

APRIL 1, 2022

RULES COMMITTEE PRINT 117-39
TEXT OF H.R. 3807, THE RELIEF FOR RESTAURANTS AND OTHER HARD HIT SMALL BUSINESSES ACT OF 2022

[Showing the text of H.R. 3807, as introduced, with modifications.]

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Relief for Restaurants
3 and other Hard Hit Small Businesses Act of 2022”.

4 **SEC. 2. RESTAURANT REVITALIZATION GRANTS.**

5 (a) **APPROPRIATION.**—Section 5003(b)(2) of the
6 American Rescue Plan Act of 2021 (15 U.S.C.
7 9009c(b)(2)) is amended—

8 (1) in subparagraph (A)—

9 (A) by striking “\$28,600,000,000” and in-
10 serting “\$70,600,000,000”; and

11 (B) by inserting “, of which not more than
12 \$420,000,000 shall be for administrative ex-
13 penses to carry out this section, and of which
14 \$7,500,000 shall be for the Inspector General
15 of the Small Business Administration,
16 \$7,500,000 for the Department of Justice for
17 investigative and prosecutorial activities related

1 to fraud and abuse, and \$7,500,000 for Pan-
2 demic Response Accountability Committee, for
3 audits of grants under this section to inves-
4 tigate fraud and to identify improper payments
5 and ineligible recipients, and for other nec-
6 essary expenses” before the period at the end;
7 and

8 (2) in subparagraph (B)(i)(II), by striking
9 “\$23,600,000,000” and inserting “any remaining
10 amounts not used for a purpose authorized under
11 subparagraph (A) or clause (i) of this subpara-
12 graph”.

13 (b) INSUFFICIENT FUNDING.—Section 5003 of the
14 American Rescue Plan Act of 2021 (15 U.S.C. 9009c) is
15 amended by adding at the end the following:

16 “(d) INSUFFICIENT FUNDING.—

17 “(1) IN GENERAL.—If the Administrator deter-
18 mines that the amounts made available to carry out
19 this section are insufficient to make grants in the
20 amount provided in subsection (c)(4) to each eligible
21 entity that has submitted an application in accord-
22 ance with the program guidelines in effect on the
23 day before the date of enactment of this subsection,
24 but has not received an award as of such date, the

1 Administrator shall make grants with the available
2 amounts to each such eligible applicant—

3 “(A) such that the amount of the grant
4 that each such eligible entity would have other-
5 wise received under this section is reduced by
6 an equal percentage;

7 “(B) by establishing a maximum amount
8 for a grant made under this subsection to en-
9 sure that smaller eligible entities still receive
10 grants in the amounts provided under sub-
11 section (c)(4); or

12 “(C) by providing full awards in the
13 amounts provided under subsection (c)(4) below
14 a certain threshold (as the Administrator may
15 establish) and reducing grants above that
16 threshold by an equal percentage.

17 “(2) RESERVING FUNDS.—Nothing in para-
18 graph (1) shall prevent the Administrator from—

19 “(A) reserving funding for applicants that
20 may be determined to be eligible for a grant
21 under this section upon reconsideration; or

22 “(B) making partial awards to eligible en-
23 tities on a preliminary basis until the amount of
24 funding required to fund grants to all eligible

1 applicants is established, upon the completion
2 of the reconsideration process.”.

3 (c) REPORTS; RECONSIDERATION; VERIFICATION OF
4 BUSINESS TYPE.—Section 5003 of the American Rescue
5 Plan Act of 2021 (15 U.S.C. 9009c), as amended by sub-
6 section (b), is further amended by adding at the end the
7 following:

8 “(e) REPORTS.—The Administrator shall—

9 “(1) on a biweekly basis until the amounts
10 made available to carry out this section are fully ex-
11 pended, publish data that shows, for the period be-
12 ginning on the date on which the Administrator
13 began making grants under this section and ending
14 on the date on which the information is published—

15 “(A) with respect to applications for grants
16 under this section, the number of those applica-
17 tions—

18 “(i) that the Administrator has re-
19 ceived;

20 “(ii) that the Administrator has re-
21 viewed or is in the process of reviewing;
22 and

23 “(iii) with respect to which the Ad-
24 ministrator has made a decision; and

1 “(B) the number and dollar amount of
2 grants under this section—

3 “(i) that have been awarded; and

4 “(ii) that have been disbursed;

