 this section are insufficient to make grants in the  
11 amount provided in subsection (c)(4) to each eligible  
12 entity that has submitted an application in accord-  
13 ance with the program guidelines in effect on the  
14 day before the date of enactment of this subsection,  
15 but has not received an award as of such date, the  
16 Administrator shall make grants with the available  
17 amounts to each such eligible applicant—

18 “(A) such that the amount of the grant  
19 that each such eligible entity would have other-  
20 wise received under this section is reduced by  
21 an equal percentage;

22 “(B) by establishing a maximum amount  
23 for a grant made under this subsection to en-  
24 sure that smaller eligible entities still receive

1 grants in the amounts provided under sub-  
2 section (c)(4); or

3 “(C) by providing full awards in the  
4 amounts provided under subsection (c)(4) below  
5 a certain threshold (as the Administrator may  
6 establish) and reducing grants above that  
7 threshold by an equal percentage.

8 “(2) RESERVING FUNDS.—Nothing in para-  
9 graph (1) shall prevent the Administrator from—

10 “(A) reserving funding for applicants that  
11 may be determined to be eligible for a grant  
12 under this section upon reconsideration; or

13 “(B) making partial awards to eligible en-  
14 tities on a preliminary basis until the amount of  
15 funding required to fund grants to all eligible  
16 applicants is established, upon the completion  
17 of the reconsideration process.”.

18 (c) REPORTS; RECONSIDERATION; VERIFICATION OF  
19 BUSINESS TYPE.—Section 5003 of the American Rescue  
20 Plan Act of 2021 (15 U.S.C. 9009c), as amended by sub-  
21 section (b), is further amended by adding at the end the  
22 following:

23 “(e) REPORTS.—The Administrator shall—

24 “(1) on a biweekly basis until the amounts  
25 made available to carry out this section are fully ex-

1       pended, publish data that shows, for the period be-  
2       ginning on the date on which the Administrator  
3       began making grants under this section and ending  
4       on the date on which the information is published—

5               “(A) with respect to applications for grants  
6       under this section, the number of those applica-  
7       tions—

8               “(i) that the Administrator has re-  
9       ceived;

10              “(ii) that the Administrator has re-  
11       viewed or is in the process of reviewing;  
12       and

13              “(iii) with respect to which the Ad-  
14       ministrator has made a decision; and

15              “(B) the number and dollar amount of  
16       grants under this section—

17              “(i) that have been awarded; and

18              “(ii) that have been disbursed;

19              “(2) on a weekly basis until the amounts made  
20       available to carry out this section are fully expended,  
21       publish, with respect to the period beginning on the  
22       date of enactment of this subsection and ending on  
23       the date on which the information is published—

24              “(A) with respect to each eligible entity to  
25       which a grant is made under this section—

1 “(i) the name of the eligible entity, in-  
2 cluding the name or names under which  
3 the eligible entity does business if that  
4 name is different from the name of the eli-  
5 gible entity; and

6 “(ii) the address of—

7 “(I) the eligible entity; and

8 “(II) the physical location or lo-  
9 cations for the eligible entity listed on  
10 the application, if different from the  
11 address of the eligible entity;

12 “(B) the amount of each grant described  
13 in subparagraph (A); and

14 “(C) the business category listed in sub-  
15 section (a)(4)(A) to which the eligible entity be-  
16 longs.

17 “(f) RECONSIDERATION.—

18 “(1) EXPLANATION FOR DENIAL.—With respect  
19 to an applicant that applies for a grant under this  
20 section and is denied by the Administrator, the Ad-  
21 ministrator shall make available to the applicant a  
22 brief explanation identifying the reason why the Ad-  
23 ministrator denied the application of the applicant,  
24 which shall include, where applicable, a citation to  
25 the statutory, regulatory, or guidance provision with

1       which the applicant failed to comply and that was  
2       the basis for the denial.

3               “(2) PROCESS.—The Administrator shall estab-  
4       lish a reconsideration process through which the ap-  
5       plicant may—

6               “(A) submit to the Administrator addi-  
7       tional information the applicant determines to  
8       be relevant to whether the applicant is eligible  
9       for the grant; and

10              “(B) receive a review of the application  
11       and such additional information submitted  
12       under subparagraph (A).

