

107TH CONGRESS
1ST SESSION

H. R. 3230

To provide assistance to small business concerns adversely impacted by the terrorist attacks perpetrated against the United States on September 11, 2001, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 6, 2001

Mr. MANZULLO (for himself, Mr. MORAN of Virginia, Mr. NADLER, Mr. CASTLE, Mr. FERGUSON, Mr. FOSSELLA, Mr. GRAVES, Mr. GRUCCI, Ms. HOOLEY of Oregon, Mr. JOHNSON of Illinois, Mr. LAFALCE, Mr. SHUSTER, and Mr. SWEENEY) introduced the following bill; which was referred to the Committee on Small Business

A BILL

To provide assistance to small business concerns adversely impacted by the terrorist attacks perpetrated against the United States 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “American Small Busi-
5 ness Emergency Relief and Recovery Act of 2001”.

6 **SEC. 2. FINDINGS AND PURPOSE.**

7 (a) FINDINGS.—Congress finds that—

1 (1) the Nation's 25,000,000 small businesses
2 employ more than 58 percent of the private work-
3 force, and create 75 percent of all net new jobs;

4 (2) as a result of the terrorist attacks per-
5 petrated against the United States on September 11,
6 2001, many small businesses nationwide suffered—

7 (A) directly because—

8 (i) they are, or were as of September
9 11, 2001, located in or near the World
10 Trade Center or the Pentagon, or in a dis-
11 aster area declared by the President or the
12 Administrator;

13 (ii) they were closed or their business
14 was suspended for National security pur-
15 poses at the mandate of the Federal Gov-
16 ernment; or

17 (iii) they are, or were as of September
18 11, 2001, located in an airport that has
19 been closed; and

20 (B) indirectly because—

21 (i) they supplied or provided services
22 to businesses that were located in or near
23 the World Trade Center or the Pentagon;

24 (ii) they are, or were as of September
25 11, 2001, a supplier, service provider, or

1 complementary industry to any business or
2 industry adversely affected by the terrorist
3 attacks perpetrated against the United
4 States on September 11, 2001, in par-
5 ticular, the financial, hospitality, and travel
6 industries; or

7 (iii) they are, or were as of September
8 11, 2001, integral to or dependent upon a
9 business or business sector closed or sus-
10 pended for national security purposes by
11 mandate of the Federal Government; and

12 (3) small business owners adversely affected by
13 the terrorist attacks are finding it difficult or
14 impossible—

15 (A) to make loan payments on existing
16 debts;

17 (B) to pay their employees;

18 (C) to pay their vendors;

19 (D) to purchase materials, supplies, or in-
20 ventory;

21 (E) to pay their rent, mortgage, or other
22 operating expenses; or

23 (F) to secure financing for their busi-
24 nesses.

1 (b) PURPOSE.—The purpose of this Act is to
2 strengthen the loan, investment, procurement assistance,
3 and management education programs of the Small Busi-
4 ness Administration, in order to help small businesses
5 meet their existing obligations, finance their businesses,
6 and maintain and create jobs, thereby providing stability
7 to the national economy.

8 **SEC. 3. DEFINITIONS RELATING TO TERRORIST ATTACKS.**

9 Section 3 of the Small Business Act (15 U.S.C. 632)
10 is amended by adding at the end the following:

11 “(r) DEFINITIONS RELATING TO TERRORISM RE-
12 LIEF.—In this Act, the following definitions shall apply
13 with respect to the provision of assistance under this Act
14 in response to the terrorist attacks perpetrated against the
15 United States on September 11, 2001, pursuant to the
16 American Small Business Emergency Relief and Recovery
17 Act of 2001:

18 “(1) DIRECTLY AFFECTED.—A small business
19 concern is directly affected by the terrorist attacks
20 perpetrated against the United States on September
21 11, 2001, if it—

22 “(A) is, or was as of September 11, 2001,
23 located in or near the World Trade Center or
24 the Pentagon, or in a disaster area declared by

1 the President or the Administrator related to
2 those terrorist attacks;

3 “(B) was closed or its business was sus-
4 pended for national security purposes at the
5 mandate of the Federal Government; or

6 “(C) is, or was as of September 11, 2001,
7 located in an airport that has been closed.

