

116TH CONGRESS
2D SESSION

S. 4117

To provide automatic forgiveness for paycheck protection program loans under \$150,000, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 30, 2020

Mr. CRAMER (for himself, Mr. MENENDEZ, Mr. TILLIS, and Ms. SINEMA) introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

A BILL

To provide automatic forgiveness for paycheck protection program loans under \$150,000, 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 “Paycheck Protection
5 Small Business Forgiveness Act”.

6 **SEC. 2. LOAN FORGIVENESS FOR PPP LOANS UNDER**
7 **\$150,000.**

8 Section 1106 of the CARES Act (Public Law 116–
9 136) is amended—

1 (1) in subsection (e), in the matter preceding
2 paragraph (1), by striking “An eligible” and insert-
3 ing “Except as provided in subsection (m), an eligi-
4 ble”;

5 (2) in subsection (f), by inserting “or the infor-
6 mation required under subsection (m), as applica-
7 ble” after “subsection (e)”;

8 (3) by striking subsection (h) and inserting the
9 following:

10 “(h) HOLD HARMLESS.—

11 “(1) IN GENERAL.—A lender may rely on all
12 certifications and documentation submitted by an
13 applicant or eligible recipient pursuant to any re-
14 quirement in statute regarding covered loans, or
15 rules or guidance promulgated to carry out any ac-
16 tion relating to covered loans, from an applicant or
17 eligible recipient attesting that the applicant or eligi-
18 ble recipient has accurately verified all documenta-
19 tion provided to the lender.

20 “(2) NO ENFORCEMENT ACTION.—With respect
21 to a lender that relies on the certifications and docu-
22 mentation described in paragraph (1)—

23 “(A) no enforcement or other action may
24 be taken against the lender relating to loan

1 origination, forgiveness, or guarantee based on
2 such reliance, including claims under—

3 “(i) the Small Business Act (15
4 U.S.C. 631 et seq.);

5 “(ii) sections 3729 through 3733 of
6 title 31, United States Code (commonly
7 known as the ‘False Claims Act’);

8 “(iii) the Financial Institutions Re-
9 form, Recovery, and Enforcement Act
10 (Public Law 101–73);

11 “(iv) section 21 of the Federal De-
12 posit Insurance Act (12 U.S.C. 1829b),
13 chapter 2 of title I of Public Law 91–508
14 (12 U.S.C. 1951 et seq.), and subchapter
15 II of chapter 53 of title 31, United States
16 Code (collectively known as the ‘Bank Se-
17 crecy Act’); or

18 “(v) any other Federal, State, or
19 other criminal or civil law or regulation;
20 and

21 “(B) the lender shall not be subject to any
22 penalties relating to loan origination, forgive-
23 ness, or guarantee based on such reliance.”;
24 and

25 (4) by adding at the end the following:

1 “(m) FORGIVENESS FOR COVERED LOANS UNDER
2 \$150,000.—

3 “(1) IN GENERAL.—Notwithstanding subsection
4 (e), with respect to a covered loan made to an eligi-
5 ble recipient that is not more than \$150,000, the
6 covered loan amount shall be forgiven under this
7 section if the eligible recipient submits to the lender
8 a one-page online or paper form, to be established
9 by the Administrator not later than 7 days after the
10 date of enactment of this subsection, that attests
11 that the eligible recipient complied with the require-
12 ments under section 7(a)(36) of the Small Business
13 Act (15 U.S.C. 636(a)(36)).

14 “(2) HOLD HARMLESS.—With respect to a
15 lender that relies on an attestation submitted by an
16 eligible recipient under paragraph (1), no enforce-
17 ment action may be taken against the lender for any
18 falsehoods contained in the attestation.

19 “(3) DEMOGRAPHIC INFORMATION.—The online
20 or paper form established by the Administrator
21 under paragraph (1) shall include a means by which
22 an eligible recipient may, at the discretion of the eli-
23 gible recipient, submit demographic information of
24 the owner of the eligible recipient, including the sex,
25 race, ethnicity, and veteran status of the owner.

1 “(n) ENFORCEMENT ACTION AGAINST BOR-
2 ROWERS.—An eligible recipient of a covered loan may only
3 be subject to an enforcement action or penalty relating
4 to loan origination, forgiveness, or guarantee of the cov-
5 ered loan if the eligible recipient commits fraud or expends
6 covered loan proceeds on expenses that are not allowable
7 under section 7(a)(36)(F) of the Small Business Act (15
8 U.S.C. 636(a)(36)(F)).”.

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