

many fintech lenders, who have been associated with problematic loans, to 10 years for banks and credit unions that fall under bank fraud.

H.R. 7352, the PPP and Bank Fraud Enforcement Harmonization Act of 2022, takes important steps to create an across-the-board 10-year statute of limitations on all loans handed out through the PPP program. This change will ensure all law enforcement and inspectors general have the time to track down all wrongdoing no matter the type of lender.

H.R. 7352 was created via voice vote in committee. I thank the chair for treating this issue with the priority it deserves and for working with me on the bills before us today. This bill is a step in the right direction, and I urge my colleagues to support it.

In closing, Madam Speaker, when Congress raced to save American small businesses, criminal actors lurked in the shadows. Although one of the most popular COVID-19 relief measures, the PPP program, has firmly moved into the loan forgiveness period, the investigations surrounding illicit behavior have just begun.

H.R. 7352 will wisely ensure all loans handed out through the program, no matter the type of lender, have a statute of limitations window of 10 years.

According to some of the most recent SBA inspector general reports, nearly \$4.6 billion of the \$800 billion could be potentially fraudulent. While these numbers will surely change, it is paramount that we provide law enforcement the runway to track down all fraudulent behavior. These are American taxpayer dollars on the line, and they must be protected.

Madam Speaker, I urge my colleagues to support this legislation, and I yield back the balance of my time.

Ms. VELÁZQUEZ. Madam Speaker, I yield myself the balance of my time.

Madam Speaker, we must continue supporting the work of our Federal, State, and local law enforcement agencies as they investigate and prosecute pandemic loan fraud. It appears the bulk of PPP loan fraud was originated by nonbank lenders and fintech companies, which may not be prosecuted as bank fraud and is therefore subject to a much shorter statute of limitations.

This presents the possibility that pandemic loan fraudsters may get off the hook because the statute of limitations expired. We simply cannot let this happen. This bill would give law enforcement agencies the time needed to hold fraudsters accountable and bring them to justice.

Once again, I thank our ranking member, Mr. LUETKEMEYER, for working with me to lead this important effort, and all the members of the Small Business Committee for their bipartisan work on this bill.

Madam Speaker, I urge my colleagues to vote "yes," and I yield back the balance of my time.

Ms. JACKSON LEE. Madam Speaker, I rise in support of H.R. 7352—the "PPP and Bank

Fraud Enforcement Harmonization Act of 2022" extends the statute of limitation and provides a timeframe in which criminal charges can be filed against those accused of fraud in connection with the "Paycheck Protection Program" and "Paycheck Protection Program Second Draw Loans" program.

The Paycheck Protection Program commonly known as the "PPP" loan was created as a part of the CARES Act—the Covid Aid, Relief, and Economic Security Act—of March 2020.

The PPP loan was established to help small businesses survive through the COVID-19 pandemic of 2020, so that they may be able to pay their employees and keep their businesses operating during the tumultuous challenges imposed by COVID-19.

I urge everyone to remember the times before the recent reemergence of a "business as usual" stance that many have now taken, and remember the omnipresent news reports about the horrific and ever-increasing death toll.

Any person who was willing, for their own financial gain, to take advantage of that situation and the emergency funding that was intended for those who needed it most during the gruesome pandemic deserves to be punished for their heinous actions.

H.R. 7352 would extend the statute of limitation for prosecution of loans classified within the PPP and Economic Injury Disaster Loan (EIDL) categories under the Small Business Act.

As it stands now, bank-originated PPP fraud is being prosecuted as bank fraud which carries a 10-year statute of limitations.

In contrast, loans that originated through financial technology avenues—known as Fintech—are currently subject to only a 5-year statute of limitations because they are governed by wire fraud laws.

H.R. 7352 will ensure that we are doing our duty to uphold justice and gather all necessary information and evidence, while extending the reach of the law against these violators.

PPP fraud comes at the expense of all Americans, tax-paying Americans who work hard for the money they earn.

H.R. 7352 will ensure that there's ample time allotted for special attention to the complex nature of PPP loan fraud.

Ensuring that the timeframe is fair and commensurate with the severity of the nature of loan fraud, H.R. 7352 will make sure that justice is served in every regard.

I ask that each of my colleagues joins me in support of H.R. 7352.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from New York (Ms. VELÁZQUEZ) that the House suspend the rules and pass the bill, H.R. 7352.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mrs. GREENE of Georgia. Madam Speaker, on that I demand the yeas and nays.