8 “(2) INDIRECTLY AFFECTED.—A small busi-
9 ness concern is indirectly affected by the terrorist
10 attacks perpetrated against the United States on
11 September 11, 2001, if it—

12 “(A) supplied or provided services to any
13 business that was located in or near the World
14 Trade Center or the Pentagon, or in a disaster
15 area declared by the President or the Adminis-
16 trator related to those terrorist attacks;

17 “(B) is, or was as of September 11, 2001,
18 a supplier, service provider, or complementary
19 industry to any business or industry adversely
20 affected by the terrorist acts perpetrated
21 against the United States on September 11,
22 2001, in particular, the financial, hospitality,
23 and travel industries; or

24 “(C) it is, or was as of September 11,
25 2001, integral to or dependent upon a business

1 or business sector closed or suspended for na-
2 tional security purposes by mandate of the Fed-
3 eral Government.

4 “(3) ADVERSELY AFFECTED.—The term ‘ad-
5 versely affected’ means having suffered economic
6 harm to or disruption of the business operations of
7 a small business concern as a direct or indirect re-
8 sult of the terrorist attacks perpetrated against the
9 United States on September 11, 2001.

10 “(4) SUBSTANTIAL ECONOMIC INJURY.—As
11 used in section 7(b)(4), the term ‘substantial eco-
12 nomic injury’ means an economic harm to a small
13 business concern that results in the inability of the
14 small business concern—

15 “(A) to meet its obligations on an ongoing
16 basis;

17 “(B) to pay its ordinary and necessary op-
18 erating expenses; or

19 “(C) to market, produce, or provide a
20 product or service ordinarily marketed, pro-
21 duced, or provided by the small business con-
22 cern.”.

23 **SEC. 4. DISASTER LOANS AFTER TERRORIST ATTACKS.**

24 (a) IN GENERAL.—Section 7(b) of the Small Busi-
25 ness Act (15 U.S.C. 636(b)) is amended by inserting im-

1 mediate before the undesignated material following para-
2 graph (3) the following:

3 “(4) DISASTER LOANS AFTER TERRORIST AT-
4 TACKS OF SEPTEMBER 11, 2001.—

5 “(A) LOAN AUTHORITY.—In addition to
6 any other loan authorized by this section, the
7 Administration may make such loans (either di-
8 rectly or in cooperation with banks or other
9 lending institutions through agreements to par-
10 ticipate on an immediate or deferred basis) to
11 a small business concern that has been directly
12 affected and suffered, or that is likely to suffer,
13 substantial economic injury as the result of the
14 terrorist attacks on September 11, 2001, in-
15 cluding due to the closure or suspension of its
16 business for National security purposes at the
17 mandate of the Federal Government.

18 “(B) DEFERMENT OF LOAN PAYMENTS.—

19 “(i) IN GENERAL.—Notwithstanding
20 any other provision of law, payments of
21 principal and interest on a loan made
22 under this paragraph (other than a refi-
23 nancing under subparagraph (D)) or para-
24 graph (1) as a result of the terrorist at-
25 tacks on September 11, 2001, shall be de-

1 ferred, and no interest shall accrue with
2 respect to such loan, during the 2-year pe-
3 riod following the date of issuance of such
4 loan.

5 “(ii) RESUMPTION OF PAYMENTS.—At
6 the end of the 2-year period described in
7 clause (i), the payment of periodic install-
8 ments of principal and interest shall be re-
9 quired with respect to such loan, in the
10 same manner and subject to the same
11 terms and conditions as would otherwise be
12 applicable to any other loan made under
13 this subsection.

14 “(C) REFINANCING DISASTER LOANS.—

15 “(i) IN GENERAL.—Any loan made
16 under this subsection that was outstanding
17 as to principal or interest on September
18 11, 2001, may be refinanced by a small
19 business concern that is also eligible to re-
20 ceive a loan under this paragraph, and the
21 refinanced amount shall be considered to
22 be part of the new loan for purposes of
23 this clause.

24 “(ii) NO EFFECT ON ELIGIBILITY.—A
25 refinancing under clause (i) by a small

1 business concern shall be in addition to
2 any other loan eligibility for that small
3 business concern under this Act.

4 “(D) REFINANCING BUSINESS DEBT.—

5 “(i) IN GENERAL.—Any business debt
6 of a small business concern that was out-
7 standing as to principal or interest on Sep-
8 tember 11, 2001, may be refinanced by the
9 small business concern if it is also eligible
10 to receive a loan under this paragraph.
11 With respect to a refinancing under this
12 clause, payments of principal shall be de-
13 ferred, and interest may accrue notwith-
14 standing subparagraph (B), during the 1-
15 year period following the date of refi-
16 nancing.

17 “(ii) RESUMPTION OF PAYMENTS.—At
18 the end of the 1-year period described in
19 clause (i), the payment of periodic install-
20 ments of principal and interest shall be re-
21 quired with respect to such loan, in the
22 same manner and subject to the same
23 terms and conditions as would otherwise be
24 applicable to any other loan made under
25 this subsection.

