

116TH CONGRESS
2D SESSION

S. _____

To establish a program in the Department of the Treasury to allocate funds to States, units of general local government, and Indian Tribes to provide assistance to certain small businesses, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. BOOKER (for himself, Mr. DAINES, and Mrs. MURRAY) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To establish a program in the Department of the Treasury to allocate funds to States, units of general local government, and Indian Tribes to provide assistance to certain small businesses, 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 “Recharge and Em-
5 power Local Innovation and Entrepreneurs Fund for Main
6 Street Act” or the “RELIEF for Main Street Act”.

7 **SEC. 2. SMALL BUSINESS LOCAL RELIEF PROGRAM.**

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) ELIGIBLE ENTITY.—The term “eligible enti-
5 ty”—

6 (A) means a privately-held business entity
7 or nonprofit organization that—

8 (i) employs—

9 (I) not more than 20 full-time
10 equivalent employees; or

11 (II) if the entity or organization
12 is located in a low-income community,
13 not more than 50 full-time equivalent
14 employees;

15 (ii) has experienced a loss of revenue
16 as a result of the COVID–19 pandemic,
17 according to criteria established by the
18 Secretary; and

19 (iii) with respect to such an entity or
20 organization that receives assistance from
21 a small business emergency fund, satisfies
22 additional requirements, as determined by
23 the State, unit of general local government,
24 Indian Tribe, or other entity that has es-

1 tablISHED the small business emergency
2 fund; and

3 (B) includes an individual who operates
4 under a sole proprietorship, an individual who
5 operates as an independent contractor, and an
6 eligible self-employed individual if such an indi-
7 vidual has experienced a loss of revenue as a re-
8 sult of the COVID–19 pandemic, according to
9 criteria established by the Secretary.

10 (3) ELIGIBLE SELF-EMPLOYED INDIVIDUAL.—

11 The term “eligible self-employed individual” has the
12 meaning given the term in section 7(a)(36)(A) of the
13 Small Business Act (15 U.S.C. 636(a)(36)(A)).

14 (4) ENTITLEMENT COMMUNITY.—The term
15 “entitlement community” means a metropolitan city
16 or urban county, as those terms are defined in sec-
17 tion 102 of the Housing and Community Develop-
18 ment Act of 1974 (42 U.S.C. 5302).

19 (5) FULL-TIME EQUIVALENT EMPLOYEES.—

20 (A) IN GENERAL.—The term “full-time
21 equivalent employees” means a number of em-
22 ployees equal to the number determined by di-
23 viding—

24 (i) the total number of hours of serv-
25 ice for which wages were paid by the em-

1 ployer to employees during the taxable
2 year; by

3 (ii) 2,080.

4 (B) ROUNDING.—The number determined
5 under subparagraph (A) shall be rounded to the
6 next lowest whole number if not otherwise a
7 whole number.

8 (C) EXCESS HOURS NOT COUNTED.—If an
9 employee works in excess of 2,080 hours of
10 service during any taxable year, such excess
11 shall not be taken into account under subpara-
12 graph (A).

13 (D) HOURS OF SERVICE.—The Secretary,
14 in consultation with the Secretary of Labor,
15 shall prescribe such regulations, rules, and
16 guidance as may be necessary to determine the
17 hours of service of an employee, including rules
18 for the application of this paragraph to employ-
19 ees who are not compensated on an hourly
20 basis.

21 (6) INDIAN TRIBE.—The term “Indian Tribe”
22 has the meaning given the term “Indian tribe” in
23 section 102 of the Housing and Community Devel-
24 opment Act of 1974 (42 U.S.C. 5302).

1 (7) LOW-INCOME COMMUNITY.—The term “low-
2 income community” has the meaning given the term
3 in section 45D(e) of the Internal Revenue Code of
4 1986.

5 (8) MINORITY.—The term “minority” has the
6 meaning given the term in section 1204(c)(3) of the
7 Financial Institutions Reform, Recovery, and En-
8 forcement Act of 1989 (12 U.S.C. 1811 note).

