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107TH CONGRESS
1ST SESSION

S. 1499

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 SENATE OF THE UNITED STATES

OCTOBER 4, 2001

Mr. KERRY (for himself, Mr. BOND, Mr. SCHUMER, Mr. BINGAMAN, Mr. INOUE, Mr. WELLSTONE, Mr. SARBANES, Mr. AKAKA, Mr. HARKIN, Mr. REED, Mrs. CLINTON, Mr. DURBIN, Mr. CLELAND, Mr. KENNEDY, Mr. LIEBERMAN, Mr. GRASSLEY, Mr. TORRICELLI, Mr. DASCHLE, Mrs. LINCOLN, Mr. EDWARDS, Mr. ROCKEFELLER, Ms. CARNAHAN, Mr. HOLLINGS, Ms. SNOWE, Mr. LEAHY, Mr. CORZINE, Mr. LEVIN, Ms. CANTWELL, Ms. LANDRIEU, Mr. ALLEN, Mrs. MURRAY, Mr. JOHNSON, Mr. NELSON of Florida, Mr. BIDEN, Ms. COLLINS, Mr. ENZI, Mr. BURNS, Mr. CRAPO, and Mr. BENNETT) introduced the following bill; which was read the first time

OCTOBER 8, 2001

Read the second time and placed on the calendar

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—

8 (1) the Nation’s 25,000,000 small businesses
9 employ more than 58 percent of the private work-
10 force, and create 75 percent of all new jobs;

11 (2) as a result of the terrorist attacks on Sep-
12 tember 11, 2001, many small businesses nationwide
13 were adversely affected—

14 (A) directly because—

15 (i) they are located in or near the
16 World Trade Center or the Pentagon, or in
17 a disaster area declared by the President
18 or the Administrator;

19 (ii) they were closed or their business
20 was suspended for National security pur-
21 poses at the mandate of the Federal Gov-
22 ernment; or

23 (iii) they are located in an airport
24 that has been closed; and

25 (B) indirectly because—

1 (i) they supplied or provided services
2 to small businesses that were located in or
3 near the World Trade Center or the Pen-
4 tagon;

5 (ii) they are a supplier, service pro-
6 vider, or complementary industry to any
7 affected industry, in particular, the finan-
8 cial, hospitality, and travel industries; or

9 (iii) they are integral to or dependent
10 upon the business of a closed or suspended
11 business or business sector; and

12 (3) small business owners adversely impacted
13 by 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; and

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 to
 5 meet their existing obligations, finance their businesses,
 6 and maintain and create jobs, and thereby provide sta-
 7 bility to the National economy.

8 **SEC. 3. DISASTER LOANS AFTER TERRORIST ATTACKS.**

9 (a) IN GENERAL.—Section 7(b) of the Small Busi-
 10 ness Act (15 U.S.C. 636(b)) is amended by inserting im-
 11 mediately after paragraph (3) the following:

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

14 “(A) LOAN AUTHORITY.—In addition to
 15 any other loan authorized by this section, the
 16 Administration may make such loans (either di-
 17 rectly or in cooperation with banks or other
 18 lending institutions through agreements to par-
 19 ticipate on an immediate or deferred basis) to
 20 a small business concern that has been directly
 21 affected and suffered, or that is likely to suffer,
 22 substantial economic injury as the direct result
 23 of the terrorist attacks perpetrated against the
 24 United States on September 11, 2001, includ-
 25 ing due to the closure or suspension of its busi-

1 ness for National security purposes at the man-
2 date of the Federal Government.

3 “(B) DEFERMENT OF LOAN PAYMENTS.—

4 “(i) IN GENERAL.—Notwithstanding
5 any other provision of law, payments of
6 principal and interest on a loan made
7 under this paragraph or paragraph (1) as
8 a result of the terrorist attacks perpetrated
9 against the United States on September
10 11, 2001, shall be deferred, and no interest
11 shall accrue with respect to such loan, dur-
12 ing the 2-year period following the date of
13 issuance of such loan.

14 “(ii) RESUMPTION OF PAYMENTS.—At
15 the end of the 2-year period described in
16 clause (i), the payment of periodic install-
17 ments of principal and interest shall be re-
18 quired with respect to such loan, in the
19 same manner and subject to the same
20 terms and conditions as would otherwise be
21 applicable to any other loan made under
22 this subsection.

