111TH CONGRESS 1ST SESSION H.R. 2527

To provide authority for certain debt refinancing with respect to financings approved under title V of the Small Business Investment Act of 1958, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 20, 2009

Ms. MARKEY of Colorado introduced the following bill; which was referred to the Committee on Small Business

A BILL

To provide authority for certain debt refinancing with respect to financings approved under title V of the Small Business Investment Act of 1958, 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. AUTHORITY TO PROVIDE CERTAIN DEBT REFI-4 NANCING.

5 During the 2 year period beginning on the date of 6 the enactment of this Act, any financing approved under 7 title V of the Small Business Investment Act of 1958 (15 8 U.S.C. 695 et seq.) may include debt refinancing relating

1	to a conventional loan that is not guaranteed by the Small
2	Business Administration, if—
3	(1) the proceeds of the indebtedness were used
4	to acquire land, including a building situated there-
5	on, to construct a building thereon, or to purchase
6	equipment;
7	(2) the existing indebtedness is collateralized by
8	fixed assets;
9	(3) the existing indebtedness was incurred for
10	the benefit of the small business concern;
11	(4) the financing under title V of the Small
12	Business Investment Act of 1958 will be used only
13	for refinancing existing indebtedness or costs relat-
14	ing to the project financed under such title;
15	(5) the financing under such title will provide a
16	substantial benefit to the borrower when prepayment
17	penalties, financing fees, and other financing costs
18	are accounted for; and
19	(6) the financing under section 504 of such title
20	will provide better terms or rate of interest than the

21 existing indebtedness at the time of refinancing.

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