13              “(g) VERIFICATION OF BUSINESS TYPE.—If the Ad-  
14       ministrator verifies that an applicant for a loan under sec-  
15       tion 7(a)(36) of the Small Business Act is not an eligible  
16       business type for a grant under this section using credible  
17       information other than information obtained from the ap-  
18       plication of the applicant for such loan during 2020, the  
19       Administrator may reject the application solely on those  
20       grounds.”.

21              (d) REQUIREMENT OF CONTINUING OPERATION.—  
22       For any application for a grant under section 5003 of the  
23       American Rescue Plan Act of 2021 (15 U.S.C. 9009c)  
24       that is pending on the date of enactment of this Act or  
25       for which the applicant has received an award notice but

1 the Administrator has not disbursed amounts under the  
2 grant, the Administrator may not disburse amounts under  
3 the grant unless the applicant submits a statement to the  
4 Administrator indicating the applicant is still operating,  
5 or intends to reopen within 6 months after the date of  
6 the statement is submitted, the place of business for which  
7 such applicant is seeking such grant.

8 (e) OVERSIGHT AND AUDITS.—Section 5003 of the  
9 American Rescue Plan Act of 2021 (15 U.S.C. 9009c),  
10 as amended by subsection (c), is further amended by add-  
11 ing at the end the following:

12 “(h) OVERSIGHT AND AUDITS.—

13 “(1) IN GENERAL.—The Administrator shall in-  
14 stitute an oversight and audit plan with respect to  
15 eligible entities receiving grants under this section,  
16 which shall include—

17 “(A) documentation requirements that are  
18 consistent with the eligibility and other require-  
19 ments under this section, including by requiring  
20 an eligible entity that receives a grant under  
21 this section to retain records that demonstrate  
22 compliance with those requirements; and

23 “(B) reviews of the use of grants made  
24 under this section by eligible entities.



1           “(2) SUBMISSION OF PLAN.—Not later than 30  
2       days after the date of enactment of this subsection,  
3       the Administrator shall submit to the Committee on  
4       Small Business and Entrepreneurship of the Senate  
5       and the Committee on Small Business of the House  
6       of Representatives the plan required under para-  
7       graph (1), which shall describe—

8           “(A) the policies and procedures of the Ad-  
9       ministrator for conducting oversight and audits  
10      of grants made under this section; and

11          “(B) the metrics that the Administrator  
12      will use to determine which grants made under  
13      this section will be audited under that plan.

14          “(3) REPORTS.—Not later than 60 days after  
15      the date of enactment of this subsection, and once  
16      every 30 days thereafter until the date that is 180  
17      days after the date on which all amounts made avail-  
18      able to carry out this section have been fully ex-  
19      pended, and upon request thereafter, the Adminis-  
20      trator shall submit to the Committee on Small Busi-  
21      ness and Entrepreneurship of the Senate and the  
22      Committee on Small Business of the House of Rep-  
23      resentatives a report on the oversight and audit ac-  
24      tivities of the Administrator under this subsection,  
25      which shall include—

1           “(A) the total number of grants approved  
2           and disbursed under this section;

3           “(B) the total amount of each grant re-  
4           ceived by each eligible entity;

5           “(C) the number of active investigations  
6           and audits of grants made under this section;

7           “(D) the number of completed reviews and  
8           audits of grants made under this section, in-  
9           cluding a description of—

10           “(i) any findings of fraud or other  
11           material noncompliance with the require-  
12           ments of this section; and

13           “(ii) the total amount recouped from  
14           ineligible recipients; and

15           “(E) a description of any substantial  
16           changes made to the plan required under para-  
17           graph (1).

18           “(4) RETROACTIVE APPLICATION.—This sub-  
19           section shall apply to grants and decisions made  
20           under this section before, on, or after the date of en-  
21           actment of this subsection.”.

22   **SEC. 3. HARD HIT INDUSTRIES AWARD PROGRAM.**

23           (a) DEFINITIONS.—In this section:

1           (1) ADMINISTRATOR.—The term “Adminis-  
2           trator” means the Administrator of the Small Busi-  
3           ness Administration.

4           (2) AFFILIATED BUSINESS.—The term “affili-  
5           ated business” means a business in which an eligible  
6           entity—

7                   (A) has an equity or right to receive not  
8                   less than 50 percent of the profit distributions  
9                   of such business; or

10                   (B) has, on or before March 13, 2020, con-  
11                   tractual authority to control the business.