5 “(2) on a weekly basis until the amounts made
6 available to carry out this section are fully expended,
7 publish, with respect to the period beginning on the
8 date of enactment of this subsection and ending on
9 the date on which the information is published—

10 “(A) with respect to each eligible entity to
11 which a grant is made under this section—

12 “(i) the name of the eligible entity, in-
13 cluding the name or names under which
14 the eligible entity does business if that
15 name is different from the name of the eli-
16 gible entity; and

17 “(ii) the address of—

18 “(I) the eligible entity; and

19 “(II) the physical location or lo-
20 cations for the eligible entity listed on
21 the application, if different from the
22 address of the eligible entity;

23 “(B) the amount of each grant described
24 in subparagraph (A); and

1 “(C) the business category listed in sub-
2 section (a)(4)(A) to which the eligible entity be-
3 longs.

4 “(f) RECONSIDERATION.—

5 “(1) EXPLANATION FOR DENIAL.—With respect
6 to an applicant that applies for a grant under this
7 section and is denied by the Administrator, the Ad-
8 ministrator shall make available to the applicant a
9 brief explanation identifying the reason why the Ad-
10 ministrator denied the application of the applicant,
11 which shall include, where applicable, a citation to
12 the statutory, regulatory, or guidance provision with
13 which the applicant failed to comply and that was
14 the basis for the denial.

15 “(2) PROCESS.—The Administrator shall estab-
16 lish a reconsideration process through which the ap-
17 plicant may—

18 “(A) submit to the Administrator addi-
19 tional information the applicant determines to
20 be relevant to whether the applicant is eligible
21 for the grant; and

22 “(B) receive a review of the application
23 and such additional information submitted
24 under subparagraph (A).

1 “(3) NAICS CODES.—If the Administrator re-
2 jects an application solely because the North Amer-
3 ican Industry Classification System code listed on
4 the application of an applicant for a loan under sec-
5 tion 7(a)(36) of the Small Business Act during 2020
6 is not an eligible business type for a grant under
7 this section, the applicant shall be eligible for the re-
8 consideration process described in subsection
9 (e)(3)(B).

10 “(g) VERIFICATION OF BUSINESS TYPE.—If the Ad-
11 ministrators verifies that an applicant for a loan under sec-
12 tion 7(a)(36) of the Small Business Act is not an eligible
13 business type for a grant under this section using credible
14 information other than information obtained from the ap-
15 plication of the applicant for such loan during 2020, the
16 Administrator may reject the application solely on those
17 grounds.”.

18 (d) REQUIREMENT OF CONTINUING OPERATION.—
19 For any application for a grant under section 5003 of the
20 American Rescue Plan Act of 2021 (15 U.S.C. 9009e)
21 that is pending on the date of enactment of this Act or
22 for which the applicant has received an award notice but
23 the Administrator has not disbursed amounts under the
24 grant, the Administrator may not disburse amounts under
25 the grant unless the applicant submits a statement to the

1 Administrator indicating the applicant is still operating,
2 or intends to reopen within 6 months after the date of
3 the statement is submitted, the place of business for which
4 such applicant is seeking such grant.

5 (e) OVERSIGHT AND AUDITS.—Section 5003 of the
6 American Rescue Plan Act of 2021 (15 U.S.C. 9009e),
7 as amended by subsection (c), is further amended by add-
8 ing at the end the following:

9 “(h) OVERSIGHT AND AUDITS.—

10 “(1) IN GENERAL.—The Administrator shall in-
11 stitute an oversight and audit plan with respect to
12 eligible entities receiving grants under this section,
13 which shall include—

14 “(A) documentation requirements that are
15 consistent with the eligibility and other require-
16 ments under this section, including by requiring
17 an eligible entity that receives a grant under
18 this section to retain records that demonstrate
19 compliance with those requirements; and

20 “(B) reviews of the use of grants made
21 under this section by eligible entities.

22 “(2) SUBMISSION OF PLAN.—Not later than 30
23 days after the date of enactment of this subsection,
24 the Administrator shall submit to the Committee on
25 Small Business and Entrepreneurship of the Senate

1 and the Committee on Small Business of the House
2 of Representatives the plan required under para-
3 graph (1), which shall describe—

4 “(A) the policies and procedures of the Ad-
5 ministrator for conducting oversight and audits
6 of grants made under this section; and

7 “(B) the metrics that the Administrator
8 will use to determine which grants made under
9 this section will be audited under that plan.

