



# Duckworth-supported Bill to Relieve Small Business Loan Payments Included in Bipartisan COVID-19 Relief Compromise

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WASHINGTON, DC – Legislation supported by U.S. Senator Tammy Duckworth (D-IL) that would provide financial relief for small businesses across the country was included in the bipartisan COVID-19 relief compromise that passed out of the Senate earlier this week. The \$17 billion *Small Business Debt Relief Act* would ensure that the 320,000 small business across the country with a loan backed by the Small Business Administration (SBA) are relieved from loan payments—including principal, interest, and fees—for the next six months. This relief will also be available to new borrowers who take out an SBA loan within six months after the President signs the bill. This will help stabilize the SBA lending portfolio and enable lenders to focus on getting hundreds of billions in new emergency loans out the door, putting a floor under part of the economy heavily impacted by the COVID-19 pandemic.

“COVID-19’s economic impact on small businesses in Illinois and across the country is crushing, and we must do everything in our power to assist them,” Duckworth said. “I’m glad this important legislation was included in the bipartisan COVID-19 relief compromise, and I’ll keep doing what I can to help support small business owners, entrepreneurs and working families throughout this public health crisis.”

The *Small Business Debt Relief Act* would assist borrowers in three major SBA lending programs:

- The 7(a) Loan Guarantee Program consists of \$95 billion of outstanding loans. The two industries with the largest share of that volume are restaurants and hotels, which are among the hardest-hit by COVID-19. Child care centers, dental practices, and medical practices also rely heavily on the program.

- The 504 Certified Development Company loan guarantee program provides long-term fixed rate financing for major fixed assets, such as land, buildings, equipment and machinery.
- The Microloan program provides loans of up to \$50,000 to small businesses and nonprofit child care centers, via nonprofit intermediary lenders.

Duckworth helped U.S. Senators Chris Coons (D-DE), Ranking Member of the Small Business Committee Ben Cardin (D-MD) and Amy Klobuchar (D-MN) [introduce](#) this legislation in the Senate last week. The bill is also cosponsored by Senators Maria Cantwell (D-WA), Kirsten Gillibrand (D-NY), Amy Klobuchar (D-MN), Ed Markey (D-MA), Jeanne Shaheen (D-NH), Jon Tester (D-MT) and Ron Wyden (D-OR).

The Small Business Debt Relief Act is endorsed by the National Association of Government Guaranteed Lenders, the Friends of the SBA Microloan Program, the Center for American Entrepreneurship, and the National Association of Development Companies.