

118TH CONGRESS
1ST SESSION

H. R. 4667

IN THE SENATE OF THE UNITED STATES

DECEMBER 4, 2023

Received; read twice and referred to the Committee on Small Business and
Entrepreneurship

AN ACT

To require the Administrator of the Small Business Administration to issue guidance and rules for lenders and the Small Business Administration on handling amounts of Paycheck Protection Loans returned by borrowers, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Returning Erroneous
3 COVID Loans Addressing Illegal and Misappropriated
4 Taxpayer Funds Act” or the “RECLAIM Taxpayer
5 Funds Act”.

6 **SEC. 2. PAYCHECK PROTECTION LOAN RETURN GUIDANCE.**

7 (a) IN GENERAL.—Not later than 30 days after the
8 date of the enactment of this Act, the Administrator of
9 the Small Business Administration shall issue guidance
10 for borrowers and lenders on returning any unused
11 amounts of PPP loans made to the borrower.

12 (b) GUIDANCE REQUIREMENTS.—The guidance re-
13 quired by subsection (a) shall include—

14 (1) detailed guidance for borrowers on how to
15 return to the lender that made a PPP loan to the
16 borrower the unused amounts of such PPP loan;

17 (2) detailed guidance for lenders regarding the
18 responsibilities of lenders, including that a lender
19 must—

20 (A) accept the return of any unused
21 amounts of any PPP loan from a borrower or
22 any other source (including law enforcement) if
23 the lender made such PPP loan;

24 (B) document the reason for the return of
25 such unused amounts, the identification number
26 of the PPP loan, the name of the borrower of

1 the PPP loan, and the name of the person re-
2 turning such unused amounts if different than
3 the borrower;

4 (C) remit such unused amounts to the Ad-
5 ministration;

6 (D) make the guidance described in para-
7 graph (1) available to borrowers described in
8 such paragraph; and

9 (E) if the lender made a PPP loan, peri-
10 odically certify that the lender has reported and
11 returned to the Administration all unused
12 amounts of PPP loans returned to the lender;

13 (3) detailed guidance for financial institutions
14 holding funds from a PPP loan on the procedure for
15 returning such funds to the Administration if the fi-
16 nancial institution suspects the borrower may be
17 committing fraud with respect to the PPP loan or
18 any other issue for which the financial institution
19 should return the funds the Administration; and

20 (4) detailed guidance for borrowers and lenders
21 of PPP loans, financial institutions described in
22 paragraph (3), and other relevant individuals and
23 entities on complying with the requirement to report
24 to the Office of the Inspector General for the Small

1 Business Administration any information indicating
2 the occurrence of fraud with respect to a PPP loan.

3 **SEC. 3. RETURNS HANDLING PROCESS.**

4 (a) IN GENERAL.—Not later than 30 days after the
5 date of the enactment of this Act, the Administrator of
6 the Small Business Administration shall issue guidance es-
7 tablishing a process for the Small Business Administration
8 to track amounts of PPP loans returned to mitigate the
9 risk of financial loss to the Federal Government.

10 (b) RETURNS HANDLING PROCESS REQUIRE-
11 MENTS.—The process established under subsection (a)
12 shall require—

13 (1) the Administration to accept returns of un-
14 used amounts of PPP loans; and

15 (2) the Administrator to deposit in the general
16 fund of the Treasury the unused amounts of PPP
17 loans returned to the Administration.

18 **SEC. 4. DEFINITIONS.**

19 In this Act:

20 (1) ADMINISTRATION.—The term “Administra-
21 tion” means the Small Business Administration.

22 (2) ADMINISTRATOR.—The term “Adminis-
23 trator” means the Administration of the Small Busi-
24 ness Administration.

(3) PPP LOAN.—The term “PPP loan” means a loan made under paragraph (36) or (37) of section 7(a) of the Small Business Act (15 U.S.C. 636(a)).

4 SEC. 5. COMPLIANCE WITH CUTGO.

5 No additional amounts are authorized to be appro-
6 priated to carry out this Act.

Passed the House of Representatives November 30,
2023.

Attest: KEVIN F. MCCUMBER,
Clerk.