



Duckworth Helps Introduce Legislation to Support Small Businesses Struggling During COVID-19 Pandemic

March 20 2020 10:07 AM

WASHINGTON, DC – U.S. Senator Tammy Duckworth (D-IL) joined U.S. Senate Committee on Small Business & Entrepreneurship Democrats this week in introducing a relief [proposal](#) to help support small businesses and give them the resources needed to address challenges from the COVID-19 pandemic. Small businesses across America are facing unprecedented economic disruption and financial hardship due to the outbreak. Today's proposal includes key components of Duckworth's [Microloan Program Expansion Act](#) that would expand access to capital and technical assistance resources for small businesses. Duckworth also backed a provision in today's legislation that would waive the requirement for state and territory Governors to request access to SBA Economic Injury Disaster Loans so that all states and territories are automatically covered, and a provision covering all payments on SBA-backed loans for six months.

"I refuse to leave small businesses behind while Congress addresses the economic impacts of this public health emergency," Duckworth said. "I'm proud to help introduce this relief proposal—which includes key components of my bill to increase access to capital for small businesses—providing small businesses with the support they need to survive this crisis and build for the future."

Provisions from Duckworth's *Microloan Program Expansion Act* that were included in today's proposal would:

- Increase the aggregate and annual amounts that lenders may loan to small businesses
- Increase access to technical assistance funding for lenders
- Eliminate the burdensome 1/55th rule that curtails spending for the first half of each fiscal year
- Increase authorizations of appropriations for lending and technical assistance

Duckworth [introduced](#) the *Microloan Program Expansion Act* in April of last year at a Senate Small Business Committee hearing, where she highlighted how expanding the Microloan Program would help more small businesses—particularly those owned by women, Veterans, low-income and minority entrepreneurs—that may have been overlooked by traditional commercial lenders.

The Senators' proposal—the *COVID-19 RELIEF for Small Businesses Act of 2020*—would improve and leverage the tools available at the Small Business Administration (SBA) to support small businesses and create new tools to address the unprecedented pressure that small businesses face, including waiving the disaster declaration requirements so that businesses in all states have immediate access to SBA's Economic Injury Disaster Loans, [which small business in Illinois already have access to](#) after Senator Duckworth's efforts; creating a new grant program for the small businesses hardest hit by this crisis; and offering direct SBA, zero interest, long-term forgivable loans of up to \$2.5 million to small businesses that agree to keep their employees during the crisis. Further, Senate Democrats support true small business relief through the tax code. These proposals are outside the scope of the Small Business Committee, but we look forward to working with the Finance Committee to ensure tax relief provides the most support possible to the small businesses that need it the most.