1 “(E) TERMS.—A loan under this para-
2 graph shall be made at the same interest rate
3 as economic injury loans under paragraph (2).
4 Any reasonable doubt concerning the repayment
5 ability of an applicant under this paragraph
6 shall be resolved in favor of the applicant.

7 “(F) NO DISASTER DECLARATION RE-
8 QUIRED.—For purposes of assistance under this
9 paragraph, no declaration of a disaster area is
10 required for those small business concerns di-
11 rectly affected by the terrorist attacks on Sep-
12 tember 11, 2001.

13 “(G) SIZE STANDARD ADJUSTMENTS.—
14 Notwithstanding any other provision of law, for
15 purposes of providing assistance under this
16 paragraph to businesses located in areas of New
17 York, Virginia, and the contiguous areas des-
18 ignated by the President or the Administrator
19 as a disaster area following the terrorist attacks
20 on September 11, 2001, a business shall be con-
21 sidered to be a ‘small business concern’ if it
22 meets otherwise applicable size regulations pro-
23 mulgated by the Administration, and, with re-
24 spect to the applicable size standard, it is—

1 “(i) a restaurant having not more
2 than \$8,000,000 in annual receipts;

3 “(ii) a law firm having not more than
4 \$8,000,000 in annual receipts;

5 “(iii) a certified public accounting
6 business having not more than \$8,000,000
7 in annual receipts;

8 “(iv) a performing arts business hav-
9 ing not more than \$8,000,000 in annual
10 receipts;

11 “(v) a warehousing or storage busi-
12 ness having not more than \$25,000,000 in
13 annual receipts;

14 “(vi) a contracting business having a
15 size standard under the North American
16 Industry Classification System, Subsector
17 235, and having not more than
18 \$15,000,000 in annual receipts;

19 “(vii) a food manufacturing business
20 having not more than 1,000 employees;

21 “(viii) an apparel manufacturing busi-
22 ness having not more than 1,000 employ-
23 ees; or

24 “(ix) a travel agency having not more
25 than \$2,000,000 in annual receipts.

1 “(5) AUTHORITY TO INCREASE OR WAIVE SIZE
2 STANDARDS AND SIZE REGULATIONS.—

3 “(A) IN GENERAL.—At the discretion of
4 the Administrator, the Administrator may in-
5 crease or waive otherwise applicable size stand-
6 ards or size regulations with respect to busi-
7 nesses applying for assistance under this Act in
8 response to the terrorist attacks on September
9 11, 2001.

10 “(B) EXEMPTION FROM ADMINISTRATIVE
11 PROCEDURES.—The provisions of subchapter II
12 of chapter 5, of title 5, United States Code,
13 shall not apply to any increase or waiver by the
14 Administrator under subparagraph (A).

15 “(6) INCREASED LOAN CAPS.—

16 “(A) AGGREGATE LOAN AMOUNTS.—Ex-
17 cept as provided in subparagraph (B), and in
18 addition to amounts otherwise authorized by
19 this Act, the loan amount outstanding and com-
20 mitted to a borrower may not exceed—

21 “(i) with respect to a small business
22 concern located in the areas of New York,
23 Virginia, or the contiguous areas des-
24 ignated by the President or the Adminis-

1 trator as a disaster area following the ter-
2 rorist attacks on September 11, 2001—

3 “(I) \$6,000,000 in total obliga-
4 tions under paragraph (1); and

5 “(II) \$6,000,000 in total obliga-
6 tions under paragraph (4); and

7 “(ii) with respect to a small business
8 concern that is not located in an area de-
9 scribed in clause (i) and that is eligible for
10 assistance under paragraph (4),
11 \$5,000,000 in total obligations under para-
12 graph (4).

13 “(B) WAIVER AUTHORITY.—The Adminis-
14 trator may, at the discretion of the Adminis-
15 trator, waive the aggregate loan amounts estab-
16 lished under subparagraph (A).

17 “(7) EXTENDED APPLICATION PERIOD.—Not-
18 withstanding any other provision of law, the Admin-
19 istrator shall accept applications for assistance
20 under paragraphs (1) and (4) until September 10,
21 2002, with respect to applicants for such assistance
22 as a result of the terrorist attacks on September 11,
23 2001.

24 “(8) LIMITATION ON SALES OF LOANS.—No
25 loan under paragraph (1) or (4), made as a result

1 of the terrorist attacks on September 11, 2001, shall
2 be sold until 4 years after the date of the final loan
3 disbursement.”.