12           (3) AWARD.—The term “award” means a fi-  
13           nancial assistance payment that an eligible applicant  
14           receives directly from the Small Business Adminis-  
15           tration.

16           (4) COVERED PERIOD.—The term “covered pe-  
17           riod” means the period beginning on February 15,  
18           2020, and ending on the later of—

19                   (A) March 31, 2023; or

20                   (B) a date to be determined by the Admin-  
21                   istrator that is not later than 2 years after the  
22                   date of enactment of this section.

23           (5) ELIGIBLE ENTITY.—The term “eligible enti-  
24           ty”—

25                   (A) means a small business concern that—

1 (i) employs not more than 200 em-  
2 ployees; and

3 (ii) suffered a pandemic-related rev-  
4 enue loss of 40 percent or greater; and

5 (B) does not include a small business con-  
6 cern that—

7 (i) is a State or local government-op-  
8 erated business;

9 (ii) has received a grant under—

10 (I) section 324 of the Economic  
11 Aid to Hard Hit Small Businesses,  
12 Nonprofits, and Venues Act (15  
13 U.S.C. 9009a); or

14 (II) section 5003 of the Amer-  
15 ican Rescue Plan Act of 2021 (Public  
16 Law 117–2);

17 (iii) is a publicly-traded company;

18 (iv) is an entity that is owned or oper-  
19 ated by a private equity fund; or

20 (v) has a wage violation at the time of  
21 application.

22 (6) ELIGIBLE SELF-EMPLOYED INDIVIDUAL.—

23 The term “eligible self-employed individual” has the  
24 meaning given in section 7002(b) of the Families

1 First Coronavirus Response Act (26 U.S.C. 1401  
2 note).

3 (7) EXCHANGE; ISSUER; SECURITY.—The terms  
4 “exchange”, “issuer”, and “security” have the  
5 meanings given those terms, respectively, in section  
6 3(a) of the Securities Exchange Act of 1934 (15  
7 U.S.C. 78c(a)).

8 (8) PANDEMIC-RELATED REVENUE LOSS.—

9 (A) IN GENERAL.—The term “pandemic-  
10 related revenue loss” means, subject to sub-  
11 paragraph (B) and with respect to an eligible  
12 entity—

13 (i) except as provided in clauses (ii)  
14 and (iii), the average annual gross receipts  
15 during 2020 and 2021, as established  
16 using such verification documentation as  
17 the Administrator may require, of the eligi-  
18 ble entity subtracted from the gross re-  
19 ceipts of the eligible entity in 2019, if such  
20 sum is greater than zero;

21 (ii) if the eligible entity was not in op-  
22 eration for the entirety of 2019—

23 (I) the difference between—

24 (aa) the product obtained by  
25 multiplying the average monthly

1 gross receipts of the eligible enti-  
2 ty in 2019 by 12; and

3 (bb) the product obtained by  
4 multiplying the average monthly  
5 gross receipts of the eligible enti-  
6 ty in 2020 and 2021 by 12; or

7 (II) an amount based on a for-  
8 mula determined by the Adminis-  
9 trator; or

10 (iii) if the eligible entity began oper-  
11 ations during the period beginning on Jan-  
12 uary 1, 2020, and ending on the day be-  
13 fore the date of enactment of this section,  
14 an amount based on a formula determined  
15 by the Administrator.

16 (B) REDUCTION.—For purposes of this  
17 paragraph, the pandemic-related revenue losses  
18 for an eligible entity calculated under subpara-  
19 graph (A) shall be reduced by the sum of—

20 (i) any amount received from a cov-  
21 ered loan made under paragraph (36) or  
22 (37) of section 7(a) of the Small Business  
23 Act (15 U.S.C. 636(a)) in 2020 or 2021;

24 (ii) any amount received as a grant  
25 under section 1110 of the Coronavirus Aid,

1 Relief, and Economic Security Act (15  
2 U.S.C. 9009); and

3 (iii) any amount received as a grant  
4 under section 331 of the Economic Aid to  
5 Hard-Hit Small Businesses, Nonprofits,  
6 and Venues Act (15 U.S.C. 9009b).