The SPEAKER pro tempore. Pursuant to section 3(s) of House Resolution 8, the yeas and nays are ordered.

Pursuant to clause 8 of rule XX, further proceedings on this motion are postponed.

COVID-19 EIDL FRAUD STATUTE OF LIMITATIONS ACT OF 2022

Ms. VELÁZQUEZ. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 7334) to extend the statute of limitations for fraud by borrowers under certain COVID-19 economic injury disaster loan programs of the Small Business Administration, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 7334

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "COVID-19 EIDL Fraud Statute of Limitations Act of 2022".

SEC. 2. EXTENSION OF STATUTE OF LIMITATIONS FOR CERTAIN COVID-19 ECONOMIC INJURY DISASTER LOAN PROGRAMS.

(a) CERTAIN ECONOMIC INJURY DISASTER LOANS.—Section 7(b) of the Small Business Act (15 U.S.C. 636(b)) is amended by inserting after paragraph (15) the following new paragraph:

"(16) STATUTE OF LIMITATIONS.—Notwithstanding any other provision of law, any criminal charge or civil enforcement action alleging that a borrower engaged in fraud with respect to a loan made under this subsection in response to COVID-19 during the covered period (as defined in section 1110(a) of the CARES Act) shall be filed not later than 10 years after the offense was committed."

(b) EIDL ADVANCES.—Section 1110(e) of the CARES Act (15 U.S.C. 9009(e)) is amended by adding at the end the following new paragraph:

"(9) STATUTE OF LIMITATIONS.—Notwithstanding any other provision of law, any criminal charge or civil enforcement action alleging that a borrower engaged in fraud with respect to the use of an advance received under this subsection shall be filed not later than 10 years after the offense was committed."

(c) TARGETED EIDL ADVANCES.—Section 331 of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (15 U.S.C. 9009b) is amended by adding at the end the following new subsection:

"(i) STATUTE OF LIMITATIONS.—Notwithstanding any other provision of law, any criminal charge or civil enforcement action alleging that a borrower engaged in fraud with respect to the use of any amount received pursuant to this section shall be filed not later than 10 years after the offense was committed."

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from New York (Ms. VELÁZQUEZ) and the gentleman from Missouri (Mr. LUETKEMEYER) each will control 20 minutes.

The Chair recognizes the gentlewoman from New York.

GENERAL LEAVE

Ms. VELÁZQUEZ. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the measure under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. VELÁZQUEZ. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of H.R. 7334, the COVID-19 EIDL Fraud Statute of Limitations Act of 2022, introduced by the ranking member, Mr. LUETKEMEYER, and cosponsored by myself.

As with the PPP and Bank Fraud Enforcement Harmonization Act, this bill will extend the statute of limitations for COVID-19 EIDL fraud cases to 10 years to allow prosecutors more time to do their jobs. The bills are companion pieces of legislation and much-needed to help law enforcement investigate and bring fraud charges.

Congress amended the SBA disaster loan program at the start of the pandemic to allow small businesses facing economic injury due to COVID to apply for SBA disaster loans which were originally designed for natural disasters. At the same time, SBA lowered the guardrails and disbursed funds quickly to provide stability to the small business economy, which, as we all know, was facing unprecedented uncertainty in 2020.

In a very short time, the program went from one that responds to natural disasters in a few, distinct geographic areas, depending on the nature of the disaster, to one that was responding to a nationwide crisis almost overnight. Overall, the COVID EIDL program approved almost 4 million loans totaling over \$378 billion.

The SBA administrator transitioned the program to the Office of Capital Access to dedicate additional management capacity. Since that transition, the office closed out a backlog of nearly 1 million applicants and increased loan officer productivity while improving the customer service experience and solidifying robust fraud controls. Nevertheless, throughout the pandemic, our committee held numerous oversight hearings with SBA's inspector general who testified that there is a great deal of potential fraud in this program, and it would be a decades-long effort to fully investigate.

The IG's office identified \$78 billion in potentially fraudulent activity in the EIDL program as well as over \$6 billion in loans and grants related to identity theft allegations. Given the degree of potential fraud, we need to give prosecutors more time to bring fraudsters to justice. This bill will give law enforcement the time needed to conduct their investigations of COVID EIDL fraud.