10 “(3) REPORTS.—Not later than 60 days after
11 the date of enactment of this subsection, and once
12 every 30 days thereafter until the date that is 180
13 days after the date on which all amounts made avail-
14 able to carry out this section have been fully ex-
15 pended, and upon request thereafter, the Adminis-
16 trator shall submit to the Committee on Small Busi-
17 ness and Entrepreneurship of the Senate and the
18 Committee on Small Business of the House of Rep-
19 resentatives a report on the oversight and audit ac-
20 tivities of the Administrator under this subsection,
21 which shall include—

22 “(A) the total number of grants approved
23 and disbursed under this section;

24 “(B) the total amount of each grant re-
25 ceived by each eligible entity;

1 “(C) the number of active investigations
2 and audits of grants made under this section;

3 “(D) the number of completed reviews and
4 audits of grants made under this section, in-
5 cluding a description of—

6 “(i) any findings of fraud or other
7 material noncompliance with the require-
8 ments of this section; and

9 “(ii) the total amount recouped from
10 ineligible recipients; and

11 “(E) a description of any substantial
12 changes made to the plan required under para-
13 graph (1).

14 “(4) RETROACTIVE APPLICATION.—This sub-
15 section shall apply to grants and decisions made
16 under this section before, on, or after the date of en-
17 actment of this subsection.”.

18 **SEC. 3. HARD HIT INDUSTRIES AWARD PROGRAM.**

19 (a) DEFINITIONS.—In this section:

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

23 (2) AFFILIATED BUSINESS.—The term “affili-
24 ated business” means a business in which an eligible
25 entity—

1 (A) has an equity or right to receive not
2 less than 50 percent of the profit distributions
3 of such business; or

4 (B) has, on or before March 13, 2020, con-
5 tractual authority to control the business.

6 (3) AWARD.—The term “award” means a fi-
7 nancial assistance payment that an eligible applicant
8 receives directly from the Small Business Adminis-
9 tration.

10 (4) COVERED PERIOD.—The term “covered pe-
11 riod” means the period beginning on February 15,
12 2020, and ending on the later of—

13 (A) March 31, 2023; or

14 (B) a date to be determined by the Admin-
15 istrator that is not later than 2 years after the
16 date of enactment of this section.

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

19 (A) means a small business concern that—

20 (i) employs not more than 200 em-
21 ployees; and

22 (ii) suffered a pandemic-related rev-
23 enue loss of 40 percent or greater; and

24 (B) does not include a small business con-
25 cern that—

1 (i) is a State or local government-op-
2 erated business;

3 (ii) has received a grant under—

4 (I) section 324 of the Economic
5 Aid to Hard Hit Small Businesses,
6 Nonprofits, and Venues Act (15
7 U.S.C. 9009a); or

8 (II) section 5003 of the Amer-
9 ican Rescue Plan Act of 2021 (Public
10 Law 117–2);

11 (iii) is a publicly-traded company; or

12 (iv) is an entity that is owned or oper-
13 ated by a private equity fund.

14 (6) ELIGIBLE SELF-EMPLOYED INDIVIDUAL.—

15 The term “eligible self-employed individual” has the
16 meaning given in section 7002(b) of the Families
17 First Coronavirus Response Act (26 U.S.C. 1401
18 note).

19 (7) EXCHANGE; ISSUER; SECURITY.—The terms
20 “exchange”, “issuer”, and “security” have the
21 meanings given those terms, respectively, in section
22 3(a) of the Securities Exchange Act of 1934 (15
23 U.S.C. 78c(a)).

24 (8) PANDEMIC-RELATED REVENUE LOSS.—

1 (A) IN GENERAL.—The term “pandemic-
2 related revenue loss” means, subject to sub-
3 paragraph (B) and with respect to an eligible
4 entity—

5 (i) except as provided in clauses (ii)
6 and (iii), the average annual gross receipts
7 during 2020 and 2021, as established
8 using such verification documentation as
9 the Administrator may require, of the eligi-
10 ble entity subtracted from the gross re-
11 cepts of the eligible entity in 2019, if such
12 sum is greater than zero;

13 (ii) if the eligible entity was not in op-
14 eration for the entirety of 2019—

15 (I) the difference between—

16 (aa) the product obtained by
17 multiplying the average monthly
18 gross receipts of the eligible enti-
19 ty in 2019 by 12; and

20 (bb) the product obtained by
21 multiplying the average monthly
22 gross receipts of the eligible enti-
23 ty in 2020 and 2021 by 12; or

1 (II) an amount based on a for-
2 mula determined by the Adminis-
3 trator; or

4 (iii) if the eligible entity began oper-
5 ations during the period beginning on Jan-
6 uary 1, 2020, and ending on the day be-
7 fore the date of enactment of this section,
8 an amount based on a formula determined
9 by the Administrator.

