

116TH CONGRESS
2D SESSION

H. R. 6897

To expand the waiver of affiliation rules for certain business concerns with more than 1 physical location, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 15, 2020

Mr. CICILLINE (for himself and Mr. SENSENBRENNER) introduced the following bill; which was referred to the Committee on Small Business

A BILL

To expand the waiver of affiliation rules for certain business concerns with more than 1 physical location, 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Local News and Emer-
5 gency Information Act of 2020”.

6 **SEC. 2. AMENDMENTS TO THE PAYCHECK PROTECTION**
7 **PROGRAM.**

8 Section 7(a)(36)(D) of the Small Business Act (15
9 U.S.C. 636(a)(36)(D)) is amended—

10 (1) in clause (iii)—

1 (A) by striking “business concern that em-
2 ploys” and inserting the following: “business
3 concern that—

4 “(I) employs”;

5 (B) in subclause (I), by striking the period
6 at the end and inserting “; or”; and

7 (C) by adding at the end the following:

8 “(II) is assigned a North Amer-
9 ican Industry Classification System
10 code beginning with 511110, 515112,
11 or 515120 at the time of disbursal
12 shall be eligible to receive a covered
13 loan for business expenses of the busi-
14 ness concern that are associated with
15 an individual physical location of that
16 business concern, provided that—

17 “(aa) the proceeds of the
18 loan are used to support expenses
19 associated with the continued
20 provision of local news, informa-
21 tion, content, or emergency infor-
22 mation; and

23 “(bb) at the time of dis-
24 bursal, the individual physical lo-
25 cation does not exceed the size

1 standard established by the Ad-
2 ministrator for the applicable
3 code.”;

4 (2) in clause (iv)—

5 (A) in subclause (II), by striking “and” at
6 the end;

7 (B) in subclause (III), by striking the pe-
8 riod at the end and inserting “; and”; and

9 (C) by adding at the end the following:

10 “(IV) an individual physical loca-
11 tion of a business concern that, as of
12 the date on which the covered loan is
13 disbursed, is assigned a North Amer-
14 ican Industry Classification System
15 code beginning with 511110, 515112,
16 or 515120 and does not exceed the
17 size standard established by the Ad-
18 ministrator for the applicable code,
19 provided that, as a condition of the
20 waiver under this subclause, the busi-
21 ness concern shall not pay, distribute,
22 or otherwise provide the covered loan
23 or any portion of the covered loan to
24 any other entity other than the indi-
25 vidual physical location that is the in-

1 tended recipient of the covered loan.”;

2 and

3 (3) by adding at the end the following:

4 “(vii) TREATMENT OF CERTAIN BUSI-
5 NESS CONCERNS.—

6 “(I) IN GENERAL.—A business
7 concern that is assigned a North
8 American Industry Classification Sys-
9 tem Code beginning with 511110,
10 515112, or 515120 at the time of dis-
11 bursal of a covered loan and is a
12 franchisee or affiliate of or owned or
13 controlled by a parent company or an
14 investment company, or management
15 thereof, shall be treated as an inde-
16 pendent, non-affiliated entity upon
17 certification to the Administrator that
18 the request for the covered loan is
19 necessary to support expenses associ-
20 ated with the continued provision of
21 local news, information, content, or
22 emergency information.

23 “(II) REPORT.—The Adminis-
24 trator and the Secretary of the Treas-
25 ury shall submit to the Committee on

1 Small Business and Entrepreneurship
2 of the Senate, the Committee on
3 Small Business of the House of Rep-
4 resentatives, and the Congressional
5 Oversight Commission established
6 under section 4020 of division B of
7 the CARES Act (Public Law 116-
8 136) a report regarding covered loans
9 made to business concerns described
10 in subclause (I).”.

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