23 “(C) REFINANCING EXISTING LOANS.—

24 “(i) IN GENERAL.—Any loan made
25 under this subsection that was outstanding

1 as to principal or interest on September
2 11, 2001, may be refinanced by a small
3 business concern that is also eligible to re-
4 ceive a loan under this paragraph, and the
5 refinanced amount shall be considered to
6 be part of the new loan for purposes of
7 this clause.

8 “(ii) NO EFFECT ON ELIGIBILITY.—A
9 refinancing under this subparagraph by a
10 small business concern shall be in addition
11 to any other loan eligibility for that small
12 business concern under this Act.

13 “(D) TERMS.—A loan under this para-
14 graph shall be made at the same interest rate
15 as economic injury loans under paragraph (2).

16 “(E) NO DISASTER DECLARATION RE-
17 QUIRED.—For purposes of assistance under this
18 paragraph, no declaration of a disaster area is
19 required for those small business concerns di-
20 rectly affected by the terrorist attacks per-
21 petrated against the United States on Sep-
22 tember 11, 2001.

23 “(F) SIZE STANDARD ADJUSTMENTS.—

24 “(i) FOR DECLARED DISASTER
25 AREAS.—Notwithstanding any other provi-

1 sion of law, for purposes of providing as-
2 sistance under this paragraph to busi-
3 nesses located in areas of New York, Vir-
4 ginia, and the contiguous areas designated
5 by the President or the Administrator as a
6 disaster area following the September 11,
7 2001, terrorist attacks against the United
8 States, a business shall be considered to be
9 a ‘small business concern’ if it meets other-
10 wise applicable size regulations promul-
11 gated by the Administration, and, with re-
12 spect to the applicable size standard it is—

13 “(I) a restaurant having not
14 more than \$8,000,000 in annual reve-
15 nues;

16 “(II) a law firm having not more
17 than \$8,000,000 in annual revenues;

18 “(III) a certified public account-
19 ing business having not more than
20 \$8,000,000 in annual revenues;

21 “(IV) a performing arts business
22 having not more than \$8,000,000 in
23 annual revenues;

1 “(V) a warehousing or storage
2 business having not more than
3 \$25,000,000 in annual revenues;

4 “(VI) a contracting business hav-
5 ing not more than \$15,000,000 in an-
6 nual revenues;

7 “(VII) a food manufacturing
8 business having not more than 1,000
9 employees; or

10 “(VIII) an apparel manufac-
11 turing business having not more than
12 1,000 employees.

13 “(ii) AUTHORITY TO INCREASE OR
14 WAIVE SIZE STANDARDS AND SIZE REGU-
15 LATIONS.—For purposes of providing as-
16 sistance under this paragraph, at the dis-
17 cretion of the Administrator, the Adminis-
18 trator may increase or waive otherwise ap-
19 plicable size standards or size regulations
20 with respect to businesses that are located
21 in areas of New York, Virginia, or the con-
22 tiguous areas designated by the President
23 or the Administrator as a disaster area fol-
24 lowing the September 11, 2001, terrorist
25 attacks against the United States.

1 “(iii) EXEMPTION FROM ADMINISTRA-
 2 TIVE PROCEDURES.—The provisions of
 3 chapter 8 and subchapter II of chapter 5,
 4 of title 5, United States Code, shall not
 5 apply to any increase or waiver by the Ad-
 6 ministrator under clause (ii).

7 “(G) DEFINITION OF SUBSTANTIAL ECO-
 8 NOMIC INJURY.—In this paragraph, the term
 9 ‘substantial economic injury’ means an eco-
 10 nomic harm to a small business concern that
 11 results in the inability of the small business
 12 concern—

13 “(i) to meet its obligations on an on-
 14 going basis;

15 “(ii) to pay its ordinary and necessary
 16 operating expenses; or

17 “(iii) to market, produce, or provide a
 18 product or service ordinarily marketed,
 19 produced, or provided by the small busi-
 20 ness concern.