10 (B) REDUCTION.—For purposes of this
11 paragraph, the pandemic-related revenue losses
12 for an eligible entity calculated under subpara-
13 graph (A) shall be reduced by the sum of—

14 (i) any amount received from a cov-
15 ered loan made under paragraph (36) or
16 (37) of section 7(a) of the Small Business
17 Act (15 U.S.C. 636(a)) in 2020 or 2021;

18 (ii) any amount received as a grant
19 under section 1110 of the Coronavirus Aid,
20 Relief, and Economic Security Act (15
21 U.S.C. 9009); and

22 (iii) any amount received as a grant
23 under section 331 of the Economic Aid to
24 Hard-Hit Small Businesses, Nonprofits,
25 and Venues Act (15 U.S.C. 9009b).

1 (C) PERCENTAGE DETERMINATION.—For
2 the purposes of determining the percentage of
3 pandemic-related revenue loss under this sub-
4 section, the percentage shall be equal to—

5 (i) in the case of an eligible entity for
6 which subparagraph (A)(i) applies, the
7 product obtained by multiplying—

8 (I) the quotient obtained by di-
9 viding the pandemic-related revenue
10 losses for such eligible entity by the
11 gross receipts of the eligible entity in
12 2019; and

13 (II) 100;

14 (ii) in the case of an eligible entity for
15 which subparagraph (A)(ii)(I) applies, the
16 product obtained by multiplying—

17 (I) the quotient obtained by di-
18 viding the pandemic-related revenue
19 losses for such eligible entity by the
20 product obtained by multiplying the
21 average monthly gross receipts of the
22 eligible entity in 2019 by 12; and

23 (II) 100; and

24 (iii) in the case of an eligible entity
25 for which clauses (ii)(II) or (iii) applies, an

1 amount based on a formula determined by
2 the Administrator.

3 (9) PAYROLL COSTS.—The term “payroll costs”
4 has the meaning given the term in section
5 7(a)(36)(A) of the Small Business Act (15 U.S.C.
6 636(a)(36)(A)), except that such term shall not in-
7 clude—

8 (A) qualified wages, as defined in section
9 2301(c) of the CARES Act (26 U.S.C. 3111
10 note), taken into account in determining the
11 credit allowed under such section 2301; or

12 (B) premiums taken into account in deter-
13 mining the credit allowed under section 6432 of
14 the Internal Revenue Code of 1986.

15 (10) PRIVATE EQUITY FUND.—The term “pri-
16 vate equity fund” has the meaning given the term
17 in section 225.173(a) of title 12, Code of Federal
18 Regulations, or any successor regulation.

19 (11) PUBLICLY-TRADED COMPANY.—The term
20 “publicly-traded company” means an entity that is
21 majority owned or controlled by an entity that is an
22 issuer, the securities of which are listed on a na-
23 tional securities exchange under section 6 of the Se-
24 curities Exchange Act of 1934 (15 U.S.C. 78f).

1 (12) SMALL BUSINESS CONCERN.—The term
2 “small business concern” has the meaning given
3 under section 3 of the Small Business Act (15
4 U.S.C. 632) and includes individuals who operate
5 under a sole proprietorship or as an independent
6 contractor or as an eligible self-employed individual.

7 (13) SMALL BUSINESS ACT DEFINITIONS.—The
8 terms “covered mortgage obligation”, “covered oper-
9 ations expenditure”, “covered rent obligation”, “cov-
10 ered supplier cost”, “covered utility payment”, and
11 “covered worker protection expenditure” have the
12 meanings given, respectively, in section 7A of the
13 Small Business Act (15 U.S.C. 636m).

14 (b) AWARDS TO ELIGIBLE ENTITIES.—

15 (1) IN GENERAL.—From amounts made avail-
16 able under this Act, the Administrator shall estab-
17 lish a program to be known as the “Hard Hit Indus-
18 tries Award Program”, under which the Adminis-
19 trator shall make awards to eligible entities that
20 submit an application under paragraph (2).