7 (C) PERCENTAGE DETERMINATION.—For  
8 the purposes of determining the percentage of  
9 pandemic-related revenue loss under this sub-  
10 section, the percentage shall be equal to—

11 (i) in the case of an eligible entity for  
12 which subparagraph (A)(i) applies, the  
13 product obtained by multiplying—

14 (I) the quotient obtained by di-  
15 viding the pandemic-related revenue  
16 losses for such eligible entity by the  
17 gross receipts of the eligible entity in  
18 2019; and

19 (II) 100;

20 (ii) in the case of an eligible entity for  
21 which subparagraph (A)(ii)(I) applies, the  
22 product obtained by multiplying—

23 (I) the quotient obtained by di-  
24 viding the pandemic-related revenue  
25 losses for such eligible entity by the

1 product obtained by multiplying the  
2 average monthly gross receipts of the  
3 eligible entity in 2019 by 12; and

4 (II) 100; and

5 (iii) in the case of an eligible entity  
6 for which clauses (ii)(II) or (iii) applies, an  
7 amount based on a formula determined by  
8 the Administrator.

9 (9) PAYROLL COSTS.—The term “payroll costs”  
10 has the meaning given the term in section  
11 7(a)(36)(A) of the Small Business Act (15 U.S.C.  
12 636(a)(36)(A)), except that such term shall not in-  
13 clude—

14 (A) qualified wages, as defined in section  
15 2301(c) of the CARES Act (26 U.S.C. 3111  
16 note), taken into account in determining the  
17 credit allowed under such section 2301; or

18 (B) premiums taken into account in deter-  
19 mining the credit allowed under section 6432 of  
20 the Internal Revenue Code of 1986.

21 (10) PRIVATE EQUITY FUND.—The term “pri-  
22 vate equity fund” has the meaning given the term  
23 in section 225.173(a) of title 12, Code of Federal  
24 Regulations, or any successor regulation.



1           (11) PUBLICLY-TRADED COMPANY.—The term  
2           “publicly-traded company” means an entity that is  
3           majority owned or controlled by an entity that is an  
4           issuer, the securities of which are listed on a na-  
5           tional securities exchange under section 6 of the Se-  
6           curities Exchange Act of 1934 (15 U.S.C. 78f).

7           (12) SMALL BUSINESS CONCERN.—The term  
8           “small business concern” has the meaning given  
9           under section 3 of the Small Business Act (15  
10          U.S.C. 632) and includes—

11                 (A) individuals who operate under a sole  
12                 proprietorship, as an independent contractor, or  
13                 as an eligible self-employed individual; and

14                 (B) small business concerns described in  
15                 subparagraphs (B), (C), and (D) of section  
16                 31(b)(2) of the Small Business Act (15 U.S.C.  
17                 657a(b)(2)).

18           (13) SMALL BUSINESS ACT DEFINITIONS.—The  
19           terms “covered mortgage obligation”, “covered oper-  
20           ations expenditure”, “covered rent obligation”, “cov-  
21           ered supplier cost”, “covered utility payment”, and  
22           “covered worker protection expenditure” have the  
23           meanings given, respectively, in section 7A of the  
24           Small Business Act (15 U.S.C. 636m).

25           (b) AWARDS TO ELIGIBLE ENTITIES.—

1           (1) IN GENERAL.—From amounts made avail-  
2           able under this Act, the Administrator shall estab-  
3           lish a program to be known as the “Hard Hit Indus-  
4           tries Award Program”, under which the Adminis-  
5           trator shall make awards to eligible entities that  
6           submit an application under paragraph (2).

7           (2) APPLICATION.—

8           (A) CERTIFICATION.—An eligible entity  
9           shall submit to the Administrator an applica-  
10          tion for an award under this subsection. In  
11          such application, the eligible entity shall make  
12          a good faith certification that—

13               (i) the uncertainty of current eco-  
14               nomic conditions makes necessary the  
15               award request to support the ongoing oper-  
16               ations of the eligible entity; and

17               (ii) the eligible entity has no pending  
18               application for and has not received a  
19               grant under—

20                       (I) section 324 of the Economic  
21                       Aid to Hard-Hit Small Businesses,  
22                       Nonprofits, and Venues Act (15  
23                       U.S.C. 9009a); or

1 (II) section 5003 of the Amer-  
2 ican Rescue Plan Act of 2021 (15  
3 U.S.C. 9009e).