9 (9) MINORITY-OWNED ENTITY.—The term “mi-
10 nority-owned entity” means an entity—

11 (A) more than 50 percent of the ownership
12 or control of which is held by not less than 1
13 minority; and

14 (B) more than 50 percent of the net profit
15 or loss of which accrues to not less than 1 mi-
16 nority.

17 (10) NONENTITLEMENT AREA; STATE; UNIT OF
18 GENERAL LOCAL GOVERNMENT.—

19 (A) IN GENERAL.—Except as provided in
20 subparagraph (B), the terms “nonentitlement
21 area”, “State”, and “unit of general local gov-
22 ernment” have the meanings given those terms
23 in section 102 of the Housing and Community
24 Development Act of 1974 (42 U.S.C. 5302).

1 (B) STATE.—For purposes of subpara-
2 graphs (A)(ii) and (B)(ii) of subsection (c)(1),
3 the term “State” means any State of the
4 United States.

5 (11) PROGRAM.—The term “Program” means
6 the Small Business Local Relief Program established
7 under this section.

8 (12) SECRETARY.—The term “Secretary”
9 means the Secretary of the Treasury.

10 (13) SMALL BUSINESS EMERGENCY FUND.—
11 The term “small business emergency fund” means a
12 fund or program—

13 (A) established by a State, a unit of gen-
14 eral local government, an Indian Tribe, or an
15 entity designated by a State, unit of general
16 local government, or Indian Tribe; and

17 (B) that provides or administers financing
18 to eligible entities in the form of grants, loans,
19 or other means in accordance with the needs of
20 eligible entities and the capacity of the fund or
21 program.

22 (14) WOMEN-OWNED ENTITY.—The term
23 “women-owned entity” means an entity—

1 (A) more than 50 percent of the ownership
2 or control of which is held by not less than 1
3 woman; and

4 (B) more than 50 percent of the net profit
5 or loss of which accrues to not less than 1
6 woman.

7 (b) ESTABLISHMENT.—There is established in the
8 Department of the Treasury the Small Business Local Re-
9 lief Program, the purpose of which is to allocate resources
10 to States, units of general local government, and Indian
11 Tribes to provide assistance to eligible entities and organi-
12 zations that assist eligible entities.

13 (c) FUNDING.—

14 (1) FUNDING TO STATES, LOCALITIES, AND IN-
15 DIAN TRIBES.—

16 (A) IN GENERAL.—Of the amounts made
17 available to carry out the Program under sub-
18 section (h), the Secretary shall allocate—

19 (i) \$35,000,000,000 to States and
20 units of general local government in ac-
21 cordance with subparagraph (B)(i);

22 (ii) \$15,000,000,000 to States in ac-
23 cordance with subparagraph (B)(ii); and

24 (iii) \$500,000,000 to the Secretary of
25 Housing and Urban Development for allo-

1 cations to Indian Tribes in accordance with
2 subparagraph (B)(iii).

3 (B) ALLOCATIONS.—

4 (i) FORMULA FOR STATES AND UNITS
5 OF GENERAL LOCAL GOVERNMENT.—Of
6 the amount allocated under subparagraph
7 (A)(i)—

8 (I) 70 percent shall be allocated
9 to entitlement communities in accord-
10 ance with the formula under section
11 106(b) of the Housing and Commu-
12 nity Development Act of 1974 (42
13 U.S.C. 5306(b)); and

14 (II) 30 percent shall be allocated
15 to States, for use in nonentitlement
16 areas, in accordance with the formula
17 under section 106(d)(1) of the Hous-
18 ing and Community Development Act
19 of 1974 (42 U.S.C. 5306(d)(1)).

20 (ii) RURAL BONUS FORMULA FOR
21 STATES.—The Secretary shall allocate the
22 amount allocated under subparagraph
23 (A)(ii) to States, for use in nonentitlement
24 areas, in accordance with the formula
25 under section 106(d)(1) of the Housing

1 and Community Development Act of 1974
2 (42 U.S.C. 5306(d)(1)).

