

118TH CONGRESS
2D SESSION

H. R. 8581

To amend the Small Business Act to provide for cancellation or repayment for certain Small Business Administration disaster loans, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 31, 2024

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

A BILL

To amend the Small Business Act to provide for cancellation or repayment for certain Small Business Administration disaster loans, 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 “Disaster Loan Forgive-
5 ness Act”.

1 **SEC. 2. CANCELLATION OR REPAYMENT FOR CERTAIN**
2 **SMALL BUSINESS ADMINISTRATION DIS-**
3 **ASTER LOANS.**

4 Section 7(b) of the Small Business Act (15 U.S.C.
5 636(b)) is amended—

6 (1) by redesignating the second paragraph (16)
7 (relating to statute of limitations) as paragraph
8 (17); and

9 (2) by inserting after paragraph (17), as so re-
10 designated, the following new paragraph:

11 “(17) CANCELLATION OR REPAYMENT FOR
12 CERTAIN LOANS.—

13 “(A) IN GENERAL.—The Administrator
14 may cancel or repay an amount described under
15 subparagraph (B) of the balance of interest and
16 principal due on a loan made under paragraph
17 (1)(A) for a borrower described in such sub-
18 paragraph.

19 “(B) AMOUNTS.—The amounts described
20 under this paragraph are as follows:

21 “(i) With respect to borrower who is
22 an individual—

23 “(I) with an income less than or
24 equal to 400 percent of the poverty
25 line applicable to the borrower’s fam-
26 ily size as determined in accordance

1 with section 673(2) of the Community
2 Services Block Grant Act, 100 percent
3 of such balance; and

4 “(II) with an income greater
5 than 400 percent of such poverty line
6 and less than \$250,000, 50 percent of
7 such balance.

8 “(ii) With respect to a borrower that
9 is a small business concern or a small non-
10 profit organization (as defined by the Ad-
11 ministrator), not more than 50 percent of
12 such balance.”.

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