4 (B) VERIFICATION.—The Administrator  
5 shall use tax records or other reliable sources,  
6 such as certified accounting statements, with  
7 respect to an applicant for an award under this  
8 section to determine—

9 (i) the eligibility of the applicant for  
10 that award; and

11 (ii) the amount of that award to the  
12 applicant.

13 (C) ACCEPTANCE OF APPLICATIONS.—Not  
14 later than 120 days after the date of the enact-  
15 ment of this Act, the Administrator shall begin  
16 accepting applications for an award under this  
17 subsection.

18 (D) PRIORITY.—

19 (i) IN GENERAL.—The Administrator  
20 shall prioritize eligible entities that have  
21 experienced significant pandemic-related  
22 revenue loss to receive an award under this  
23 section as follows:

24 (I) First priority to eligible enti-  
25 ties that experienced a pandemic-re-

1                   lated revenue loss of at least 80 per-  
2                   cent.

3                   (II) Second priority to eligible  
4                   entities that experienced a pandemic-  
5                   related revenue loss of at least 60 per-  
6                   cent.

7                   (ii) SMALLER ENTITIES.—Within each  
8                   category of eligible entities described in  
9                   subclauses (I) through (III) of clause (i),  
10                  the Administrator may prioritize awards to  
11                  eligible entities with 50 employees or  
12                  fewer.

13                  (iii) ADDITIONAL PRIORITY.—Within  
14                  each category of eligible entities described  
15                  in subclauses (I) through (III) of clause  
16                  (i), the Administrator may prioritize  
17                  awards to eligible entities that did not re-  
18                  ceive a covered loan made under paragraph  
19                  (36) or (37) of section 7(a) of the Small  
20                  Business Act (15 U.S.C. 636(a)) in 2020  
21                  or 2021.

22                  (3) AWARD AMOUNT.—

23                  (A) AGGREGATE MAXIMUM AMOUNT.—The  
24                  aggregate maximum amount of awards made to  
25                  an eligible entity and any affiliated businesses

1 of the eligible entity under this subsection may  
2 not exceed \$1,000,000.

3 (B) DETERMINATION OF AWARD  
4 AMOUNT.—

5 (i) IN GENERAL.—Except as provided  
6 in this paragraph, the amount of an award  
7 made to an eligible entity under this sub-  
8 section shall be equal to the pandemic-re-  
9 lated revenue loss of the eligible entity.

10 (ii) RETURN TO TREASURY.—Any  
11 amount of an award made under this sub-  
12 section to an eligible entity described in  
13 clause (ii) or (iii) of subsection (a)(8)(A)  
14 that is greater than the average annual  
15 gross receipts of the eligible entity in 2020  
16 and 2021 shall be returned to the Treas-  
17 ury.

18 (C) INSUFFICIENT FUNDING.—After se-  
19 lecting award recipients in accordance with  
20 paragraph (2)(D) and before disbursing any  
21 awards under this section, if the Administrator  
22 determines that the amounts made available  
23 under this Act for making awards under this  
24 section are insufficient to make awards to each  
25 eligible entity that submits an application under

paragraph (2) in the amount described under subparagraphs (A) and (B), the Administrator may make awards with the available amounts such that the amount of the award that each eligible entity would have otherwise received under those subparagraphs and in accordance with paragraph (2)(D) is reduced by a percentage, except that the Administrator may establish an aggregate maximum amount for awards made under this subparagraph and in accordance with paragraph (2)(D) to ensure that smaller eligible entities receive awards in the amounts provided under those subparagraphs.

(4) USE OF FUNDS.—During the covered period, an eligible entity that receives an award under this subsection may use the award for the following expenses incurred as a direct result of, or during, the COVID–19 pandemic:

(A) Payroll costs.

(B) Payments to independent contractors, as reported on Form 1099–MISC, except that each such payment may not exceed \$100,000.

(C) Scheduled payments of interest or principal on any covered mortgage obligation

1 (which may not include any prepayment of  
2 principal on a covered mortgage obligation).

3 (D) Payments on any covered rent obliga-  
4 tion and common area maintenance charges  
5 under a lease agreement.

