

107TH CONGRESS
2D SESSION

S. 1499

IN THE HOUSE OF REPRESENTATIVES

APRIL 9, 2002

Referred to the Committee on Small Business

AN ACT

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”.

1 **SEC. 2. FINDINGS AND PURPOSE.**

2 (a) FINDINGS.—Congress finds that—

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

6 (2) as a result of the terrorist attacks per-
7 petrated against the United States on September 11,
8 2001, many small businesses nationwide suffered—

9 (A) directly because—

10 (i) they are, or were as of September
11 11, 2001, located in or near the World
12 Trade Center or the Pentagon, or in a dis-
13 aster area declared by the President or the
14 Administrator of the Small Business Ad-
15 ministration;

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

20 (iii) they are, or were as of September
21 11, 2001, located in an airport that has
22 been closed; and

23 (B) indirectly because—

24 (i) they supplied or provided services
25 to businesses that were located in or near
26 the World Trade Center or the Pentagon;

1 (ii) they are, or were as of September
2 11, 2001, a supplier, service provider, or
3 complementary industry to any business or
4 industry adversely affected by the terrorist
5 attacks perpetrated against the United
6 States on September 11, 2001, in par-
7 ticular, the financial, hospitality, and travel
8 industries; or

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

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

17 (A) to make loan payments on existing
18 debts;

19 (B) to pay their employees;

20 (C) to pay their vendors;

21 (D) to purchase materials, supplies, or in-
22 ventory;

23 (E) to pay their rent, mortgage, or other
24 operating expenses; or

1 (F) to secure financing for their busi-
2 nesses.

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

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

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

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

20 “(1) DIRECTLY AFFECTED.—A small business
21 concern is directly affected by the terrorist attacks
22 perpetrated against the United States on September
23 11, 2001, if it—

24 “(A) is, or was as of September 11, 2001,
25 located in or near the World Trade Center or

1 the Pentagon, or in a disaster area declared by
2 the President or the Administrator related to
3 those terrorist attacks;

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

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

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

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

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

1 “(C) it is, or was as of September 11,
2 2001, integral to or dependent upon a business
3 or business sector closed or suspended for na-
4 tional security purposes by mandate of the Fed-
5 eral Government.

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

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

17 “(A) to meet its obligations on an ongoing
18 basis;

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

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

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

2 (a) IN GENERAL.—Section 7(b) of the Small Busi-
3 ness Act (15 U.S.C. 636(b)) is amended by inserting im-
4 mediately before the undesignated material following para-
5 graph (3) the following:

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

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

21 “(B) REFINANCING DISASTER LOANS.—

22 “(i) IN GENERAL.—Any loan made
23 under this subsection that was outstanding
24 as to principal or interest on September
25 11, 2001, may be refinanced by a small
26 business concern that is also eligible to re-

1 ceive a loan under this paragraph, and the
2 refinanced amount shall be considered to
3 be part of the new loan for purposes of
4 this clause.

5 “(ii) NO EFFECT ON ELIGIBILITY.—A
6 refinancing under clause (i) by a small
7 business concern shall be in addition to
8 any other loan eligibility for that small
9 business concern under this Act.

10 “(C) REFINANCING BUSINESS DEBT.—

11 “(i) IN GENERAL.—Any business debt
12 of a small business concern that was out-
13 standing as to principal or interest on Sep-
14 tember 11, 2001, may be refinanced by the
15 small business concern if it is also eligible
16 to receive a loan under this paragraph.
17 With respect to a refinancing under this
18 clause, payments of principal shall be de-
19 ferred, and interest may accrue notwith-
20 standing clause (iii) of section 202 of the
21 Department of Defense and Emergency
22 Supplemental Appropriations for Recovery
23 from and Response to Terrorist Attacks on
24 the United States Act, 2002 (Public Law
25 107–117, 115 Stat. 2297), during the 1-

1 year period following the date of refi-
2 nancing.

3 “(ii) RESUMPTION OF PAYMENTS.—At
4 the end of the 1-year period described in
5 clause (i), the payment of periodic install-
6 ments of principal and interest shall be re-
7 quired with respect to such loan, in the
8 same manner and subject to the same
9 terms and conditions as would otherwise be
10 applicable to any other loan made under
11 this subsection.

12 “(iii) AUTHORIZATION CAP.—Notwith-
13 standing any other provision of law, the
14 total amount authorized to be obligated by
15 the Administration, under this subpara-
16 graph only, for purposes of refinancing
17 business debt, may not exceed
18 \$225,000,000, notwithstanding any
19 amount otherwise obligated by the Admin-
20 istration under this paragraph.

