

115TH CONGRESS
1ST SESSION

H. R. 4367

To amend the Small Business Act to provide guaranteed disaster loans to certain small business concerns, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 9, 2017

Ms. VELÁZQUEZ introduced the following bill; which was referred to the Committee on Small Business

A BILL

To amend the Small Business Act to provide guaranteed disaster loans to certain small business concerns, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Small Business Emer-
5 gency Disaster Bridge Loan Act of 2017”.

6 **SEC. 2. SMALL BUSINESS EMERGENCY BRIDGE LOAN PRO-**
7 **GRAM.**

8 Section 7(b) of the Small Business Act (15 U.S.C.
9 636(b)) is amended by inserting after paragraph (15) the
10 following new paragraph:

1 “(16) SMALL BUSINESS EMERGENCY BRIDGE
2 LOAN PROGRAM.—

3 “(A) IN GENERAL.—The Administrator
4 may guarantee a bridge loan to a small busi-
5 ness concern made by an eligible lender, if such
6 small business concern was located within an
7 area and during the time period with respect to
8 which—

9 “(i) a major disaster was declared by
10 the President under section 401 of the
11 Robert T. Stafford Disaster Relief and
12 Emergency Assistance Act (42 U.S.C.
13 5170); or

14 “(ii) the Administrator determined a
15 disaster occurred.

16 “(B) PROCEDURES.—Except as otherwise
17 provided in this paragraph, a bridge loan guar-
18 antee made under this paragraph shall be sub-
19 ject to the same requirements and procedures
20 that are used to make loans pursuant to this
21 subsection.

22 “(C) USE OF FUNDS.—A small business
23 concern described in subparagraph (A) may
24 apply to the Administrator—

1 “(i) for a bridge loan to repair or re-
2 place real property or property of the small
3 business concern property damaged or de-
4 stroyed by reason of such major disaster;
5 or

6 “(ii) if such a small business concern
7 has suffered substantial economic injury by
8 reason of such major disaster, for a bridge
9 loan to assist such a small business con-
10 cern.

11 “(D) RATE.—The Administrator may
12 guarantee not more than 95 percent of a bridge
13 loan made under this paragraph.

14 “(E) REQUIREMENTS.—A bridge loan
15 guaranteed under this subsection—

16 “(i) may not exceed \$50,000;

17 “(ii) shall be for a term of not more
18 than 10 years;

19 “(iii) during the 6-month period be-
20 ginning on the date on which the bridge
21 loan is disbursed, the rate of interest on
22 such loan shall be zero and the borrower
23 shall not be required to make any pay-
24 ments on such bridge loan; and

1 “(iv) after such 6-month period, the
2 rate of interest on such bridge loan shall
3 be determined by the Administrator.

4 “(F) UNDERWRITING.—An eligible lender
5 shall use the procedures and forms of such eli-
6 gible lender in making a bridge loan under this
7 subsection.

8 “(G) DEFINITIONS.—In this paragraph:

9 “(i) BRIDGE LOAN.—The term ‘bridge
10 loan’ means a loan made to a small busi-
11 ness concern while the application of such
12 concern for assistance under a disaster
13 loan program is pending.

14 “(ii) DISASTER LOAN PROGRAM.—The
15 term ‘disaster loan program’ means a pro-
16 gram established under paragraphs (1),
17 (2), or (9) of this subsection.

18 “(iii) ELIGIBLE LENDER.—The term
19 ‘eligible lender’ means a lender who is a
20 community development financial institu-
21 tion, as defined in section 103(5) of the
22 Riegle Community Development and Regu-
23 latory Improvement Act of 1994 (12
24 U.S.C. 4702(5)) or another lender that the

1 Administrator has determined is an appro-
2 priate lender.”.

○