6 (E) Covered utility payments.

7 (F) Maintenance expenses.

8 (G) Covered worker protection expendi-  
9 tures.

10 (H) Supplies, including protective equip-  
11 ment and cleaning materials.

12 (I) Expenses that were within the scope of  
13 the normal business practice of the eligible enti-  
14 ty before the covered period.

15 (J) Covered supplier costs.

16 (K) Covered operational expenses.

17 (L) Paid sick leave.

18 (M) Capital expenditures (or expenses re-  
19 quired under any Federal, State, or local law)  
20 relating to implementing social distancing meas-  
21 ures.

22 (N) Any other essential expenses of the eli-  
23 gible entity, as determined by the Adminis-  
24 trator.

1           (5) RETURNING FUNDS.—If an eligible entity  
2           that receives an award under this section fails to use  
3           all of the award on or before the last day of the cov-  
4           ered period or permanently ceases operations on or  
5           before the last day of the covered period, the eligible  
6           entity shall return to the Administrator any funds  
7           that the eligible entity did not use for the allowable  
8           expenses under paragraph (4).

9           (c) DATA TRANSPARENCY AND CUSTOMER SERV-  
10          ICE.—The Administrator shall—

11           (1) in carrying out this section, maintain reg-  
12           ular communication with applicants and representa-  
13           tives of such applicants, including by—

14                   (A) hosting regularly scheduled informa-  
15                   tion sessions with those persons; and

16                   (B) providing opportunities to those per-  
17                   sons to submit and receive answers to questions  
18                   regarding awards made under this section;

19           (2) on a weekly basis until the amounts made  
20           available under this section are fully expended, pub-  
21           lish data that shows, for the period beginning on the  
22           date of enactment of this Act and ending on the  
23           date on which the information is published—



1 (A) with respect to applications for awards  
2 under this section, the number of those applica-  
3 tions—

4 (i) that the Administrator has re-  
5 ceived;

6 (ii) that the Administrator has re-  
7 viewed or is in the process of reviewing;  
8 and

9 (iii) with respect to which the Admin-  
10 istrator has made a decision; and

11 (B) the number and dollar amount of pay-  
12 ments awarded and disbursed under this sec-  
13 tion;

14 (3) on a weekly basis until the amounts made  
15 available to carry out this section are fully expended,  
16 publish, for the period beginning on the date of en-  
17 actment of this Act and ending on the date on which  
18 the information is published—

19 (A) the name and location of each eligible  
20 entity to which an award has been made under  
21 this section; and

22 (B) the amount of such award;

23 (4) with respect to an applicant that applies for  
24 an award under this section and is denied by the  
25 Administrator—

1 (A) make available to the applicant a brief  
2 explanation regarding the denial which shall in-  
3 clude, where applicable, a citation to the stat-  
4 ute, regulation, or guidance with which the ap-  
5 plicant failed to comply and that was the basis  
6 for the denial; and

7 (B) establish a reconsideration process  
8 through which the applicant may—

9 (i) submit to the Administrator addi-  
10 tional information the applicant determines  
11 to be relevant to whether the applicant is  
12 eligible for the grant; and

13 (ii) receive a review of the application  
14 and such additional information submitted  
15 under clause (i).

16 (d) TAX TREATMENT OF AWARDS.—

17 (1) IN GENERAL.—For the purposes of the In-  
18 ternal Revenue Code of 1986—

19 (A) no award made under this section shall  
20 be included in the gross income of the eligible  
21 entity that receives an award;

22 (B) no deduction shall be denied, no tax  
23 attribute shall be reduced, and no basis increase  
24 shall be denied, by reason of the exclusion from

1 gross income provided by subparagraph (A);  
2 and

3 (C) in the case of a partnership or S cor-  
4 poration that receives an award under this sec-  
5 tion—

6 (i) any amount excluded from income  
7 by reason of subparagraph (A) shall be  
8 treated as tax exempt for purposes of sec-  
9 tions 705 and 1366 of such Code; and

10 (ii) the Secretary of the Treasury (or  
11 the Secretary's delegate) shall prescribe  
12 rules for determining a partner's distribu-  
13 tive share of any amount described in  
14 clause (i) for purposes of section 705 of  
15 such Code.