21 “(D) TERMS.—A loan under this para-
22 graph shall be made at the same interest rate
23 as economic injury loans under paragraph (2).
24 Any reasonable doubt concerning the repayment

1 ability of an applicant under this paragraph
2 shall be resolved in favor of the applicant.

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

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

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

23 “(ii) a law firm having not more than
24 \$8,000,000 in annual receipts;

1 “(iii) a certified public accounting
2 business having not more than \$8,000,000
3 in annual receipts;

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

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

10 “(vi) a contracting business having a
11 size standard under the North American
12 Industry Classification System, Subsector
13 235, and having not more than
14 \$15,000,000 in annual receipts;

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

17 “(viii) an apparel manufacturing busi-
18 ness having not more than 1,000 employ-
19 ees; or

20 “(ix) a travel agency having not more
21 than \$3,000,000 in annual receipts.

22 “(5) AUTHORITY TO INCREASE OR WAIVE SIZE
23 STANDARDS AND SIZE REGULATIONS.—

24 “(A) IN GENERAL.—At the discretion of
25 the Administrator, the Administrator may in-

1 crease or waive otherwise applicable size stand-
2 ards or size regulations with respect to busi-
3 nesses applying for assistance under this Act in
4 response to the terrorist attacks on September
5 11, 2001.

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

11 “(6) INCREASED LOAN CAPS.—

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

17 “(i) with respect to a small business
18 concern located in the areas of New York,
19 Virginia, or the contiguous areas des-
20 ignated by the President or the Adminis-
21 trator as a disaster area following the ter-
22 rorist attacks on September 11, 2001—

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

1 “(II) \$10,000,000 in total obliga-
2 tions under paragraph (4); and

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

9 “(B) WAIVER AUTHORITY.—The Adminis-
10 trator may, at the discretion of the Adminis-
11 trator, waive the aggregate loan amounts estab-
12 lished under subparagraph (A).

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

20 “(8) LIMITATION ON SALES OF LOANS.—No
21 loan under paragraph (1) or (4), made as a result
22 of the terrorist attacks on September 11, 2001, shall
23 be sold until 3 years after the date of the final loan
24 disbursement.”.

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

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

6 (2) by striking “, (2), or (4)” and inserting
 7 “(2)”.

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

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

12 “(31) TEMPORARY LOAN AUTHORITY FOL-
 13 LOWING TERRORIST ATTACKS.—

14 “(A) IN GENERAL.—During the 9-month
 15 period beginning on the date of enactment of
 16 this paragraph, the Administration may make
 17 loans under this subsection to a small business
 18 concern that has been directly or indirectly ad-
 19 versely affected.

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

22 “(i) for purposes of paragraph (2)(A),
 23 participation by the Administration shall
 24 be equal to 85 percent of the balance of

1 the financing outstanding at the time of
2 disbursement of the loan;

3 “(ii) section 203 of the Department of
4 Defense and Emergency Supplemental Ap-
5 propriations for Recovery from and Re-
6 sponse to Terrorist Attacks on the United
7 States Act, 2002 (Public Law 107–117,
8 115 Stat. 2297), as it relates to annual
9 fees, shall apply;

10 “(iii) the Administrator shall collect a
11 guarantee fee in accordance with para-
12 graph (18)(C), as amended by the Amer-
13 ican Small Business Emergency Relief and
14 Recovery Act;

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

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

22 “(I) would exceed \$1,000,000; or

23 “(II) at the discretion of the Ad-
24 ministrator, and upon notice to the
25 Congress, would exceed \$2,000,000,

1 as necessary to provide relief in high-
2 cost areas or to high-cost industries
3 that have been adversely affected; or

4 “(vi) no such loan shall be made if the
5 gross amount of the loan would exceed
6 \$3,000,000;

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

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

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

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

1 standard for a travel agency shall be
 2 \$3,000,000 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),” after “this subsection,”.