21 “(5) INCREASED LOAN CAPS.—

22 “(A) AGGREGATE LOAN AMOUNTS.—Ex-
 23 cept as provided in subparagraph (B), and in
 24 addition to amounts otherwise authorized by

1 this Act, the loan amount outstanding and com-
 2 mitted to a borrower may not exceed—

3 “(i) with respect to a small business
 4 concern located in the areas of New York,
 5 Virginia, or the contiguous areas des-
 6 ignated by the President or the Adminis-
 7 trator as a disaster area following the Sep-
 8 tember 11, 2001, terrorist attacks per-
 9 petrated against the United States—

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

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

14 “(ii) with respect to a small business
 15 concern that is not located in an area de-
 16 scribed in clause (i) and that is eligible for
 17 assistance under paragraph (4),
 18 \$5,000,000 in total obligations under para-
 19 graph (4).

20 “(B) WAIVER AUTHORITY.—The Adminis-
 21 trator may, at the discretion of the Adminis-
 22 trator, waive the aggregate loan amounts estab-
 23 lished under subparagraph (A).

24 “(6) EXTENDED APPLICATION PERIOD.—Not-
 25 withstanding any other provision of law, the Admin-

1 istrator shall accept applications for assistance
2 under paragraphs (1) and (4) until September 10,
3 2002, with respect to small business concerns ad-
4 versely affected by the terrorist attacks perpetrated
5 against the United States on September 11, 2001.

6 “(7) LIMITATION ON SALES OF LOANS.—No
7 loan made under paragraph (1) or (4) made with re-
8 spect to adverse impact as a result of the terrorist
9 attacks of September 11, 2001, shall be sold until
10 4 years after the date of the loan disbursement.

11 “(8) DEFINITION.—For purposes of this
12 subsection—

13 “(A) a small business concern is directly
14 affected by the terrorist attacks perpetrated
15 against the United States on September 11,
16 2001, if it—

17 “(i) is located in or near the World
18 Trade Center or the Pentagon, or in a dis-
19 aster area declared by the President or the
20 Administrator related to those terrorist at-
21 tacks;

22 “(ii) was closed or its business was
23 suspended for National security purposes
24 at the mandate of the Federal Govern-
25 ment; or

1 “(iii) is located in an airport that has
2 been closed; and

3 “(B) a small business concern is indirectly
4 affected by the terrorist attacks perpetrated
5 against the United States on September 11,
6 2001, if it—

7 “(i) supplied or provided services to
8 small businesses that were located in or
9 near the World Trade Center or the Pen-
10 tagon, or in a disaster area declared by the
11 President or the Administrator related to
12 those terrorist attacks;

13 “(ii) is a supplier, service provider, or
14 complementary industry to any affected in-
15 dustry, in particular, the financial, hospi-
16 tality, and travel industries; or

17 “(iii) it is integral to or dependent
18 upon the business of a closed or suspended
19 business or business sector.”.

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

23 (1) by striking “, (2), and (4)” and inserting
24 “and (2)”; and

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

3 **SEC. 4. EMERGENCY RELIEF LOAN PROGRAM.**

4 Section 7(a) of the Small Business Act (15 U.S.C.
 5 636(a)) is amended by adding at the end the following:

6 “(31) TEMPORARY LOAN AUTHORITY FOL-
 7 LOWING TERRORIST ATTACKS.—

8 “(A) IN GENERAL.—During the 1-year pe-
 9 riod beginning on the date of enactment of this
 10 paragraph, the Administration may make loans
 11 under this subsection to a small business con-
 12 cern that has suffered, or that is likely to suf-
 13 fer, adverse impact.

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

16 “(i) for purposes of paragraph (2)(A),
 17 participation by the Administration shall
 18 be equal to 95 percent of the balance of
 19 the financing outstanding at the time of
 20 disbursement of the loan;

21 “(ii) no fee may be required or
 22 charged under paragraph (18);

23 “(iii) the applicable rate of interest
 24 shall not exceed a rate that is one percent-
 25 age point above the prime lending rate;

1 “(iv) no such loan shall be made if the
2 total amount outstanding and committed
3 (by participation or otherwise) to the bor-
4 rower under this paragraph—

5 “(I) would exceed \$1,000,000; or

6 “(II) at the discretion of the Ad-
7 ministrator, and upon notice to the
8 Congress, would exceed \$2,000,000,
9 as necessary to provide relief in high-
10 cost areas that have suffered adverse
11 impact; and

12 “(v) upon request of the borrower, re-
13 payment of principal due on a loan made
14 under this paragraph may be deferred dur-
15 ing the 1-year period beginning on the date
16 of issuance of the loan.