4 (b) CLERICAL AMENDMENTS.—Section 7(b) of the
5 Small Business Act (15 U.S.C. 636(b)) is amended in the
6 undesignated matter at the end—

7 (1) by striking “, (2), and (4)” and inserting
8 “and (2)”; and

9 (2) by striking “, (2), or (4)” and inserting
10 “(2)”.

11 **SEC. 5. EMERGENCY RELIEF LOAN PROGRAM.**

12 (a) LOAN PROGRAM.—Section 7(a) of the Small
13 Business Act (15 U.S.C. 636(a)) is amended by adding
14 at the end the following:

15 “(31) TEMPORARY LOAN AUTHORITY FOL-
16 LOWING TERRORIST ATTACKS.—

17 “(A) IN GENERAL.—During the 1-year pe-
18 riod beginning on the date of enactment of this
19 paragraph, the Administration may make loans
20 under this subsection to a small business con-
21 cern that has been, or that is likely to be di-
22 rectly or indirectly adversely affected.

23 “(B) LOAN TERMS.—With respect to a
24 loan under this paragraph—

1 “(i) for purposes of paragraph (2)(A),
2 participation by the Administration shall
3 be equal to 90 percent of the balance of
4 the financing outstanding at the time of
5 disbursement of the loan;

6 “(ii) the Administrator shall collect an
7 annual fee in an amount equal to 0.25 per-
8 cent of the outstanding balance of the de-
9 ferred participation share of the loan, not-
10 withstanding paragraph (23)(A);

11 “(iii) no fee may be collected or
12 charged under paragraph (18);

13 “(iv) the applicable rate of interest
14 shall not exceed a rate that is 2 percentage
15 points above the prime lending rate;

16 “(v) no such loan shall be made if the
17 total amount outstanding and committed
18 (by participation or otherwise) to the bor-
19 rower under this paragraph—

20 “(I) would exceed \$1,000,000; or

21 “(II) at the discretion of the Ad-
22 ministrador, and upon notice to the
23 Congress, would exceed \$2,000,000,
24 as necessary to provide relief in high-

1 cost areas or to high-cost industries
2 that have been adversely affected; or

3 “(vi) no such loan shall be made if the
4 gross amount of the loan would exceed
5 \$3,000,000;

6 “(vii) upon request of the borrower,
7 repayment of principal due on a loan made
8 under this paragraph may be deferred dur-
9 ing the 1-year period beginning on the date
10 of issuance of the loan; and

11 “(viii) any reasonable doubt con-
12 cerning the repayment ability of an appli-
13 cant for a loan under this paragraph shall
14 be resolved in favor of the applicant.

15 “(C) APPLICABILITY.—The loan terms de-
16 scribed in subparagraph (B) shall apply to a
17 loan under this paragraph notwithstanding any
18 other provision of this subsection, and except as
19 specifically provided in this paragraph, a loan
20 under this paragraph shall otherwise be subject
21 to the same terms and conditions as any other
22 loan under this subsection.

23 “(D) TRAVEL AGENCIES.—For purposes of
24 loans made under this paragraph, the size

1 standard for a travel agency shall be
2 \$2,000,000 in annual receipts.”.

3 (b) CONFORMING AMENDMENT.—Section
4 7(a)(23)(A) of the Small Business Act (15 U.S.C.
5 636(a)(23)(A)) is amended by inserting “other than a loan
6 under paragraph (31) or a loan described in paragraph
7 (2)(E),” after “this subsection,”.

8 **SEC. 6. BUSINESS LOAN ASSISTANCE FOLLOWING TER-**
9 **RORIST ATTACKS.**

10 (a) ONE-YEAR WAIVER OF SECTION 7(a) FEES.—
11 Section 7(a)(18) of the Small Business Act (15 U.S.C.
12 636(a)(18)) is amended by adding at the end the fol-
13 lowing:

14 “(C) ONE-YEAR WAIVER OF FEES FOL-
15 LOWING TERRORIST ATTACKS.—For loans ap-
16 proved during the 1-year period following the
17 date of enactment of the American Small Busi-
18 ness Emergency Relief and Recovery Act of
19 2001, a fee equal to not more than one half of
20 the amount otherwise required by this para-
21 graph shall be collected or charged under this
22 paragraph.”.