3 (iii) COMPETITIVE AWARDS TO INDIAN
4 TRIBES.—

5 (I) IN GENERAL.—The Secretary
6 of Housing and Urban Development
7 shall allocate to Indian Tribes on a
8 competitive basis the amount allocated
9 under subparagraph (A)(iii).

10 (II) REQUIREMENTS.—In making
11 allocations under subclause (I), the
12 Secretary of Housing and Urban De-
13 velopment shall, to the greatest extent
14 practicable, ensure that each Indian
15 Tribe that satisfies requirements es-
16 tablished by the Secretary of Housing
17 and Urban Development receives such
18 an allocation.

19 (C) STATE ALLOCATIONS FOR NON-
20 ENTITLEMENT AREAS.—

21 (i) EQUITABLE ALLOCATION.—To the
22 greatest extent practicable, a State shall
23 allocate amounts for nonentitlement areas
24 under clauses (i)(II) and (ii) of subpara-
25 graph (B) on an equitable basis.

1 (ii) DISTRIBUTION OF AMOUNTS.—

2 (I) DISCRETION.—Not later than
3 14 days after the date on which a
4 State receives amounts for use in a
5 nonentitlement area under clause
6 (i)(II) or (ii) of subparagraph (B), the
7 State shall—

8 (aa) distribute the amounts,
9 or a portion thereof, to a unit of
10 general local government located
11 in the nonentitlement area, or an
12 entity designated thereby, that
13 has established or will establish a
14 small business emergency fund,
15 for use under paragraph (2); or

16 (bb) elect to reserve the
17 amounts, or a portion thereof, for
18 use by the State under paragraph
19 (2) for the benefit of eligible enti-
20 ties located in the nonentitlement
21 area.

22 (II) SENSE OF CONGRESS.—It is
23 the sense of Congress that, in distrib-
24 uting amounts under subclause (I), in
25 the case of amounts allocated for a

1 nonentitlement area in which a unit of
2 general local government or an entity
3 designated thereby has established a
4 small business emergency fund, a
5 State should, as quickly as is prac-
6 ticable, distribute amounts to that
7 unit of general local government or
8 entity, respectively, as described in
9 item (aa) of that subclause.

10 (iii) TREATMENT OF STATES NOT
11 ACTING AS PASS-THROUGH AGENTS UNDER
12 CDBG.—The Secretary shall allocate
13 amounts to a State under this paragraph
14 without regard to whether the State has
15 elected to distribute amounts allocated
16 under section 106(d)(1) of the Housing
17 and Community Development Act of 1974
18 (42 U.S.C. 5306(d)(1)).

19 (2) USE OF FUNDS.—

20 (A) IN GENERAL.—A State, unit of general
21 local government, entity designated by a unit of
22 general local government, or Indian Tribe that
23 receives an allocation under paragraph (1),
24 whether directly or indirectly, may use that al-
25 location—

1 (i) to provide funding to a small busi-
2 ness emergency fund established by that
3 State (or entity designated thereby), that
4 unit of general local government (or entity
5 designated thereby), that entity designated
6 by a unit of general local government, or
7 that Indian Tribe (or entity designated
8 thereby), respectively;

9 (ii) to provide funding to support or-
10 ganizations that provide technical assist-
11 ance to eligible entities; or

12 (iii) subject to subparagraph (B), to
13 pay for administrative costs incurred by
14 that State (or entity designated thereby),
15 that unit of general local government (or
16 entity designated thereby), that entity des-
17 ignated by a unit of general local govern-
18 ment, or that Indian Tribe (or entity des-
19 ignated thereby), respectively, in estab-
20 lishing and administering a small business
21 emergency fund.

22 (B) LIMITATION.—A State, unit of general
23 local government, entity designated by a unit of
24 general local government, or Indian Tribe may
25 not use more than 3 percent of an allocation re-

1 ceived under paragraph (1) for a purpose de-
2 scribed in subparagraph (A)(iii) of this para-
3 graph.