7 **SEC. 6. REDUCTION OF FEES.**

8 (a) TEMPORARY REDUCTION OF SECTION 7(a)
 9 FEES.—

10 (1) GUARANTEE FEES.—Section 7(a)(18) of the
 11 Small Business Act (15 U.S.C. 636(a)(18)) is
 12 amended by adding at the end the following:

13 “(C) TEMPORARY REDUCTION IN FEES.—

14 With respect to loans approved during the pe-
 15 riod beginning on the date of enactment of the
 16 American Small Business Emergency Relief and
 17 Recovery Act and ending on September 30,
 18 2004, the guarantee fee under subparagraph
 19 (A) shall be as follows:

20 “(i) A guarantee fee equal to 1 per-
 21 cent of the deferred participation share of
 22 a total loan amount that is not more than
 23 \$150,000.

24 “(ii) A guarantee fee equal to 2.5 per-
 25 cent of the deferred participation share of

1 a total loan amount that is more than
 2 \$150,000, but not more than \$700,000.

3 “(iii) A guarantee fee equal to 3.5
 4 percent of the deferred participation share
 5 of a total loan amount that is more than
 6 \$700,000.”.

7 (2) ANNUAL FEES.—Section 7(a)(23)(A) of the
 8 Small Business Act (15 U.S.C. 636(a)(23)(A)) is
 9 amended by adding at the end the following: “With
 10 respect to loans approved during the period begin-
 11 ning on the date of enactment of the American
 12 Small Business Emergency Relief and Recovery Act
 13 and ending on September 30, 2004, other than a
 14 loan under paragraph (31), the annual fee assessed
 15 and collected under the preceding sentence shall be
 16 in an amount equal to 0.25 percent of the out-
 17 standing balance of the deferred participation share
 18 of the loan.”.

19 (b) REDUCTION OF SECTION 504 FEES.—Section
 20 503 of the Small Business Investment Act of 1958 (15
 21 U.S.C. 697) is amended—

22 (1) in subsection (b)(7)(A)—

23 (A) by redesignating clauses (i) and (ii) as
 24 subclauses (I) and (II), respectively, and mov-
 25 ing the margins 2 ems to the right;

1 (B) by striking “not exceed the lesser” and
2 inserting “not exceed—

3 “(i) the lesser”; and

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

5 “(ii) 50 percent of the amount estab-
6 lished under clause (i) in the case of a loan
7 made during the period beginning on the
8 date of enactment of the American Small
9 Business Emergency Relief and Recovery
10 Act and ending on September 30, 2004,
11 for the life of the loan; and”; and

12 (2) by adding at the end the following new sub-
13 section:

14 “(i) TEMPORARY WAIVER OF FEES.—The Adminis-
15 tration may not assess or collect any up front guarantee
16 fee with respect to loans made under this title during the
17 period beginning on the date of enactment of the Amer-
18 ican Small Business Emergency Relief and Recovery Act
19 and ending on September 30, 2004.”.

20 (c) BUDGETARY TREATMENT OF LOANS AND
21 FINANCINGS.—Assistance made available under any loan
22 made or approved by the Small Business Administration
23 under section 7(a) of the Small Business Act (15 U.S.C.
24 636(a)) or financings made under title V of the Small
25 Business Investment Act of 1958 (15 U.S.C. 695 et seq.),

1 during the period beginning on the date of enactment of
 2 the American Small Business Emergency Relief and Re-
 3 covery Act and ending on September 30, 2004, shall be
 4 treated as separate programs of the Small Business Ad-
 5 ministration for purposes of the Federal Credit Reform
 6 Act of 1990 only.

7 (d) USE OF FUNDS.—The amendments made by this
 8 section to section 503 of the Small Business Investment
 9 Act of 1958, shall be effective only to the extent that funds
 10 are made available under appropriations Acts, which funds
 11 shall be utilized by the Administrator to offset the cost
 12 (as such term is defined in section 502 of the Federal
 13 Credit Reform Act of 1990) of such amendments.

14 (e) CONFORMING REPEAL.—Effective on the day be-
 15 fore the date of enactment of this Act, section 6 of the
 16 Small Business Investment Company Amendments Act of
 17 2001 (Public Law 107–100, 115 Stat. 970), and the
 18 amendments made by that section, are repealed.

19 **SEC. 7. OTHER SPECIALIZED ASSISTANCE AND MONI-**
 20 **TORING AUTHORIZED.**

21 (a) ADDITIONAL SBDC AUTHORITY.—

22 (1) IN GENERAL.—Section 21(c)(3) of the
 23 Small Business Act (15 U.S.C. 648(c)(3)) is
 24 amended—

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

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

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

6 “(U) providing individualized assistance with
7 respect to financing, refinancing of existing debt,
8 and business counseling to small business concerns
9 adversely affected, directly or indirectly, by the ter-
10 rorist attacks on September 11, 2001.”.