23 (b) ONE-YEAR INCREASE IN PARTICIPATION LEV-
24 ELS.—Section 7(a)(2) of the Small Business Act (15
25 U.S.C. 636(a)(2)) is amended—

1 (1) in subparagraph (A), by striking “subpara-
2 graph (B)” and inserting “subparagraphs (B) and
3 (E)”; and

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

5 “(E) TEMPORARY PARTICIPATION LEVELS
6 FOLLOWING TERRORIST ATTACKS.—For loans
7 under this subsection, other than paragraph
8 (31), that are approved during the 1-year pe-
9 riod following the date of enactment of the
10 American Small Business Emergency Relief and
11 Recovery Act of 2001—

12 “(i) the guarantee percentage speci-
13 fied by clause (i) of subparagraph (A) shall
14 be increased to 85 percent (except with re-
15 spect to loans approved under the SBA
16 Express Pilot Program); and

17 “(ii) the Administrator shall collect an
18 annual fee in an amount equal to 0.25 per-
19 cent of the outstanding balance of the de-
20 ferred participation share of the loan, not-
21 withstanding paragraph (23)(A).”.

22 (c) REDUCTION OF SECTION 504 FEES.—

23 (1) IN GENERAL.—Section 503 of the Small
24 Business Investment Act of 1958 (15 U.S.C. 697) is
25 amended—

1 (A) in subsection (b)(7)(A)—

2 (i) by redesignating clauses (i) and
3 (ii) as subclauses (I) and (II), respectively,
4 and moving the margins 2 ems to the
5 right;

6 (ii) by striking “not exceed the lesser”
7 and inserting “not exceed—

8 “(i) the lesser”; and

9 (iii) by adding at the end the fol-
10 lowing:

11 “(ii) 50 percent of the amount estab-
12 lished under clause (i) in the case of a loan
13 made during the 1-year period following
14 the date of enactment of the American
15 Small Business Emergency Relief and Re-
16 covery Act of 2001, for the life of the loan;
17 and”; and

18 (B) by adding at the end the following:

19 “(i) ONE-YEAR WAIVER OF FEES FOLLOWING TER-
20 RORIST ATTACKS.—The Administration may not assess or
21 collect any up front guarantee fee with respect to loans
22 made under this title during the 1-year period following
23 the date of enactment of the American Small Business
24 Emergency Relief and Recovery Act of 2001.”.

1 (2) USE OF FUNDS FOR SECTION 504 PRO-
2 GRAM.—The provisions of subsections (b)(7)(A),
3 (d)(2), and (i) of section 503 of the Small Business
4 Investment Act of 1958, as amended by this sub-
5 section, shall be effective only to the extent that
6 funds are made available under appropriations Acts,
7 which funds shall be utilized to offset the cost (as
8 such term is defined in section 502 of the Federal
9 Credit Reform Act of 1990) to the Administration of
10 making guarantees under those amended provisions.

11 (d) BUDGETARY TREATMENT OF LOANS AND
12 FINANCINGS.—Assistance made available under any loan
13 made or approved by the Small Business Administration
14 under section 7(a) or 7(b)(4) of the Small Business Act
15 (15 U.S.C. 636(a)) or financings made under title III or
16 V of the Small Business Investment Act of 1958 (15
17 U.S.C. 697a), during the 1-year period beginning on the
18 date of enactment of this Act, shall be treated as separate
19 programs of the Small Business Administration for pur-
20 poses of the Federal Credit Reform Act of 1990 only.

21 (e) USE OF FUNDS FOR 7(a) AND 7(a) EMERGENCY
22 RELIEF LOAN PROGRAMS.—The provisions of paragraphs
23 (2), (18), and (31) of section 7(a) of the Small Business
24 Act, as amended by this Act, shall be effective only to the
25 extent that funds are made available under appropriations

1 Acts, which funds shall be utilized to offset the cost (as
2 such term is defined in section 502 of the Federal Credit
3 Reform Act of 1990) to the Administration of making
4 guarantees under those amended provisions.

5 **SEC. 7. APPROVAL PROCESS.**

6 Notwithstanding any other provision of law, the Ad-
7 ministrator of the Small Business Administration may
8 adopt such approval processes as the Administrator deter-
9 mines, after consultation with the Committee on Small
10 Business and Entrepreneurship of the Senate and the
11 Committee on Small Business of the House of Representa-
12 tives, to be appropriate in order to make assistance under
13 this Act and the amendments made by this Act available
14 to all eligible small business concerns.

15 **SEC. 8. OTHER SPECIALIZED ASSISTANCE AND MONI-**
16 **TORING AUTHORIZED.**

17 (a) ADDITIONAL SBDC AUTHORITY.—

18 (1) IN GENERAL.—Section 21(c)(3) of the
19 Small Business Act (15 U.S.C. 648(c)(3)) is
20 amended—

21 (A) in subparagraph (S), by striking
22 “and” at the end;

23 (B) in subparagraph (T), by striking the
24 period at the end and inserting “; and”; and

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

1 “(U) providing individualized assistance with
2 respect to financing, refinancing of existing debt,
3 and business counseling to small business concerns
4 adversely affected, directly or indirectly, by the ter-
5 rorist attacks on September 11, 2001.”.