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

“(D) DEFINITIONS.—For purposes of this paragraph, the term ‘adverse impact’ means an economic harm to or disruption of the business operations of a small business concern as a direct or indirect result of the terrorist attacks perpetrated against the United States on September 11, 2001.”.

**SEC. 5. BUSINESS LOAN AND INVESTMENT ASSISTANCE
FOLLOWING TERRORIST ATTACKS.**

(a) ONE-YEAR SUSPENSION OF SECTION 7(a) FEES.—Section 7(a)(18) of the Small Business Act (15 U.S.C. 636(a)(18)) is amended by adding at the end the following:

“(C) ONE-YEAR WAIVER OF FEES FOLLOWING TERRORIST ATTACKS.—For loans approved on or after the date of enactment of the American Small Business Emergency Relief and Recovery Act of 2001, no fee may be collected or charged under this paragraph, and no fee shall accrue with respect to a borrower, during the 1-year period beginning on that date of enactment.”.

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

(1) in subparagraph (A), by striking “subparagraph (B)” and inserting “subparagraphs (B) and (E)”; and

(2) by adding at the end the following:

“(E) TEMPORARY PARTICIPATION LEVELS FOLLOWING TERRORIST ATTACKS.—For loans approved on or after the date of enactment of the American Small Business Emergency Relief and Recovery Act of 2001, during the 1-year period beginning on that date of enactment—

“(i) the guarantee percentage specified by subparagraph (A)(i) shall be increased to 85 percent; and

“(ii) the guarantee percentage specified by subparagraph (A)(ii) shall be increased to 90 percent.”.

(c) ONE-YEAR SUSPENSION OF SECTION 504 FEES.—Section 503 of the Small Business Investment Act of 1958 (15 U.S.C. 697) is amended—

(1) in subsection (b)(7)(A), by striking “which amount shall” and inserting “which amount shall not be assessed or collected with respect to financings made on or after the date of enactment of the American Small Business Emergency Relief and Recovery Act of 2001, and no amount shall ac-

1 crue, during the 1-year period beginning on that
2 date of enactment, and which amount shall other-
3 wise”; and

4 (2) in subsection (d)(2), by adding at the end
5 the following: “No fee may be assessed or collected
6 under this paragraph with respect to financings
7 made on or after the date of enactment of the Amer-
8 ican Small Business Emergency Relief and Recovery
9 Act of 2001, and no fee shall accrue, during the 1-
10 year period beginning on that date of enactment.”.

11 (d) BUDGETARY TREATMENT OF LOANS AND
12 FINANCINGS.—For assistance made available under any
13 loan issued by the Small Business Administration under
14 section 7(a)(31) or 7(b)(4) of the Small Business Act (15
15 U.S.C. 636(a)) or financings made under title III or V
16 of the Small Business Investment Act of 1958 (15 U.S.C.
17 697a), as a result of this Act and the amendments made
18 by this Act during the 1-year period beginning on the date
19 of enactment of this Act, shall be excluded from any cal-
20 culation of the subsidy rate with respect to the programs
21 of the Small Business Administration under those provi-
22 sions for purposes of the Federal Credit Reform Act of
23 1990.

1 **SEC. 6. APPROVAL PROCESS.**

2 Notwithstanding any other provision of law, and in
3 order to make assistance provided under this Act available
4 to all eligible small business concerns, the Administrator
5 of the Small Business Administration may adopt such ap-
6 proval processes as the Administrator determines to be ap-
7 propriate for the provision of assistance under the amend-
8 ments made by sections 4 and 5.

9 **SEC. 7. OTHER SPECIALIZED ASSISTANCE AND MONI-**
10 **TORING AUTHORIZED.**

11 (a) ADDITIONAL SBDC AUTHORITY.—

12 (1) IN GENERAL.—Section 21(c)(3) of the
13 Small Business Act (15 U.S.C. 648(c)(3)) is
14 amended—

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

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

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

20 “(U) providing special, individualized assistance
21 to small business concerns adversely impacted, di-
22 rectly or indirectly, by the terrorist attacks per-
23 petrated against the United States on September 11,
24 2001.”.

25 (2) WAIVER OF MATCHING REQUIREMENTS.—

26 Section 21(a)(4) of the Small Business Act (15

1 U.S.C. 648(a)(4)) is amended by inserting before
 2 the period the following: “, except that the matching
 3 requirements of this paragraph do not apply with re-
 4 spect to any assistance provided under subsection
 5 (c)(3)(U)”.