16 (2) APPLICABILITY.—Paragraph (1) shall apply  
17 to taxable years ending after the date of enactment  
18 of this Act.

19 (e) SYSTEM FOR AWARD MANAGEMENT.—The Ad-  
20 ministrator may not require any eligible entity that applies  
21 for an award under this section to use the System for  
22 Award Management (or any successor system) with re-  
23 spect to that award.

24 (f) APPLICATION PROCESSING.—The Director of the  
25 Office of Management and Budget may, on an emergency

1 basis and in order to expedite the processing and approval  
2 of applications for awards under this section, waive the  
3 requirements of part 200 of title 2, Code of Federal Regu-  
4 lations (or any successor regulations) with respect to an  
5 award made under this section, if—

6 (1) the Director finds that such a waiver will  
7 prevent eligible entities from failing or suffering  
8 undue hardship; and

9 (2) each eligible entity that receives an award  
10 under this section is still required to submit to the  
11 Administrator ongoing reports regarding the use by  
12 the eligible entity of the award amounts.

13 (g) OVERSIGHT AND AUDITS.—

14 (1) IN GENERAL.—In cooperation with the Di-  
15 rector of the Office of Management and Budget, the  
16 Administrator shall establish an oversight and audit  
17 plan with respect to eligible entities receiving awards  
18 under this section, which shall include—

19 (A) documentation requirements that are  
20 consistent with the eligibility and other require-  
21 ments under this section, including a require-  
22 ment that an eligible entity that receives an  
23 award under this section retains records that  
24 demonstrate compliance with the requirements  
25 of this section; and

1 (B) reviews of the use, by eligible entities,  
2 of awards made under this section to ensure  
3 compliance with the requirements of this sec-  
4 tion, which shall include—

5 (i) a review and audit by the Adminis-  
6 trator of awards made under this section;  
7 and

8 (ii) in the case of fraud or other mate-  
9 rial noncompliance with respect to an  
10 award made under this section—

11 (I) a requirement that the appli-  
12 cable eligible entity repay to the Ad-  
13 ministrator the amount of the  
14 misspent funds; or

15 (II) legal action by the Adminis-  
16 trator to collect the misspent funds.

17 (2) SUBMISSION OF PLAN.—Not later than 30  
18 days after the date of the enactment of this Act, the  
19 Administrator shall submit to the Committee on  
20 Small Business and Entrepreneurship of the Senate  
21 and the Committee on Small Business of the House  
22 of Representatives the plan required under para-  
23 graph (1), which shall describe—

1 (A) the policies and procedures of the Ad-  
2 ministrator for conducting oversight and audits  
3 of awards made under this section; and

4 (B) the metrics that the Administrator will  
5 use to determine which awards made under this  
6 section will be audited under that plan.

7 (3) REPORTS.—Not later than 60 days after  
8 the date of the enactment of this Act, once every 30  
9 days thereafter until the date that is 180 days after  
10 the date on which all amounts made available to  
11 carry out this section have been fully expended, and  
12 upon request thereafter, the Administrator shall sub-  
13 mit to the Committee on Small Business and Entre-  
14 preneurship of the Senate and the Committee on  
15 Small Business of the House of Representatives a  
16 report on the oversight and audit activities of the  
17 Administrator under this subsection, which shall in-  
18 clude—

19 (A) the total number of awards approved  
20 and disbursed under this section;

21 (B) the total amount of each award re-  
22 ceived by each eligible entity;

23 (C) the number of active investigations and  
24 audits of awards made under this section;

1 (D) the number of completed reviews and  
2 audits of awards made under this section, in-  
3 cluding a description of any findings of fraud or  
4 other material noncompliance with the require-  
5 ments of this section; and

6 (E) a description of any substantial  
7 changes made to the plan required under para-  
8 graph (1).

9 (h) RULES.—Not later than 90 days after the date  
10 of the enactment of this Act, the Administrator shall issue  
11 rules to carry out this section, without regard to the notice  
12 requirements under section 553(b) of title 5, United  
13 States Code.