6 (2) WAIVER OF MATCHING REQUIREMENTS.—
7 Section 21(a)(4) of the Small Business Act (15
8 U.S.C. 648(a)(4)) is amended by inserting before
9 the period the following: “, except that the matching
10 requirements of this paragraph do not apply with re-
11 spect to any assistance provided under subsection
12 (c)(3)(U)”.

13 (b) ADDITIONAL SCORE AUTHORITY.—Section
14 8(b)(1)(B) of the Small Business Act (15 U.S.C.
15 637(b)(1)(B) is amended—

16 (1) by inserting “(i)” after “(B)”; and

17 (2) by adding at the end the following:

18 “(ii) The functions of the Service Corps of Re-
19 tired Executives (SCORE) shall include the provi-
20 sion of individualized assistance with respect to fi-
21 nancing, refinancing of existing debt, and business
22 counseling to small business concerns adversely af-
23 fected by the terrorist attacks on September 11,
24 2001.”.

1 (c) ADDITIONAL MICROLOAN PROGRAM AUTHOR-
2 ITY.—Section 7(m) of the Small Business Act (15 U.S.C.
3 636(m)) is amended by adding at the end the following:

4 “(14) ASSISTANCE AFTER TERRORIST ATTACKS
5 OF SEPTEMBER 11, 2001.—Amounts made available
6 under this subsection may be used by intermediaries
7 to provide individualized assistance with respect to
8 financing, refinancing of existing debt, and business
9 counseling to small business concerns adversely af-
10 fected by the terrorist attacks on September 11,
11 2001.”.

12 (d) ADDITIONAL WOMEN’S BUSINESS DEVELOPMENT
13 CENTER AUTHORITY.—Section 29 of the Small Business
14 Act (15 U.S.C. 656) is amended—

15 (1) in subsection (b)—

16 (A) in paragraph (2), by striking “and” at
17 the end;

18 (B) in paragraph (3), by striking the pe-
19 riod at the end and inserting “; and”; and

20 (C) by adding at the end the following:

21 “(4) individualized assistance with respect to fi-
22 nancing, refinancing of existing debt, and business
23 counseling to small business concerns owned and
24 controlled by women that were adversely affected by
25 the terrorist attacks on September 11, 2001.”; and

1 (2) in subsection (c), by adding at the end the
2 following:

3 “(5) WAIVER OF MATCHING REQUIREMENTS.—
4 A recipient organization shall not be subject to the
5 non-Federal funding requirements of paragraph (1)
6 with respect to assistance provided under subsection
7 (b)(4).”.

8 (e) ADDITIONAL SBIC AUTHORITY.—Section 303 of
9 the Small Business Investment Act of 1958 (15 U.S.C.
10 683) is amended by adding at the end the following:

11 “(k) AUTHORITY AFTER TERRORIST ATTACKS OF
12 SEPTEMBER 11, 2001.—Small business investment com-
13 panies are authorized and encouraged to provide equity
14 capital and to make loans to small business concerns pur-
15 suant to sections 304(a) and 305(a) of the Small Business
16 Investment Act of 1958, respectively, for the purpose of
17 providing assistance to small business concerns adversely
18 affected by the terrorist attacks on September 11, 2001.”.

19 **SEC. 9. STUDY AND REPORT ON EFFECTS ON SMALL BUSI-**
20 **NESS CONCERNS.**

21 (a) STUDY.—

22 (1) IN GENERAL.—The Office of Advocacy of
23 the Small Business Administration shall conduct an-
24 nual studies for a 5-year period on the impact of the
25 terrorist attacks perpetrated against the United

1 States on September 11, 2001, on small business
2 concerns, and the effects of assistance provided
3 under this Act on such small business concerns.

4 (2) CONTENTS.—The study conducted under
5 paragraph (1) shall include information regarding—

6 (A) bankruptcies and business failures that
7 occurred as a result of the events of September
8 11, 2001, as compared to those that occurred
9 in 1999 and 2000;

10 (B) the loss of jobs, revenue, and profits in
11 small business concerns as a result of those
12 events, as compared to those that occurred in
13 1999 and 2000;

14 (C) the impact of assistance provided
15 under this Act to small business concerns ad-
16 versely affected by those attacks, including in-
17 formation regarding whether—

18 (i) small business concerns that re-
19 ceived such assistance would have re-
20 mained in business without such assist-
21 ance;

22 (ii) jobs were saved due to such assist-
23 ance; and

24 (iii) small business concerns that re-
25 mained in business had increases in em-

1 ployment and sales since receiving assist-
2 ance.