21 (2) APPLICATION.—

22 (A) CERTIFICATION.—An eligible entity
23 shall submit to the Administrator an applica-
24 tion for an award under this subsection. In

1 such application, the eligible entity shall make
2 a good faith certification that—

3 (i) the uncertainty of current eco-
4 nomic conditions makes necessary the
5 award request to support the ongoing oper-
6 ations of the eligible entity; and

7 (ii) the eligible entity has no pending
8 application for and has not received a
9 grant under—

10 (I) section 324 of the Economic
11 Aid to Hard-Hit Small Businesses,
12 Nonprofits, and Venues Act (15
13 U.S.C. 9009a); or

14 (II) section 5003 of the Amer-
15 ican Rescue Plan Act of 2021 (15
16 U.S.C. 9009c).

17 (B) VERIFICATION.—The Administrator
18 shall use tax records or other reliable sources,
19 such as certified accounting statements, with
20 respect to an applicant for an award under this
21 section to determine—

22 (i) the eligibility of the applicant for
23 that award; and

24 (ii) the amount of that award to the
25 applicant.

1 (C) ACCEPTANCE OF APPLICATIONS.—Not
2 later than 60 days after the date of the enact-
3 ment of this Act, the Administrator shall begin
4 accepting applications for an award under this
5 subsection.

6 (D) PRIORITY.—

7 (i) IN GENERAL.—The Administrator
8 shall prioritize eligible entities that have
9 experienced significant pandemic-related
10 revenue loss to receive an award under this
11 section as follows:

12 (I) First priority to eligible enti-
13 ties that experienced a pandemic-re-
14 lated revenue loss of at least 80 per-
15 cent.

16 (II) Second priority to eligible
17 entities that experienced a pandemic-
18 related revenue loss of at least 60 per-
19 cent.

20 (ii) SMALLER ENTITIES.—Within each
21 category of eligible entities described in
22 subclauses (I) through (III) of clause (i),
23 the Administrator may prioritize awards to
24 eligible entities with 50 employees or
25 fewer.

1 (iii) ADDITIONAL PRIORITY.—Within
2 each category of eligible entities described
3 in subclauses (I) through (III) of clause
4 (i), the Administrator may prioritize
5 awards to eligible entities that did not re-
6 ceive a covered loan made under paragraph
7 (36) or (37) of section 7(a) of the Small
8 Business Act (15 U.S.C. 636(a)) in 2020
9 or 2021.

10 (3) AWARD AMOUNT.—

11 (A) AGGREGATE MAXIMUM AMOUNT.—The
12 aggregate maximum amount of awards made to
13 an eligible entity and any affiliated businesses
14 of the eligible entity under this subsection may
15 not exceed \$1,000,000.

16 (B) DETERMINATION OF AWARD
17 AMOUNT.—

18 (i) IN GENERAL.—Except as provided
19 in this paragraph, the amount of an award
20 made to an eligible entity under this sub-
21 section shall be equal to the pandemic-re-
22 lated revenue loss of the eligible entity.

23 (ii) RETURN TO TREASURY.—Any
24 amount of an award made under this sub-
25 section to an eligible entity described in

1 clause (ii) or (iii) of subsection (a)(8)(A)
2 that is greater than the average annual
3 gross receipts of the eligible entity in 2020
4 and 2021 shall be returned to the Treas-
5 ury.

6 (C) INSUFFICIENT FUNDING.—After se-
7 lecting award recipients in accordance with
8 paragraph (2)(D) and before disbursing any
9 awards under this section, if the Administrator
10 determines that the amounts made available
11 under this Act for making awards under this
12 section are insufficient to make awards to each
13 eligible entity that submits an application under
14 paragraph (2) in the amount described under
15 subparagraphs (A) and (B), the Administrator
16 shall make awards with the available amounts
17 such that the amount of the award that each el-
18 ible entity would have otherwise received
19 under those subparagraphs is reduced by an
20 equal percentage, except that the Administrator
21 may establish an aggregate maximum amount
22 for awards made under this subparagraph to
23 ensure that smaller eligible entities receive
24 awards in the amounts provided under those
25 subparagraphs.

1 (4) USE OF FUNDS.—During the covered pe-
2 riod, an eligible entity that receives an award under
3 this subsection may use the award for the following
4 expenses incurred as a direct result of, or during,
5 the COVID–19 pandemic:

6 (A) Payroll costs.

