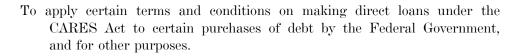
[DISCUSSION DRAFT]

H.R.

116TH CONGRESS 2D Session



IN THE HOUSE OF REPRESENTATIVES

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

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

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

4

 $\mathbf{2}$

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

4 (1) the issuer of such bond or other debt secu5 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 subpara8 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.

(b) COVID-19 RELIEF ACT.—The term "COVID19 relief Act" means the CARES Act and any other Act
that the [Secretary of the Treasury] determines was enacted to provide relief related to the COVID-19 pandemic.