

111TH CONGRESS
1ST SESSION

H. R. 2527

To provide authority for certain debt refinancing with respect to financings approved under title V of the Small Business Investment Act of 1958, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 20, 2009

Ms. MARKEY of Colorado introduced the following bill; which was referred to the Committee on Small Business

A BILL

To provide authority for certain debt refinancing with respect to financings approved under title V of the Small Business Investment Act of 1958, 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. AUTHORITY TO PROVIDE CERTAIN DEBT REFI-**
4 **NANCING.**

5 During the 2 year period beginning on the date of
6 the enactment of this Act, any financing approved under
7 title V of the Small Business Investment Act of 1958 (15
8 U.S.C. 695 et seq.) may include debt refinancing relating

1 to a conventional loan that is not guaranteed by the Small
2 Business Administration, if—

3 (1) the proceeds of the indebtedness were used
4 to acquire land, including a building situated there-
5 on, to construct a building thereon, or to purchase
6 equipment;

7 (2) the existing indebtedness is collateralized by
8 fixed assets;

9 (3) the existing indebtedness was incurred for
10 the benefit of the small business concern;

11 (4) the financing under title V of the Small
12 Business Investment Act of 1958 will be used only
13 for refinancing existing indebtedness or costs relat-
14 ing to the project financed under such title;

15 (5) the financing under such title will provide a
16 substantial benefit to the borrower when prepayment
17 penalties, financing fees, and other financing costs
18 are accounted for; and

19 (6) the financing under section 504 of such title
20 will provide better terms or rate of interest than the
21 existing indebtedness at the time of refinancing.

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