

118TH CONGRESS  
1ST SESSION

# S. 1142

To prohibit the Small Business Administration from suspending collections on Paycheck Protection Program loans and economic injury disaster loans related to COVID–19.

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IN THE SENATE OF THE UNITED STATES

MARCH 30, 2023

Ms. ERNST introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

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## A BILL

To prohibit the Small Business Administration from suspending collections on Paycheck Protection Program loans and economic injury disaster loans related to COVID–19.

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 “SBA Collections Act  
5 of 2023”.

6 **SEC. 2. PROHIBITION ON SUSPENDING COLLECTIONS ON**  
7 **SBA LOANS RELATED TO COVID–19.**

8 (a) DEFINITIONS.—In this section:

1           (1) ADMINISTRATOR.—The term “Adminis-  
2           trator” means the Administrator of the Small Busi-  
3           ness Administration.

4           (2) COVERED LOAN.—The term “covered loan”  
5           means—

6                   (A) a loan guaranteed under paragraph  
7                   (36) or (37) of section 7(a) of the Small Busi-  
8                   ness Act (15 U.S.C. 636(a)); and

9                   (B) a loan made under section 7(b)(2) of  
10                  the Small Business Act (15 U.S.C. 636(b)(2))  
11                  related to COVID–19.

12          (3) DEPARTMENT.—The term “Department”  
13          means the Department of the Treasury.

14          (b) PROHIBITION OF THE ADMINISTRATOR.—

15               (1) IN GENERAL.—The Administrator may not  
16               discharge, suspend, or end collection action on any  
17               claim related to a covered loan.

18               (2) REFERRAL.—The Administrator shall refer  
19               to the Department any claim related to a covered  
20               loan for which the Administrator could use the au-  
21               thorities provided in section 3711 of title 31, United  
22               States Code, to discharge, suspend, or end that  
23               claim, but for the prohibition under paragraph (1).

24          (c) DEPARTMENT OF TREASURY DETERMINATION.—  
25          The Department shall—

1           (1) retain the authorities provided in section  
2           3711 of title 31, United States Code, or any similar  
3           provision of law; and

4           (2) render a final decision as to discharge, sus-  
5           pend, end, or make collection on a claim referred to  
6           the Department under subsection (b)(2).

7           (d) BRIEFINGS AND TESTIMONY.—

8           (1) MONTHLY BRIEFINGS.—Not later than 30  
9           days after the date of enactment of this Act, and  
10          every 30 days thereafter, the Administrator shall  
11          brief the Committee on Small Business and Entre-  
12          preneurship of the Senate and the Committee on  
13          Small Business of the House of Representatives on  
14          the progress of the Administrator in pursuing the  
15          collection of claims related to covered loans and  
16          transferring claims to the Department of the Treas-  
17          ury for collection in accordance with subchapter II  
18          of chapter 37 of title 31, United States Code.

19          (2) TESTIMONY.—

20                 (A) IN GENERAL.—The Administrator  
21                 shall testify annually before the Committee on  
22                 Small Business and Entrepreneurship of the  
23                 Senate and the Committee on Small Business  
24                 of the House of Representatives on the imple-

1           mentation of collections of claims related to cov-  
2           ered loans.

3                   (B) NONDELEGATION.—The Administrator  
4           may not delegate the responsibility under sub-  
5           paragraph (A) to any other individual.

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