

117TH CONGRESS
1ST SESSION

H. R. 5190

To amend the Small Business Act to include excess loan amount errors in the forgiveness of a paycheck protection program loan, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 7, 2021

Ms. HOULAHAN (for herself and Mr. EVANS) introduced the following bill;
which was referred to the Committee on Small Business

A BILL

To amend the Small Business Act to include excess loan amount errors in the forgiveness of a paycheck protection program loan, 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-Dollar PPP For-
5 giveness Simplification Act of 2021”.

6 **SEC. 2. SIMPLIFIED APPLICATION FOR COVERED LOANS UP**
7 **TO \$350,000.**

8 (a) IN GENERAL.—Section 7A(l) of the Small Busi-
9 ness Act (15 U.S.C. 636m(l)) is amended—

1 (1) in paragraph (1)—

2 (A) in the paragraph heading, by striking
3 “\$150,000” and inserting “\$350,000”; and

4 (B) by striking “not more than \$150,000”
5 each place it appears and inserting “less than
6 or equal to \$350,000”; and

7 (2) in paragraph (2)—

8 (A) in the paragraph heading, by striking
9 “\$150,000” and inserting “\$350,000”; and

10 (B) in subparagraph (A), by striking
11 “\$150,000” and inserting “\$350,000”.

12 (b) EFFECTIVE DATE.—The amendment made by
13 this subsection shall be effective as if included in the Eco-
14 nomic Aid to Hard-Hit Small Businesses, Nonprofits, and
15 Venues Act (Public Law 116–260; 134 Stat. 1993) and
16 shall apply to any loan made pursuant to section 7(a)(36)
17 of the Small Business Act (15 U.S.C. 636(a)(36)) before,
18 on, or after the date of enactment of this Act, including
19 forgiveness of such a loan.

20 **SEC. 3. FORGIVENESS OF EXCESS LOAN AMOUNTS FOR**
21 **PAYCHECK PROTECTION PROGRAM LOANS.**

22 (a) PAYCHECK PROTECTION PROGRAM LOANS.—

23 (1) IN GENERAL.—Section 7A(a)(1) of the
24 Small Business Act (15 U.S.C. 636m(a)(1)) is
25 amended by inserting before the semicolon at the

1 end the following: “and includes any amount of a
2 covered loan received due to an excess loan amount
3 error (as described in Procedural Notice 5000–
4 20078 of the Administration titled ‘Paycheck Pro-
5 tection Program Excess Loan Amount Errors’ and
6 dated January 15, 2021)”.

7 (2) CONFORMING AMENDMENT.—Section
8 7A(l)(1)(A)(ii)(II) of the Small Business Act is
9 amended by striking “complied” and inserting
10 “acted in good faith to comply”.

11 (3) EFFECTIVE DATE.—The amendments made
12 by this subsection shall be effective as if included in
13 the CARES Act (Public Law 116–136; 134 Stat.
14 281) and shall apply to any loan made pursuant to
15 section 7(a)(36) of the Small Business Act (15
16 U.S.C. 636(a)(36)) before, on, or after the date of
17 enactment of this Act, including forgiveness of such
18 a loan.

19 (4) APPLICABILITY TO LOANS ALREADY FOR-
20 GIVEN.—The amendments made by this subsection
21 shall apply to a loan made pursuant to section
22 7(a)(36) of the Small Business Act (15 U.S.C.
23 636(a)(36)) for which the borrower received forgive-
24 ness before the date of enactment of this Act under
25 section 1106 of the CARES Act, as in effect on the

1 day before the date of the enactment of the Eco-
2 nomic Aid to Hard-Hit Small Businesses, Non-
3 profits, and Venues Act (Public Law 116–260; 134
4 Stat. 1993), or section 7A of the Small Business Act
5 (15 U.S.C. 636m), as in effect on the day before the
6 date of enactment of this Act.

7 (b) PAYCHECK PROTECTION PROGRAM SECOND
8 DRAW LOANS.—

9 (1) IN GENERAL.—Section 7(a)(37)(J)(i) of the
10 Small Business Act (15 U.S.C. 636(a)(37)(J)(i)) is
11 amended to read as follows:

12 “(i) DEFINITIONS.—In this subpara-
13 graph—

14 “(I) the term ‘covered loan’ in-
15 cludes any amount of a covered loan
16 received due to an excess loan amount
17 error (as described in Procedural No-
18 tice 5000–20078 of the Administra-
19 tion titled ‘Paycheck Protection Pro-
20 gram Excess Loan Amount Errors’
21 and dated January 15, 2021); and

22 “(II) the term ‘covered period’
23 has the meaning given that term in
24 section 7A(a).”.

1 (2) EFFECTIVE DATE.—The amendment made
2 by this subsection shall be effective as if included in
3 the Economic Aid to Hard-Hit Small Businesses,
4 Nonprofits, and Venues Act (Public Law 116–260;
5 134 Stat. 1993) and shall apply to any loan made
6 pursuant to section 7(a)(37) of the Small Business
7 Act (15 U.S.C. 636(a)(37)) before, on, or after the
8 date of enactment of this Act, including forgiveness
9 of such a loan.

10 (3) APPLICABILITY TO LOANS ALREADY FOR-
11 GIVEN.—The amendment made by this subsection
12 shall apply to a loan made pursuant to section
13 7(a)(37) of the Small Business Act (15 U.S.C.
14 636(a)(37)) for which the borrower received forgive-
15 ness before the date of enactment of this Act.

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