3 (b) REPORT.—The Office of Advocacy shall submit
4 a report to Congress on the studies required by subsection
5 (a)(1), specifically addressing the requirements of sub-
6 section (a)(2) in September of each of fiscal years 2002
7 through 2006.

8 (c) AUTHORIZATION OF APPROPRIATIONS.—There is
9 authorized to be appropriated to carry out this section,
10 \$500,000 for each of fiscal years 2002 through 2006.

11 **SEC. 10. EMERGENCY EQUITABLE RELIEF FOR FEDERAL**
12 **CONTRACTORS.**

13 (a) GUIDANCE REQUIRED.—

14 (1) IN GENERAL.—Under guidance issued by
15 the Administrator for Federal Procurement Policy in
16 conjunction with the Administrator of the Small
17 Business Administration, the head of a contracting
18 agency of the United States may increase the price
19 of a contract entered into by the agency that is per-
20 formed by a small business concern (as defined in
21 section 3 of the Small Business Act) to the extent
22 determined equitable under this section on the basis
23 of loss resulting from security measures taken by the
24 Federal Government at Federal facilities as a result
25 of the terrorist attacks on September 11, 2001.

1 (2) EXPEDITED ISSUANCE.—Guidance required
2 by paragraph (1) shall be issued under expedited
3 procedures, not later than 20 days after the date of
4 enactment of this Act.

5 (b) EXPEDITED PROCEDURES.—

6 (1) IN GENERAL.— The Administrator for Fed-
7 eral Procurement Policy shall prescribe expedited
8 procedures for considering whether to grant an equi-
9 table adjustment in the case of a contract of an
10 agency under subsection (a).

11 (2) REQUIREMENTS.—The procedures required
12 by paragraph (1) shall provide for—

13 (A) an initial review of the merits of a con-
14 tractor’s request by the contracting officer con-
15 cerned with the contract;

16 (B) a final determination of the merits of
17 the contractor’s request, including the value of
18 any price adjustment, by the Head of the Con-
19 tracting Agency, in consultation with the Ad-
20 ministrator of the Small Business Administra-
21 tion, taking into consideration the initial review
22 under subparagraph (A); and

23 (C) payment from the fund established
24 under subsection (d) for the contract’s price ad-
25 justment.

1 (3) TIMING.—The procedures required by para-
2 graph (1) shall require completion of action on a
3 contractor’s request for adjustment not later than
4 30 days after the date on which the contractor sub-
5 mits the request to the contracting officer concerned.

6 (c) AUTHORIZED REMEDIES.—In addition to making
7 a price adjustment under subsection (a), the time for per-
8 formance of a contract may be extended under this sec-
9 tion.

10 (d) PAYMENT OF ADJUSTED PRICE.—

11 (1) FUND ESTABLISHED.—The Administrator
12 of the Small Business Administration shall establish
13 a fund for the payment of contract price adjust-
14 ments under this section. Payments of amounts for
15 price adjustments shall be made out of the fund.

16 (2) AVAILABILITY.—Notwithstanding any other
17 provision of law, amounts in the fund under this
18 subsection shall remain available until expended.

19 (e) TERMINATION OF AUTHORITY.—

20 (1) REQUESTS.—No request for adjustment
21 under this section may be accepted more than 330
22 days after the date of enactment of this Act.

23 (2) TERMINATION.—The authority under this
24 section shall terminate 1 year after the date of en-
25 actment of this Act.

1 (f) AUTHORIZATION OF APPROPRIATIONS.—There is
2 authorized to be appropriated to the Small Business Ad-
3 ministration to carry out this section, \$100,000,000, in-
4 cluding funds for administrative expenses and costs. Any
5 funds remaining in the fund established under subsection
6 (d) 1 year after the date of enactment of this Act shall
7 be transferred to the disaster loan account of the United
8 States Small Business Administration.

9 **SEC. 11. REPORTS TO CONGRESS.**

10 (a) REPORTS REQUIRED.—The Administrator of the
11 Small Business Administration shall submit regular re-
12 ports to the Committee on Small Business and Entrepre-
13 neurship of the Senate and the Committee on Small Busi-
14 ness of the House of Representatives regarding the imple-
15 mentation of this Act and the amendments made by this
16 Act, including program delivery, staffing, and administra-
17 tive expenses related to such implementation.