4 (C) OBLIGATION DEADLINES.—

5 (i) STATES.—Of the amounts that a
6 State elects under paragraph
7 (1)(C)(ii)(I)(bb) to reserve for use by the
8 State under this paragraph—

9 (I) any amounts that the State
10 provides to a small business emer-
11 gency fund under subparagraph (A)(i)
12 of this paragraph shall be obligated by
13 the small business emergency fund for
14 expenditure not later than 74 days
15 after the date on which the State re-
16 ceived the amounts from the Sec-
17 retary under clause (i) or (ii) of para-
18 graph (1)(A); and

19 (II) any amounts that the State
20 chooses to provide to an organization
21 under subparagraph (A)(ii) of this
22 paragraph, or to use to pay for ad-
23 ministrative costs under subparagraph
24 (A)(iii) of this paragraph, shall be ob-
25 ligated by the State for expenditure

1 not later than 74 days after the date
2 on which the State received the
3 amounts from the Secretary under
4 clause (i) or (ii) of paragraph (1)(A).

5 (ii) ENTITLEMENT COMMUNITIES.—

6 Of the amounts that an entitlement com-
7 munity receives from the Secretary under
8 paragraph (1)(B)(i)(I)—

9 (I) any amounts that the entitle-
10 ment community provides to a small
11 business emergency fund under sub-
12 paragraph (A)(i) of this paragraph
13 shall be obligated by the small busi-
14 ness emergency fund for expenditure
15 not later than 74 days after the date
16 on which the entitlement community
17 received the amounts; and

18 (II) any amounts that the entitle-
19 ment community chooses to provide to
20 an organization under subparagraph
21 (A)(ii) of this paragraph, or to use to
22 pay for administrative costs under
23 subparagraph (A)(iii) of this para-
24 graph, shall be obligated by the enti-
25 tlement community for expenditure

1 not later than 74 days after the date
2 on which the entitlement community
3 received the amounts.

4 (iii) NONENTITLEMENT COMMU-
5 NITIES.—Of the amounts that a unit of
6 general local government, or an entity des-
7 ignated thereby, located in a nonentitle-
8 ment area receives from a State under
9 paragraph (1)(C)(ii)(I)(aa)—

10 (I) any amounts that the unit of
11 general local government or entity
12 provides to a small business emer-
13 gency fund under subparagraph (A)(i)
14 of this paragraph shall be obligated by
15 the small business emergency fund for
16 expenditure not later than 60 days
17 after the date on which the unit of
18 general local government or entity re-
19 ceived the amounts; and

20 (II) any amounts that the unit of
21 general local government or entity
22 chooses to provide to a support orga-
23 nization under subparagraph (A)(ii) of
24 this paragraph or to use to pay for
25 administrative costs under subpara-

1 graph (A)(iii) of this paragraph shall
2 be obligated by the unit of general
3 local government or entity for expend-
4 iture not later than 60 days after the
5 date on which the unit of general local
6 government or entity received the
7 amounts.

8 (D) RECOVERY OF UNOBLIGATED
9 FUNDS.—If a State, entitlement community,
10 other unit of general local government, entity
11 designated by a unit of general local govern-
12 ment, or small business emergency fund fails to
13 obligate amounts by the applicable deadline
14 under subparagraph (C), the Secretary shall re-
15 cover the amount of those amounts that remain
16 unobligated, as of that deadline.

17 (E) COLLABORATION.—It is the sense of
18 Congress that—

19 (i) an entitlement community that re-
20 ceives amounts allocated under paragraph
21 (1)(B)(i)(I) should collaborate with the ap-
22 plicable local entity responsible for eco-
23 nomic development and small business de-
24 velopment in establishing and admin-

1 istering a small business emergency fund;
2 and

3 (ii) States, units of general local gov-
4 ernment (including units of general local
5 government located inside and outside non-
6 entitlement areas), and Indian Tribes that
7 receive amounts under paragraph (1) and
8 are located in the same region should col-
9 laborate in establishing and administering
10 small business emergency funds.