7 (B) Payments to independent contractors,
8 as reported on Form 1099–MISC, except that
9 each such payment may not exceed \$100,000.

10 (C) Scheduled payments of interest or
11 principal on any covered mortgage obligation
12 (which may not include any prepayment of
13 principal on a covered mortgage obligation).

14 (D) Payments on any covered rent obliga-
15 tion and common area maintenance charges
16 under a lease agreement.

17 (E) Covered utility payments.

18 (F) Maintenance expenses.

19 (G) Covered worker protection expendi-
20 tures.

21 (H) Supplies, including protective equip-
22 ment and cleaning materials.

23 (I) Expenses that were within the scope of
24 the normal business practice of the eligible enti-
25 ty before the covered period.

1 (J) Covered supplier costs.

2 (K) Covered operational expenses.

3 (L) Paid sick leave.

4 (M) Capital expenditures (or expenses re-
5 quired under any Federal, State, or local law)
6 relating to implementing social distancing meas-
7 ures.

8 (N) Any other essential expenses of the eli-
9 gible entity, as determined by the Adminis-
10 trator.

11 (5) RETURNING FUNDS.—If an eligible entity
12 that receives an award under this section fails to use
13 all of the award on or before the last day of the cov-
14 ered period or permanently ceases operations on or
15 before the last day of the covered period, the eligible
16 entity shall return to the Administrator any funds
17 that the eligible entity did not use for the allowable
18 expenses under paragraph (4).

19 (c) DATA TRANSPARENCY AND CUSTOMER SERV-
20 ICE.—The Administrator shall—

21 (1) in carrying out this section, maintain reg-
22 ular communication with applicants and representa-
23 tives of such applicants, including by—

24 (A) hosting regularly scheduled informa-
25 tion sessions with those persons; and

1 (B) providing opportunities to those per-
2 sons to submit and receive answers to questions
3 regarding awards made under this section;

4 (2) on a weekly basis until the amounts made
5 available under this section are fully expended, pub-
6 lish data that shows, for the period beginning on the
7 date of enactment of this Act and ending on the
8 date on which the information is published—

9 (A) with respect to applications for awards
10 under this section, the number of those applica-
11 tions—

12 (i) that the Administrator has re-
13 ceived;

14 (ii) that the Administrator has re-
15 viewed or is in the process of reviewing;
16 and

17 (iii) with respect to which the Admin-
18 istrator has made a decision; and

19 (B) the number and dollar amount of pay-
20 ments awarded and disbursed under this sec-
21 tion;

22 (3) on a weekly basis until the amounts made
23 available to carry out this section are fully expended,
24 publish, for the period beginning on the date of en-

1 actment of this Act and ending on the date on which
2 the information is published—

3 (A) the name and location of each eligible
4 entity to which an award has been made under
5 this section; and

6 (B) the amount of such award;

7 (4) with respect to an applicant that applies for
8 an award under this section and is denied by the
9 Administrator—

10 (A) make available to the applicant a brief
11 explanation regarding the denial which shall in-
12 clude, where applicable, a citation to the stat-
13 ute, regulation, or guidance with which the ap-
14 plicant failed to comply and that was the basis
15 for the denial; and

16 (B) establish a reconsideration process
17 through which the applicant may—

18 (i) submit to the Administrator addi-
19 tional information the applicant determines
20 to be relevant to whether the applicant is
21 eligible for the grant; and

22 (ii) receive a review of the application
23 and such additional information submitted
24 under clause (i).

25 (d) DATA SHARING.—

1 (1) IN GENERAL.—The Secretary of the Treas-
2 ury shall, through the method described in para-
3 graph (2), make data available to the Administrator
4 so that the Administrator may—

5 (A) confirm the identity of an applicant for
6 an award under this section;

7 (B) determine whether an applicant for an
8 award under this section is an eligible entity;
9 and

10 (C) calculate the amount of an award
11 made to an eligible entity under this section.

12 (2) METHOD.—The sharing of data required
13 under paragraph (1) shall occur through an applica-
14 tion programming interface between the Secretary of
15 the Treasury and the Administrator, which shall fa-
16 cilitate the automated exchange of data between the
17 Secretary and the Administrator for the purposes of
18 carrying out this section.