11 (2) WAIVER OF MATCHING REQUIREMENTS.—
12 Section 21(a)(4)(A) of the Small Business Act (15
13 U.S.C. 648(a)(4)(A)) is amended by inserting before
14 the period at the end the following: “, except that
15 the matching requirements of this paragraph do not
16 apply with respect to any assistance provided under
17 subsection (c)(3)(U)”.

18 (b) ADDITIONAL SCORE AUTHORITY.—Section
19 8(b)(1)(B) of the Small Business Act (15 U.S.C.
20 637(b)(1)(B) is amended—

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

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

23 “(ii) The functions of the Service Corps of Re-
24 tired Executives (SCORE) shall include the provi-
25 sion of individualized assistance with respect to fi-

1 nancing, refinancing of existing debt, and business
 2 counseling to small business concerns adversely af-
 3 fected by the terrorist attacks on September 11,
 4 2001.”.

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

8 “(14) ASSISTANCE AFTER TERRORIST ATTACKS
 9 OF SEPTEMBER 11, 2001.—Amounts made available
 10 under this subsection may be used by intermediaries
 11 to provide individualized assistance with respect to
 12 financing, refinancing of existing debt, and business
 13 counseling to small business concerns adversely af-
 14 fected by the terrorist attacks on September 11,
 15 2001.”.

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

19 (1) in subsection (b)—

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

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

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

1 “(4) individualized assistance with respect to fi-
2 nancing, refinancing of existing debt, and business
3 counseling to small business concerns that were ad-
4 versely affected by the terrorist attacks on Sep-
5 tember 11, 2001.”; and

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

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

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

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

1 **SEC. 8. STUDY AND REPORT ON EFFECTS ON SMALL BUSI-**
2 **NESS CONCERNS.**

3 (a) STUDY.—

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

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

13 (A) bankruptcies and business failures that
14 occurred as a result of the events of September
15 11, 2001, as compared to those that occurred
16 in 1999 and 2000;

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

21 (C) the impact of assistance provided
22 under this Act to small business concerns ad-
23 versely affected by those attacks, including in-
24 formation regarding whether—

25 (i) small business concerns that re-
26 ceived such assistance would have re-

1 mained in business without such assist-
2 ance;

3 (ii) jobs were saved due to such assist-
4 ance; and

5 (iii) small business concerns that re-
6 mained in business had increases in em-
7 ployment and sales since receiving assist-
8 ance.

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

14 (c) AUTHORIZATION OF APPROPRIATIONS.—There is
15 authorized to be appropriated to carry out this section,
16 \$500,000 for each of fiscal years 2002 through 2006.

17 **SEC. 9. EMERGENCY EQUITABLE RELIEF FOR FEDERAL**
18 **CONTRACTORS.**

19 (a) GUIDANCE REQUIRED.—

20 (1) IN GENERAL.—Under guidance issued by
21 the Administrator for Federal Procurement Policy in
22 conjunction with the Administrator of the Small
23 Business Administration, the head of a contracting
24 agency of the United States may increase the price
25 of a prime contract entered into by the agency prior

1 to September 11, 2001 with a small business con-
2 cern (as defined in section 3 of the Small Business
3 Act) to the extent determined equitable under this
4 section on the basis of loss resulting from security
5 measures taken by the Federal Government at Fed-
6 eral facilities as a result of the terrorist attacks on
7 September 11, 2001.

8 (2) EXPEDITED ISSUANCE.—Guidance required
9 by paragraph (1) shall be issued under expedited
10 procedures, not later than 45 days after the date of
11 enactment of this Act.

12 (b) EXPEDITED PROCEDURES.—

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

18 (2) REQUIREMENTS.—The procedures required
19 by paragraph (1) shall provide for—

20 (A) an initial review of the merits of a con-
21 tractor's request by the contracting officer con-
22 cerned with the contract;

23 (B) a final determination of the merits of
24 the contractor's request, including the value of
25 any price adjustment, by the Head of the Con-

1 tracting Agency, in consultation with the Ad-
2 ministrator of the Small Business Administra-
3 tion, taking into consideration the initial review
4 under subparagraph (A); and

5 (C) payment from the fund established
6 under subsection (d) for the contract's price ad-
7 justment.

8 (3) TIMING.—The procedures required by para-
9 graph (1) shall require completion of action on a
10 contractor's request for adjustment not later than
11 30 days after the date on which the contractor sub-
12 mits the request to the contracting officer concerned.