6 (b) ADDITIONAL SCORE AUTHORITY.—Section
 7 8(b)(1)(B) of the Small Business Act (15 U.S.C.
 8 637(b)(1)(B) is amended—

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

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

11 “(ii) The functions of the Service Corps of Re-
 12 tired Executives (SCORE) shall include the provi-
 13 sion of special, individualized assistance to small
 14 business concerns adversely impacted, directly or in-
 15 directly, by the terrorist attacks perpetrated against
 16 the United States on September 11, 2001.”.

17 (c) ADDITIONAL MICROLOAN PROGRAM AUTHOR-
 18 ITY.—Section 7(m) of the Small Business Act (15 U.S.C.
 19 636(m)) is amended by adding at the end the following:

20 “(14) ASSISTANCE AFTER TERRORIST ATTACKS
 21 OF SEPTEMBER 11, 2001.—Amounts made available
 22 under this subsection may be used by intermediaries
 23 to provide individualized assistance with respect to
 24 financing, refinancing of existing debt, and business
 25 counseling to small business concerns adversely im-

1 pacted, directly or indirectly, by the terrorist attacks
2 perpetrated against the United States on September
3 11, 2001.”.

4 (d) ADDITIONAL WOMEN’S BUSINESS DEVELOPMENT
5 CENTER AUTHORITY.—Section 29(b) of the Small Busi-
6 ness Act (15 U.S.C. 656(b)) is amended—

7 (1) in paragraph (2), by striking “and” at the
8 end;

9 (2) in paragraph (3), by striking the period at
10 the end and inserting “; and”;

11 (3) by adding at the end the following:

12 “(4) individualized assistance with respect to fi-
13 nancing, refinancing of existing debt, and business
14 counseling to small business concerns owned and
15 controlled by women that were adversely impacted,
16 directly or indirectly, by the terrorist attacks per-
17 petrated against the United States on September 11,
18 2001.”.

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

22 “(k) AUTHORITY AFTER TERRORIST ATTACKS OF
23 SEPTEMBER 11, 2001.—Small business investment com-
24 panies may issue leverage under this title for the purpose
25 of providing assistance to small business concerns ad-

1 versely impacted, directly or indirectly, by the terrorist at-
2 tacks perpetrated against the United States on September
3 11, 2001.”.

4 **SEC. 8. STUDY AND REPORT ON EFFECTS ON SMALL BUSI-**
5 **NESS CONCERNS.**

6 (a) STUDY.—

7 (1) IN GENERAL.—The Office of Advocacy of
8 the Small Business Administration shall conduct an-
9 nual studies for a 5-year period on the impact of the
10 terrorist attacks perpetrated against the United
11 States on September 11, 2001, on small business
12 concerns, and the effects of assistance provided
13 under this Act on such small business concerns.

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

16 (A) bankruptcies and business failures that
17 occurred as a result of the events of September
18 11, 2001, as compared to those that occurred
19 in 1999 and 2000;

20 (B) the loss of jobs, revenue, and profits in
21 small business concerns as a result of those
22 events, as compared to those that occurred in
23 1999 and 2000;

24 (C) the impact of assistance provided
25 under this Act to small business concerns ad-

versely affected or adversely impacted by those attacks, including information regarding whether—

(i) small business concerns that received such assistance would have remained in business without such assistance;

(ii) jobs were saved due to such assistance;

(iii) small business concerns recovered economically from those events; and

(iv) small business concerns that remained in business had increases in employment and sales since receiving assistance.

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

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

SEC. 9. SMALL BUSINESS EQUITABLE RELIEF AUTHORITY.

(a) GUIDANCE REQUIRED.—

1 (1) IN GENERAL.—Under guidance issued by
2 the Administrator for Federal Procurement Policy in
3 conjunction with the Administrator of the Small
4 Business Administration, the head of an agency of
5 the United States may increase the price of a con-
6 tract entered into by the agency that is performed
7 by a small business concern (as defined in section 3
8 of the Small Business Act) to the extent determined
9 equitable under this section on the basis of loss re-
10 sulting from the acts of terrorism perpetrated
11 against the United States on September 11, 2001.

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

16 (b) EXPEDITED PROCEDURES.—

17 (1) IN GENERAL.— The Administrator for Fed-
18 eral Procurement Policy shall prescribe expedited
19 procedures for considering whether to grant an equi-
20 table adjustment in the case of a contract of an
21 agency under subsection (a).

