

[DISCUSSION DRAFT]

116<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R.** \_\_\_\_\_

To apply certain terms and conditions on making direct loans under the CARES Act to certain purchases of debt by the Federal Government, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

Mr. SHERMAN introduced the following bill; which was referred to the Committee on \_\_\_\_\_

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**A BILL**

To apply certain terms and conditions on making direct loans under the CARES Act to certain purchases of debt by the Federal Government, 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. APPLICATION OF TERMS AND CONDITIONS TO**  
4 **CERTAIN DEBT ISSUANCES.**

5 (a) IN GENERAL.—If one or more Federal agencies  
6 (including the Board of Governors of the Federal Reserve  
7 System) cumulatively purchase 50 percent or more of the  
8 initial issuance of any bond or other debt security, and

1 50 percent or more of the funds used to make such pur-  
2 chase are provided under, or authorized by, a COVID-  
3 19 relief Act—

4 (1) the issuer of such bond or other debt secu-  
5 rity shall be subject to the requirements of section  
6 4003(c)(3)(A) of the CARES Act (15 U.S.C.  
7 9042(c)(3)(A)) to the same extent as such subpara-  
8 graph applies to applicable eligible businesses;

9 (2) the requirements described under subpara-  
10 graph (B) and (C) of such section 4003(c)(3) shall  
11 apply to such purchase to the same extent as they  
12 apply to investments made under such section 4003;  
13 and

14 (3) during the period beginning on the date on  
15 which such purchase is made and ending on the date  
16 that is 1 year after the date on which the bond or  
17 other debt security is no longer owned 50 percent or  
18 more, cumulatively, by any Federal agencies, the re-  
19 quirements under section 4004 of the CARES Act  
20 (15 U.S.C. 9043) shall apply to the issuer of such  
21 bond or other debt security.

22 (b) COVID-19 RELIEF ACT.—The term “COVID-  
23 19 relief Act” means the CARES Act and any other Act  
24 that the [Secretary of the Treasury] determines was en-  
25 acted to provide relief related to the COVID-19 pandemic.