13 (c) AUTHORIZED REMEDIES.—In addition to making
14 a price adjustment under subsection (a), the time for per-
15 formance of a contract may be extended under this sec-
16 tion.

17 (d) PAYMENT OF ADJUSTED PRICE.—

18 (1) FUND ESTABLISHED.—The Secretary of the
19 Treasury shall establish a fund for the payment of
20 contract price adjustments under this section. Pay-
21 ments of amounts for price adjustments shall be
22 made out of the fund.

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

1 (e) TERMINATION OF AUTHORITY.—

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

5 (2) TERMINATION.—The authority under this
6 section shall terminate 1 year after the date of en-
7 actment of this Act.

8 (f) AUTHORIZATION OF APPROPRIATIONS.—There is
9 authorized to be appropriated to the Secretary of the
10 Treasury, for deposit into the fund established under sub-
11 section (d), \$50,000,000 to carry out this section, includ-
12 ing funds for administrative expenses and costs. Any
13 funds remaining in the fund established under subsection
14 (d) 1 year after the date of enactment of this Act shall
15 be transferred to the disaster loan account of the Small
16 Business Administration.

17 **SEC. 10. REPORTS TO CONGRESS.**

18 (a) REPORTS REQUIRED.—The Administrator of the
19 Small Business Administration shall submit regular re-
20 ports to the Committee on Small Business and Entrepre-
21 neurship of the Senate and the Committee on Small Busi-
22 ness of the House of Representatives regarding the imple-
23 mentation of this Act and the amendments made by this
24 Act, including program delivery, staffing, and administra-
25 tive expenses related to such implementation.

1 (b) FREQUENCY OF REPORTS.—The reports required
 2 by subsection (a) shall be submitted 20 days after the date
 3 of enactment of this Act and monthly thereafter until 1
 4 year after the date of enactment of this Act, at which time
 5 the reports shall be submitted on a quarterly basis through
 6 December 31, 2003.

7 **SEC. 11. EXPEDITED ISSUANCE OF IMPLEMENTING GUIDE-**
 8 **LINES.**

9 Not later than 20 days after the date of enactment
 10 of this Act, the Administrator of the Small Business Ad-
 11 ministration shall issue interim final rules and guidelines
 12 to implement this Act and the amendments made by this
 13 Act.

14 **SEC. 12. SPECIAL AUTHORIZATIONS OF APPROPRIATIONS.**

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

17 “(j) SPECIAL AUTHORIZATIONS OF APPROPRIATIONS
 18 FOLLOWING TERRORIST ATTACKS.—In addition to any
 19 other amounts authorized by this Act for any fiscal year,
 20 there are authorized to be appropriated to the Administra-
 21 tion, to remain available until expended—

22 “(1) for each of fiscal years 2002 through
 23 2004, such sums as may be necessary to carry out
 24 paragraph (4) of section 7(b), including necessary
 25 loan capital and funds for administrative expenses

1 related to making and servicing loans pursuant to
2 that paragraph;

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

6 “(A) \$2,500,000 of which shall be used to
7 assist small business concerns (as that term is
8 defined for purposes of section 7(b)(4)) located
9 in the areas of New York and the contiguous
10 areas designated by the President as a disaster
11 area following the terrorist attacks on Sep-
12 tember 11, 2001; and

13 “(B) \$1,500,000 of which shall be used to
14 assist small business concerns located in areas
15 of Virginia and the contiguous areas designated
16 by the President as a disaster area following
17 those terrorist attacks;

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

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

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

4 “(6) for each of fiscal years 2002 through
5 2004, such sums as may be necessary to carry out
6 paragraphs (18)(C) and (31) of section 7(a), includ-
7 ing any funds necessary to offset fees and amounts
8 waived or reduced under those provisions, necessary
9 loan capital, and funds for administrative expenses;
10 and

11 “(7) for each of fiscal years 2002 through
12 2004, such sums as may be necessary to carry out
13 the temporary suspension of fees under subsections
14 (b)(7)(A) and (i) of section 503 of the Small Busi-
15 ness Investment Act of 1958, in response to the ter-
16 rorist attacks on September 11, 2001, including any
17 funds necessary to offset fees and amounts waived
18 under those provisions and including funds for ad-
19 ministrative expenses.”.

Passed the Senate March 22, 2002.

Attest:

JERI THOMSON,

Secretary.