

118TH CONGRESS
1ST SESSION

H. R. 2727

To require the Administrator of the Small Business Administration to modify the interest rate for eligible loans made to borrowers experiencing short-term financial challenges, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 19, 2023

Ms. STRICKLAND (for herself, Ms. CLARKE of New York, Mr. GRIJALVA, Mr. CARSON, and Mr. PAYNE) introduced the following bill; which was referred to the Committee on Small Business

A BILL

To require the Administrator of the Small Business Administration to modify the interest rate for eligible loans made to borrowers experiencing short-term financial challenges, 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 “EIDL Relief Act”.

1 **SEC. 2. MODIFICATION TO INTEREST RATE FOR ELIGIBLE**
2 **LOANS MADE TO BORROWERS EXPERI-**
3 **ENCING SHORT-TERM FINANCIAL CHAL-**
4 **LENGES.**

5 (a) **IN GENERAL.**—Notwithstanding section 7(d)(5)
6 of the Small Business Act (15 U.S.C. 636(d)(5)), the Ad-
7 ministrator shall carry out a program under which, during
8 the 12-month period beginning on the date of the enact-
9 ment of this Act—

10 (1) the interest rate on the Federal share of an
11 eligible loan made to an eligible borrower is zero per-
12 cent; and

13 (2) the monthly payment for such eligible loan
14 shall be the greater of—

15 (A) an amount equal to 10 percent of the
16 principal for such eligible loan; or

17 (B) \$25.

18 (b) **APPLICABILITY.**—The requirements of this sec-
19 tion shall apply with respect to any interest due on an
20 eligible loan on or after the date of the enactment of this
21 Act.

22 (c) **AUTHORIZATION OF APPROPRIATIONS.**—There is
23 authorized to be appropriated to the Administrator of the
24 Small Business Administration such sums as may be nec-
25 essary to carry out this section.

26 (d) **DEFINITIONS.**—In this Act:

1 (1) COVERED PERIOD.—The term “covered pe-
2 riod” has the meaning given in section 1110(a) of
3 the CARES Act (15 U.S.C. 9009(a)).

4 (2) ELIGIBLE BORROWER.—The term “eligible
5 borrower” means a recipient of an eligible loan, if
6 the Administrator has determined—

7 (A) that such recipient is experiencing
8 short-term financial challenges; and

9 (B) participation in the program described
10 in subsection (a) is necessary for such recipient
11 to avoid severe financial hardship.

12 (3) ELIGIBLE LOAN.—The term “eligible loan”
13 means a loan made under section 7(b)(2) of the
14 Small Business Act (15 U.S.C. 636(b)(2)) in re-
15 sponse to COVID–19 during the covered period.

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