

S 2231

504 Modernization and Small Manufacturer Enhancement Act of 2021

Congress: 117 (2021–2023, Ended)

Chamber: Senate

Policy Area: Commerce

Introduced: Jun 24, 2021

Current Status: Read twice and referred to the Committee on Small Business and Entrepreneurship.

Latest Action: Read twice and referred to the Committee on Small Business and Entrepreneurship. (Jun 24, 2021)

Official Text: <https://www.congress.gov/bill/117th-congress/senate-bill/2231>

Sponsor

Name: Sen. Klobuchar, Amy [D-MN]

Party: Democratic • **State:** MN • **Chamber:** Senate

Cosponsors (3 total)

Cosponsor	Party / State	Role	Date Joined
Sen. Booker, Cory A. [D-NJ]	D · NJ		Jun 24, 2021
Sen. Rubio, Marco [R-FL]	R · FL		Jun 24, 2021
Sen. Young, Todd [R-IN]	R · IN		Jun 24, 2021

Committee Activity

Committee	Chamber	Activity	Date
Small Business and Entrepreneurship Committee	Senate	Referred To	Jun 24, 2021

Subjects & Policy Tags

Policy Area:

Commerce

Related Bills

Bill	Relationship	Last Action
117 HR 1490	Identical bill	Apr 19, 2021: Received in the Senate and Read twice and referred to the Committee on Small Business and Entrepreneurship.

504 Modernization and Small Manufacturer Enhancement Act of 2021

This bill modifies the Small Business Administration (SBA) 504 Loan Program, which provides a small business with SBA financing—through a certified development company (CDC) intermediary—for expansion or modernization.

Specifically, the bill adds policy goals, at least one of which a CDC must demonstrate to be eligible for assistance. These include (1) enhancing the ability of a small business to reduce costs by using energy efficient products and generating renewable energy, and (2) aiding the revitalization of any area for which a disaster has been declared or determined. The bill also authorizes a CDC to take specified actions to facilitate the closing of a 504 loan, such as correcting borrower or lender information on loan documents or reallocating up to 10% of the cost of a project.

For small manufacturers, the bill (1) increases the maximum loan amount from \$5.5 million to \$6.5 million, (2) reduces the amount that they must contribute to project costs, (3) increases job retention requirements, and (4) revises collateral requirements and debt refinancing considerations. Further, each SBA district office must partner with a resource partner to provide certain training for small manufacturers.

Actions Timeline

- **Jun 24, 2021:** Introduced in Senate
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