19 (e) TAX TREATMENT OF AWARDS.—

20 (1) IN GENERAL.—For the purposes of the In-
21 ternal Revenue Code of 1986—

22 (A) no award made under this section shall
23 be included in the gross income of the eligible
24 entity that receives an award;

1 (B) no deduction shall be denied, no tax
2 attribute shall be reduced, and no basis increase
3 shall be denied, by reason of the exclusion from
4 gross income provided by subparagraph (A);
5 and

6 (C) in the case of a partnership or S cor-
7 poration that receives an award under this sec-
8 tion—

9 (i) any amount excluded from income
10 by reason of subparagraph (A) shall be
11 treated as tax exempt for purposes of sec-
12 tions 705 and 1366 of such Code; and

13 (ii) the Secretary of the Treasury (or
14 the Secretary's delegate) shall prescribe
15 rules for determining a partner's distribu-
16 tive share of any amount described in
17 clause (i) for purposes of section 705 of
18 such Code.

19 (2) APPLICABILITY.—Paragraph (1) shall apply
20 to taxable years ending after the date of enactment
21 of this Act.

22 (f) SYSTEM FOR AWARD MANAGEMENT.—The Ad-
23 ministrator may not require any eligible entity that applies
24 for an award under this section to use the System for

1 Award Management (or any successor system) with re-
2 spect to that award.

3 (g) APPLICATION PROCESSING.—The Director of the
4 Office of Management and Budget may, on an emergency
5 basis and in order to expedite the processing and approval
6 of applications for awards under this section, waive the
7 requirements of part 200 of title 2, Code of Federal Regu-
8 lations (or any successor regulations) with respect to an
9 award made under this section, if—

10 (1) the Director finds that such a waiver will
11 prevent eligible entities from failing or suffering
12 undue hardship; and

13 (2) each eligible entity that receives an award
14 under this section is still required to submit to the
15 Administrator ongoing reports regarding the use by
16 the eligible entity of the award amounts.

17 (h) OVERSIGHT AND AUDITS.—

18 (1) IN GENERAL.—In cooperation with the Di-
19 rector of the Office of Management and Budget, the
20 Administrator shall establish an oversight and audit
21 plan with respect to eligible entities receiving awards
22 under this section, which shall include—

23 (A) documentation requirements that are
24 consistent with the eligibility and other require-
25 ments under this section, including a require-

1 ment that an eligible entity that receives an
2 award under this section retains records that
3 demonstrate compliance with the requirements
4 of this section; and

5 (B) reviews of the use, by eligible entities,
6 of awards made under this section to ensure
7 compliance with the requirements of this sec-
8 tion, which shall include—

9 (i) a review and audit by the Adminis-
10 trator of awards made under this section;
11 and

12 (ii) in the case of fraud or other mate-
13 rial noncompliance with respect to an
14 award made under this section—

15 (I) a requirement that the appli-
16 cable eligible entity repay to the Ad-
17 ministrator the amount of the
18 misspent funds; or

19 (II) legal action by the Adminis-
20 trator to collect the misspent funds.

21 (2) SUBMISSION OF PLAN.—Not later than 30
22 days after the date of the enactment of this Act, the
23 Administrator shall submit to the Committee on
24 Small Business and Entrepreneurship of the Senate
25 and the Committee on Small Business of the House

1 of Representatives the plan required under para-
2 graph (1), which shall describe—

3 (A) the policies and procedures of the Ad-
4 ministrator for conducting oversight and audits
5 of awards made under this section; and

6 (B) the metrics that the Administrator will
7 use to determine which awards made under this
8 section will be audited under that plan.

9 (3) REPORTS.—Not later than 60 days after
10 the date of the enactment of this Act, once every 30
11 days thereafter until the date that is 180 days after
12 the date on which all amounts made available to
13 carry out this section have been fully expended, and
14 upon request thereafter, the Administrator shall sub-
15 mit to the Committee on Small Business and Entre-
16 preneurship of the Senate and the Committee on
17 Small Business of the House of Representatives a
18 report on the oversight and audit activities of the
19 Administrator under this subsection, which shall in-
20 clude—

21 (A) the total number of awards approved
22 and disbursed under this section;

23 (B) the total amount of each award re-
24 ceived by each eligible entity;

1 (C) the number of active investigations and
2 audits of awards made under this section;

3 (D) the number of completed reviews and
4 audits of awards made under this section, in-
5 cluding a description of any findings of fraud or
6 other material noncompliance with the require-
7 ments of this section; and

8 (E) a description of any substantial
9 changes made to the plan required under para-
10 graph (1).

