

107TH CONGRESS
1ST SESSION

H. R. 3011

To authorize the Administrator of the Small Business Administration to make loans to certain concerns that suffered economic and other injury as a result of the terrorist attacks against the United States that occurred on September 11, 2001, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 3, 2001

Ms. VELÁZQUEZ (for herself, Mr. DAVIS of Illinois, Mr. PASCRELL, Mrs. CHRISTENSEN, Mr. BRADY of Pennsylvania, Mr. GONZALEZ, Mrs. NAPOLITANO, Mr. PHELPS, Mrs. JONES of Ohio, Mr. UDALL of New Mexico, Mr. UDALL of Colorado, Mr. BAIRD, Mr. ROSS, Mr. LANGEVIN, Mr. CARSON of Oklahoma, Mr. ACEVEDO-VILÁ, Mr. ALLEN, Mr. KENNEDY of Rhode Island, Mr. PALLONE, Mr. ANDREWS, Mr. OWENS, Mr. WEINER, and Ms. MILLENDER-McDONALD) introduced the following bill; which was referred to the Committee on Small Business

A BILL

To authorize the Administrator of the Small Business Administration to make loans to certain concerns that suffered economic and other injury as a result of the terrorist attacks against the United States that occurred on September 11, 2001, 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 “Small Business Emer-
3 gency Relief Act of 2001”.

4 **SEC. 2. LOANS FOR DISASTER OF SEPTEMBER 11, 2001.**

5 (a) IN GENERAL.—The Administrator of the Small
6 Business Administration may make loans under section
7 7(b) of the Small Business Act (15 U.S.C. 636(b)) to
8 small business concerns and other entities made eligible
9 under subsection (b) that were injured as a result of the
10 terrorist attacks against the United States that occurred
11 on September 11, 2001.

12 (b) SPECIAL RULES.—Notwithstanding the require-
13 ments of section 7(b) of the Small Business Act (15
14 U.S.C. 636(b)), the following special rules apply to loans
15 described in subsection (a):

16 (1) PURPOSE OF LOANS.—The Administrator
17 may make such loans for—

18 (A) repair, rehabilitation, refinancing, or
19 replacement of damaged or destroyed real or
20 personal property; and

21 (B) any economic injury.

22 (2) INTEREST RATE.—The Administrator may
23 charge interest on any such loan. Such charge may
24 not exceed a rate of 4 percent per year.

25 (3) AMOUNT OF LOANS.—For the purpose of
26 such loans, if the Administrator considers it nec-

1 necessary or appropriate, the Administrator may waive
2 the \$1,500,000 limitation on the total amount that
3 can be outstanding and committed to a concern
4 under section 7(b) of the Small Business Act (15
5 U.S.C. 636(b)).

6 (4) CREDIT ELSEWHERE.—The Administrator
7 may make such loans without regard to the ability
8 of a small business concern to obtain credit else-
9 where.

10 (5) WAIVER OF SIZE STANDARDS.—For the
11 purpose such loans, if the Administrator determines
12 it to be necessary or appropriate, the Administrator
13 may waive any size standard established under sec-
14 tion 3(a)(2) of the Small Business Act (15 U.S.C.
15 632(a)(2)) with respect to a business concern that
16 does not exceed 150 percent (or, in the case of a fi-
17 nancial institution, 200 percent) of each size stand-
18 ard applicable to such concern.

19 (6) CHARITABLE ORGANIZATIONS.—The Ad-
20 ministrator may make such a loan to any charitable
21 organization as the Administrator determines nec-
22 essary or appropriate.

23 (c) TERMINATION.—The Administrator may not
24 make a loan pursuant to the special rules of this section

1 after the end of the 1-year period beginning on the date
2 of the enactment of this Act.

3 **SEC. 3. LOAN FORGIVENESS.**

4 (a) IN GENERAL.—Upon application by a small busi-
5 ness concern which is the recipient of a loan made under
6 the Small Business Act (15 U.S.C. 631 et seq.) and which
7 has suffered a substantial economic injury as a result of
8 the terrorist attacks against the United States that oc-
9 curred on September 11, 2001, the Administrator may un-
10 dertake all or part of the small business concern’s obliga-
11 tion to make the required payments under such loan, or
12 may forgive all or part of such obligation if the loan was
13 a direct loan made by the Administrator, if, and to the
14 extent that, the Administrator considers such undertaking
15 or forgiveness to be necessary or appropriate.

16 (b) TERMINATION.—The Administrator may not for-
17 give or undertake any loan under subsection (a) after the
18 end of the 1-year period beginning on the date of the en-
19 actment of this Act.

20 **SEC. 4. PROHIBITION ON SALE OF DISASTER LOANS.**

21 Section 4 of the Small Business Act (15 U.S.C. 633)
22 is amended by adding at the end the following:

23 “(g) PROHIBITION ON SALE OF DISASTER LOANS.—
24 The Administrator may not sell any portion of the Admin-
25 istration’s interest in, or the rights of the Administration

1 with respect to, any loan made directly or through imme-
2 diate participation under section 7(b), including by direct
3 sale, through the sale of loan participations, or by includ-
4 ing such loans in a pool of assets for the purpose of selling
5 asset-backed securities.”.

6 **SEC. 5. DEFINITIONS.**

7 For purposes of this Act:

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

11 (2) CHARITABLE ORGANIZATION.—The term
12 “charitable organization” means an organization de-
13 scribed in section 501(c)(3) of the Internal Revenue
14 Code of 1986.

15 (3) CREDIT ELSEWHERE.—The term “credit
16 elsewhere” has the meaning given such term in sec-
17 tion 3(h) of the Small Business Act (15 U.S.C.
18 632(h)).

19 (4) SMALL BUSINESS CONCERN.—The term
20 “small business concern” has the meaning given
21 such term in section 3(a) of the Small Business Act
22 (15 U.S.C. 632(a)).

23 (5) SUBSTANTIAL ECONOMIC INJURY.—The
24 term “substantial economic injury” has the meaning

1 given such term in section 7(b)(3)(A)(iii) of the
2 Small Business Act (15 U.S.C. 636(b)(3)(A)(iii)).

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