22 (2) REQUIREMENTS.—The procedures required
23 by paragraph (1) shall provide for—

1 (A) an initial review of the merits of a con-
 2 tractor's request by the contracting officer con-
 3 cerned with the contract;

4 (B) a final determination of the merits of
 5 the contractor's request, including the value of
 6 any price adjustment, by the Head of the Con-
 7 tracting Agency, in consultation with the Ad-
 8 ministrator of the Small Business Administra-
 9 tion, taking into consideration the initial review
 10 under subparagraph (A); and

11 (C) payment from the fund established
 12 under subsection (d) for the contract's price ad-
 13 justment.

14 (3) TIMING.—The procedures required by para-
 15 graph (1) shall require completion of action on a
 16 contractor's request for adjustment not later than
 17 30 days after the date on which the contractor sub-
 18 mits the request to the contracting officer concerned.

19 (c) AUTHORIZED REMEDIES.—In addition to making
 20 a price adjustment under subsection (a), the time for per-
 21 formance of a contract may be extended under this sec-
 22 tion.

23 (d) PAYMENT OF ADJUSTED PRICE.—

24 (1) FUND ESTABLISHED.—The Administrator
 25 of the Small Business Administration shall establish

1 a fund for the payment of contract price adjust-
2 ments under this section. Payments of amounts for
3 price adjustments shall be made out of the fund.

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

7 (e) TERMINATION OF AUTHORITY.—

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

11 (2) TERMINATION.—The authority under this
12 section shall terminate 1 year after the date of en-
13 actment of this Act.

14 (f) AUTHORIZATION OF APPROPRIATIONS.—There is
15 authorized to be appropriated to the Administration to
16 carry out this section, \$100,000,000, including funds for
17 administrative expenses and costs. Any funds remaining
18 in the fund established under subsection (d) 1 year after
19 the date of enactment of this Act shall be transferred to
20 the disaster loan account of the United States Small Busi-
21 ness Administration.

22 **SEC. 10. INCREASED AUTHORIZATIONS OF APPROPRIA-**
23 **TIONS.**

24 Section 20 of the Small Business Act (15 U.S.C. 631
25 note) is amended by adding at the end the following:

1 “(j) SPECIAL AUTHORIZATIONS OF APPROPRIATIONS
2 FOLLOWING TERRORIST ATTACKS.—In addition to any
3 other amounts authorized by this Act for any fiscal year,
4 there are authorized to be appropriated to the Administra-
5 tion, to remain available until expended—

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

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

15 “(A) \$2,500,000 of which shall be used to
16 assist small business concerns (as that term is
17 defined for purposes of section 7(b)(4)) located
18 in the areas of New York and the contiguous
19 areas designated by the President as a disaster
20 area following the September 11, 2001, ter-
21 rorist attacks against the United States; and

22 “(B) \$1,500,000 of which shall be used to
23 assist small business concerns located in areas
24 of Virginia and the contiguous areas designated

1 by the President as a disaster area following
2 those terrorist attacks;

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

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

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

13 “(6) for fiscal year 2002 and each fiscal year
14 thereafter, such sums as may be necessary to carry
15 out paragraphs (2)(E), (18)(C), and (31) of section
16 7(a), including any funds necessary to offset fees
17 and amounts waived under those provisions, nec-
18 essary loan capital, and funds for administrative ex-
19 penses;

20 “(7) for fiscal year 2002, such sums as may be
21 necessary to carry out the 1-year suspension of fees
22 under subsections (b)(7)(A) and (d)(2) of section
23 503 of the Small Business Investment Act of 1958,
24 in response to the acts of terrorism perpetrated
25 against the United States on September 11, 2001,

1 including any funds necessary to offset fees and
2 amounts waived under those provisions and includ-
3 ing funds for administrative expenses; and

4 “(8) for fiscal year 2002, for assistance author-
5 ized by section 303(k) of the Small Business Invest-
6 ment Act of 1958—

7 “(i) \$700,000,000 in purchases of
8 participating securities; and

9 “(ii) \$200,000,000 in guarantees of
10 debentures.”.

Calendar No. 186

107TH CONGRESS
1ST SESSION

S. 1499

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.

OCTOBER 8, 2001

Read the second time and placed on the calendar