18 (b) FREQUENCY OF REPORTS.—The reports required
19 by subsection (a) shall be submitted on November 15,
20 2001, and December 15, 2001, and quarterly thereafter
21 through December 31, 2003.

22 **SEC. 12. EXPEDITED ISSUANCE OF IMPLEMENTING GUIDE-**
23 **LINES.**

24 Not later than 20 days after the date of enactment
25 of this Act, the Administrator of the Small Business Ad-

1 ministration shall issue interim final rules and guidelines
2 to implement this Act and the amendments made by this
3 Act.

4 **SEC. 13. INCREASED AUTHORIZATIONS OF APPROPRIA-**
5 **TIONS.**

6 Section 20 of the Small Business Act (15 U.S.C. 631
7 note) is amended—

8 (1) in subsection (h)(1)(B)—

9 (A) by striking “\$20,050,000,000” and in-
10 serting “\$24,050,000,000”;

11 (B) by striking “\$15,000,000,000” and in-
12 serting “\$17,000,000,000”; and

13 (C) by striking “\$4,500,000,000” and in-
14 serting “\$6,500,000,000”;

15 (2) in subsection (h)(1)(C)—

16 (A) by striking “\$3,500,000,000” and in-
17 serting “\$4,200,000,000”; and

18 (B) by striking “\$2,500,000,000” and in-
19 serting “\$2,700,000,000”;

20 (3) in subsection (i)(1)(B)—

21 (A) by striking “\$21,550,000,000” and in-
22 serting “\$25,550,000,000”;

23 (B) by striking “\$16,000,000,000” and in-
24 serting “\$18,000,000,000”; and

1 (C) by striking “\$5,000,000,000” and in-
2 serting “\$7,000,000,000”;

3 (4) in subsection (i)(1)(C)—

4 (A) by striking “\$4,000,000,000” and in-
5 serting “\$4,700,000,000”; and

6 (B) by striking “\$3,000,000,000” and in-
7 serting “\$3,200,000,000”; and

8 (5) by adding at the end the following:

9 “(j) SPECIAL AUTHORIZATIONS OF APPROPRIATIONS
10 FOLLOWING TERRORIST ATTACKS.—In addition to any
11 other amounts authorized by this Act for any fiscal year,
12 there are authorized to be appropriated to the Administra-
13 tion, to remain available until expended—

14 “(1) for fiscal year 2002 and each fiscal year
15 thereafter, such sums as may be necessary to carry
16 out paragraph (4) of section 7(b), including nec-
17 essary loan capital and funds for administrative ex-
18 penses related to making and servicing loans pursu-
19 ant to that paragraph;

20 “(2) for fiscal year 2002, \$25,000,000, to be
21 used for activities of small business development
22 centers pursuant to section 21(c)(3)(U)—

23 “(A) \$2,500,000 of which shall be used to
24 assist small business concerns (as that term is
25 defined for purposes of section 7(b)(4)) located

1 in the areas of New York and the contiguous
2 areas designated by the President as a disaster
3 area following the terrorist attacks on Sep-
4 tember 11, 2001; and

5 “(B) \$1,500,000 of which shall be used to
6 assist small business concerns located in areas
7 of Virginia and the contiguous areas designated
8 by the President as a disaster area following
9 those terrorist attacks;

10 “(3) for fiscal year 2002, \$2,000,000, to be
11 used under the Service Corps of Retired Executives
12 program authorized by section 8(b)(1) for the activi-
13 ties described in section 8(b)(1)(B)(ii);

14 “(4) for fiscal year 2002, \$5,000,000 for
15 microloan technical assistance authorized under sec-
16 tion 7(m)(14);

17 “(5) for fiscal year 2002, \$2,000,000 to be
18 used for activities of women’s business centers au-
19 thorized by section 29(b)(4);

20 “(6) for fiscal year 2002 and each fiscal year
21 thereafter, such sums as may be necessary to carry
22 out paragraphs (2)(E), (18)(C), and (31) of section
23 7(a), including any funds necessary to offset fees
24 and amounts waived or reduced under those provi-

1 sions, necessary loan capital, and funds for adminis-
2 trative expenses; and

3 “(7) for fiscal year 2002, and each fiscal year
4 thereafter, such sums as may be necessary to carry
5 out the 1-year suspension of fees under subsections
6 (b)(7)(A), (d)(2), and (i) of section 503 of the Small
7 Business Investment Act of 1958, in response to the
8 terrorist attacks on September 11, 2001, including
9 any funds necessary to offset fees and amounts
10 waived under those provisions and including funds
11 for administrative expenses.”.

○