14 (i) AUTHORIZATION OF APPROPRIATIONS.—In addi-  
15 tion to amounts otherwise available, there is appropriated  
16 for fiscal year 2022, out of any money in the Treasury  
17 not otherwise appropriated, \$13,000,000,000, for the  
18 Hard Hit Industries Award Program established under  
19 this section, to remain available until expended, of which  
20 not more than \$380,000,000 shall be for administrative  
21 expenses to carry out this section, of which—

22 (1) \$2,500,000 shall be for the Inspector Gen-  
23 eral of the Small Business Administration to prevent  
24 waste, fraud, and abuse with respect to funding

1       made available for the Hard Hit Industries Award  
2       Program;

3           (2) \$2,500,000 shall be for the Department of  
4       Justice for investigative and prosecutorial activities  
5       related to fraud and abuse, with respect to funding  
6       made available for the Hard Hit Industries Award  
7       Program; and

8           (3) \$2,500,000 shall be for shall be for the  
9       Pandemic Response Accountability Committee with  
10      respect to funding made available for the Hard Hit  
11      Industries Award Program.

12 **SEC. 4. FUNDING FOR THE RESTAURANT REVITALIZATION**  
13                   **FUND AND THE HARD HIT INDUSTRIES**  
14                   **AWARD PROGRAM.**

15       (a) IN GENERAL.—Any unobligated covered funds  
16      are hereby transferred to the Administrator of the Small  
17      Business Administration for purposes of carrying out sec-  
18      tion 5003 of the American Rescue Plan Act of 2021 (15  
19      U.S.C. 9009c) and the Hard Hit Industries Award Pro-  
20      gram established under section 3 of this Act.

21       (b) COVERED FUNDS DEFINED.—In this section, the  
22      term “covered funds”—

23           (1) means any and all funds recovered, seized,  
24      reclaimed, or otherwise returned to the Federal Gov-  
25      ernment received pursuant to—



1 (A) paragraph (36) or (37) of section 7(a)  
2 of the Small Business Act (15 U.S.C. 636(a));

3 (B) section 7(b)(2) of the Small Business  
4 Act (15 U.S.C. 636(b)), with respect to a loan  
5 made under such section in response to  
6 COVID-19 during the covered period (as de-  
7 fined in section 1110(a) of the CARES Act (15  
8 U.S.C. 9009(a)));

9 (C) section 1110(e) of the CARES Act (15  
10 U.S.C. 9009(e));

11 (D) section 331 of the Economic Aid to  
12 Hard-Hit Small Businesses, Nonprofits, and  
13 Venues Act (15 U.S.C. 9009b);

14 (E) section 324 of the Economic Aid to  
15 Hard-Hit Small Businesses, Nonprofits, and  
16 Venues Act (15 U.S.C. 9009a);

17 (F) section 5003 of the American Rescue  
18 Plan Act of 2021 (15 U.S.C. 9009c);

19 (G) section 3 of this Act;

20 (2) includes any funds that as of December 31,  
21 2022, are unexpended under section 5003 of the  
22 American Rescue Plan Act of 2021 (15 U.S.C.  
23 9009c); and

24 (3) does not include funds paid by person to the  
25 Federal Government for the purposes of tax obliga-

1        tions, servicing of loans, or standard payment of  
2        fees.

3    **SEC. 5. GRANTS FOR SHUTTERED VENUE OPERATORS.**

4        Section 324(d) of the Economic Aid to Hard-Hit  
5    Small Businesses, Nonprofits, and Venues Act (15 U.S.C.  
6    9009a(d)) is amended by striking paragraph (1) and in-  
7    serting the following:

8            “(1) TIMING.—

9            “(A) EXPENSES INCURRED.—Amounts re-  
10        ceived under a grant under this section may be  
11        used for costs incurred during the period begin-  
12        ning on March 1, 2020, and ending on March  
13        11, 2023 (or a later date, as determined by the  
14        Administrator).

15        “(B) EXPENDITURE.—An eligible person  
16        or entity shall return to the Administrator any  
17        amounts received under a grant under this sec-  
18        tion that are not expended on or before April  
19        15, 2023 (or a later date, as determined by the  
20        Administrator), with respect to costs incurred

- 1           during the period described in subparagraph
- 2           (A).”.

Passed the House of Representatives April 7, 2022.

Attest:

*Clerk.*

117<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 3807

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## AN ACT

To amend the American Rescue Plan Act of 2021 to increase appropriations to the Restaurant Revitalization Fund, and for other purposes.