11 (d) **SMALL BUSINESS EMERGENCY FUNDS.**—With
12 respect to a small business emergency fund that receives
13 funds from an allocation made under subsection (c)—

14 (1) if the small business emergency fund makes
15 a loan to an eligible entity with those funds, the
16 small business emergency fund may use amounts re-
17 turned to the small business emergency fund from
18 the repayment of the loan to provide further assist-
19 ance to eligible entities, without regard to the termi-
20 nation date described in subsection (i); and

21 (2) the small business emergency fund shall
22 conduct outreach to eligible entities that are less
23 likely to participate in programs established under
24 the CARES Act (Public Law 116–136; 134 Stat.
25 281) and the amendments made by that Act, includ-

1 ing minority-owned entities, businesses in low-in-
2 come communities, businesses in rural and Tribal
3 areas, and other businesses that are underserved by
4 the traditional banking system.

5 (e) INFORMATION GATHERING.—

6 (1) IN GENERAL.—When providing assistance
7 to an eligible entity with funds received from an allo-
8 cation made under subsection (c), the entity pro-
9 viding assistance shall—

10 (A) inquire whether the eligible entity is—

11 (i) in the case of an eligible entity
12 that is a business entity or a nonprofit or-
13 ganization, a women-owned entity or a mi-
14 nority-owned entity; and

15 (ii) in the case of an eligible entity
16 who is an individual, a woman or a minor-
17 ity; and

18 (B) maintain a record of the responses to
19 each inquiry conducted under subparagraph
20 (A), which the entity shall promptly submit to
21 the applicable State, unit of general local gov-
22 ernment, or Indian Tribe.

23 (2) RIGHT TO REFUSE.—An eligible entity may
24 refuse to provide any information requested under
25 paragraph (1)(A).

1 (f) REPORTING.—

2 (1) IN GENERAL.—Not later than 30 days after
3 the date on which a State, unit of general local gov-
4 ernment, or Indian Tribe initially receives an alloca-
5 tion made under subsection (c), and not later than
6 14 days after the date on which that State, unit of
7 local government, or Indian Tribe completes the full
8 expenditure of that allocation, that State, unit of
9 general local government, or Indian Tribe shall sub-
10 mit to the Secretary a report that includes—

11 (A) the number of recipients of assistance
12 made available from the allocation;

13 (B) the total amount, and type, of assist-
14 ance made available from the allocation;

15 (C) to the extent applicable, with respect
16 to each recipient described in subparagraph
17 (A), information regarding the industry of the
18 recipient, the amount of assistance received by
19 the recipient, the annual sales of the recipient,
20 and the number of employees of the recipient;

21 (D) to the extent available from informa-
22 tion collected under subsection (e), information
23 regarding the number of recipients described in
24 subparagraph (A) that are minority-owned enti-

1 ties, minorities, women, and women-owned enti-
2 ties;

3 (E) the zip code of each recipient described
4 in subparagraph (A); and

5 (F) any other information that the Sec-
6 retary, in the sole discretion of the Secretary,
7 determines to be necessary to carry out the
8 Program.

9 (2) PUBLIC AVAILABILITY.—As soon as is prac-
10 ticable after receiving each report submitted under
11 paragraph (1), the Secretary shall make the infor-
12 mation contained in the report, including all of the
13 information described in subparagraphs (A) through
14 (F) of that paragraph, publicly available.

15 (g) RULES AND GUIDANCE.—The Secretary, in con-
16 sultation with the Administrator, shall issue any rules and
17 guidance that are necessary to carry out the Program, in-
18 cluding by establishing appropriate compliance and report-
19 ing requirements, in addition to the reporting require-
20 ments under subsection (f).

21 (h) APPROPRIATION.—There are appropriated to the
22 Secretary for fiscal year 2020, out of amounts in the
23 Treasury not otherwise appropriated, \$50,500,000,000 to
24 carry out the Program, which shall remain available until
25 the termination date described in subsection (i).

1 (i) TERMINATION.—The Program, and any rules and
2 guidance issued under subsection (g) with respect to the
3 Program, shall terminate on the date that is 1 year after
4 the date of enactment of this Act.