11 (i) RULES.—Not later than 30 days after the date
12 of the enactment of this Act, the Administrator shall issue
13 rules to carry out this section, without regard to the notice
14 requirements under section 553(b) of title 5, United
15 States Code.

16 (j) AUTHORIZATION OF APPROPRIATIONS.—In addi-
17 tion to amounts otherwise available, there is appropriated
18 for fiscal year 2022, out of any money in the Treasury
19 not otherwise appropriated, \$13,000,000,000, for the
20 Hard Hit Industries Award Program established under
21 this section, to remain available until expended, of which
22 not more than \$380,000,000 shall be for administrative
23 expenses to carry out this section, of which—

24 (1) \$2,500,000 shall be for the Inspector Gen-
25 eral of the Small Business Administration to prevent

1 waste, fraud, and abuse with respect to funding
2 made available for the Hard Hit Industries Award
3 Program;

4 (2) \$2,500,000 shall be for the Department of
5 Justice for investigative and prosecutorial activities
6 related to fraud and abuse, with respect to funding
7 made available for the Hard Hit Industries Award
8 Program; and

9 (3) \$2,500,000 shall be for shall be for the
10 Pandemic Response Accountability Committee with
11 respect to funding made available for the Hard Hit
12 Industries Award Program.

13 **SEC. 4. FUNDING FOR THE RESTAURANT REVITALIZATION**
14 **FUND AND THE HARD HIT INDUSTRIES**
15 **AWARD PROGRAM.**

16 (a) IN GENERAL.—Any unobligated covered funds
17 are hereby transferred to the Administrator of the Small
18 Business Administration for purposes of carrying out sec-
19 tion 5003 of the American Rescue Plan Act of 2021 (15
20 U.S.C. 9009c) and the Hard Hit Industries Award Pro-
21 gram established under section 3 of this Act.

22 (b) COVERED FUNDS DEFINED.—In this section, the
23 term “covered funds”—

1 (1) means any funds means any and all funds
2 rescinded, seized, reclaimed, or otherwise returned to
3 the Federal Government received pursuant to—

4 (A) paragraph (36) or (37) of section 7(a)
5 of the Small Business Act (15 U.S.C. 636(a));

6 (B) section 7(b)(2) of the Small Business
7 Act (15 U.S.C. 636(b)), with respect to a loan
8 made under such section in response to
9 COVID-19 during the covered period (as de-
10 fined in section 1110(a) of the CARES Act (15
11 U.S.C. 9009(a)));

12 (C) section 1110(e) of the CARES Act (15
13 U.S.C. 9009(e));

14 (D) section 331 of the Economic Aid to
15 Hard-Hit Small Businesses, Nonprofits, and
16 Venues Act (15 U.S.C. 9009b);

17 (E) section 324 of the Economic Aid to
18 Hard-Hit Small Businesses, Nonprofits, and
19 Venues Act (15 U.S.C. 9009a);

20 (F) section 5003 of the American Rescue
21 Plan Act of 2021 (15 U.S.C. 9009c);

22 (G) section 3 of this Act;

23 (2) includes any funds that as of December 31,
24 2022, are unexpended under section 5003 of the

1 American Rescue Plan Act of 2021 (15 U.S.C.
2 9009e); and

3 (3) does not include funds paid by person to the
4 Federal Government for the purposes of tax obliga-
5 tions, servicing of loans, or standard payment of
6 fees.

7 **SEC. 5. GRANTS FOR SHUTTERED VENUE OPERATORS.**

8 Section 324(d) of the Economic Aid to Hard-Hit
9 Small Businesses, Nonprofits, and Venues Act (15 U.S.C.
10 9009a(d)) is amended by striking paragraph (1) and in-
11 serting the following:

12 “(1) TIMING.—

13 “(A) EXPENSES INCURRED.—Amounts re-
14 ceived under a grant under this section may be
15 used for costs incurred during the period begin-
16 ning on March 1, 2020, and ending on March
17 11, 2023 (or a later date, as determined by the
18 Administrator).

19 “(B) EXPENDITURE.—An eligible person
20 or entity shall return to the Administrator any
21 amounts received under a grant under this sec-
22 tion that are not expended on or before April
23 15, 2023 (or a later date, as determined by the
24 Administrator), with respect to costs incurred

1 during the period described in subparagraph
2 (A).”.