That is why I cosponsored this bill which will go a long way towards enhancing oversight and accountability.

Madam Speaker, I thank the ranking member, Mr. LUETKEMEYER, for introducing this important measure, and to the members of the Small Business Committee for unanimously approving this important piece of legislation.

I urge all Members to support this bill, and I reserve the balance of my time.

Mr. LUETKEMEYER. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise in support of H.R. 7334, the COVID-19 EIDL Fraud Statute of Limitations Act of 2022.

Similar to the previous bill, the Paycheck Protection Program, the Small Business Administration's Economic Injury Disaster Loan program, known as EIDL, was also activated as the Nation's small businesses were being shut down due to COVID-19. However, unlike PPP, EIDL was a direct loan and grant program through the SBA. Unfortunately, the SBA acting as a direct lender and grantor has been problematic and has resulted in billions of potentially fraudulent dollars flowing to criminals.

In fact, the SBA's inspector general has reported that as much as \$84.4 billion within the \$400 billion program could be fraudulent. Moreover, over 1 million applications have been flagged for identity theft concerns. This is unacceptable and must be addressed.

H.R. 7334, the COVID-19 EIDL Fraud Statute of Limitations Act of 2022 takes the first step and establishes a 10-year statute of limitations window to ensure law enforcement and the SBA's inspector general have the time to investigate all wrongdoing. This change is even more important as the SBA continues to defer all EIDL payments, thus clouding the true extent of fraud within the program.

Madam Speaker, I thank the chair for working with me on this measure which passed out of committee unanimously earlier in May.

If we are to take COVID relief fraud seriously, then we need to ensure law enforcement has what it needs to catch and prosecute all criminals. H.R. 7334 provides them the time to act.

Madam Speaker, I wholeheartedly believe this bill is instrumental when it comes to fraud recoupment. I urge my colleagues to support it, and I reserve the balance of my time.

Ms. VELÁZQUEZ. Madam Speaker, I continue to reserve the balance of my time.

Mr. LUETKEMEYER. Madam Speaker, I yield such time as he may consume to the gentleman from Pennsylvania (Mr. MEUSER), who is the ranking member of the Subcommittee on Economic Growth, Tax and Capital Access.

Mr. MEUSER. Madam Speaker, I thank the ranking member, Mr. LUETKEMEYER, for his leadership on this bill and in committee.

The EIDL program, Madam Speaker, was established to deliver relief to struggling small businesses during the pandemic. This is why I rise today in support of H.R. 7334.

Unlike the public-private partnership that was Paycheck Protection Program, the EIDL program was a direct loan program administered by the SBA, not in partnership with private lenders.

The SBA's inspector general has estimated that there is approximately \$84.4 billion in potential fraudulent EIDL activity, over 20 percent of all EIDL loans extended.

With this massive level of potential fraud, it is imperative that this House passes Ranking Member LUETKEMEYER's bill to extend the current 5-year statute of limitations for SBA grants and loans to 10 years. In doing so we can allow for authorities to investigate the egregious amount of potential fraud in the EIDL program and ensure accountability for those who took advantage of the EIDL program to defraud the American people.

Madam Speaker, I note that this bill had strong bipartisan support and passed out of the Small Business Committee by voice vote last month. I urge my colleagues to support this important legislation.

Ms. VELÁZQUEZ. Madam Speaker, I continue to reserve the balance of my time.

Mr. LUETKEMEYER. Madam Speaker, I yield such time as she may consume to the gentlewoman from New York (Ms. TENNEY), who is the ranking member of the Subcommittee on Underserved, Agricultural, and Rural Business Development.

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Ms. TENNEY. Madam Speaker, since the onset of the pandemic, Congress has passed several COVID-19 relief bills totaling an unprecedented \$5.3 trillion. While some of this spending was unwise, other programs, like the Paycheck Protection Program, provided much-needed relief to employers and businesses devastated by the pandemic.

One particular area of concern is the COVID-19 Economic Industry Disaster Loan program, otherwise known as EIDL. This program, unlike other relief programs, was direct lending by the SBA, the Small Business Administration. This means the agency did not partner with our local banks and credit unions and, instead, approved and administered these loans directly.

Since the COVID-19 EIDL funding passed, we have learned of countless cases of fraud, waste, and abuse. The Federal Government is simply not set up to be a direct lender.

This is one reason I introduced the House version of the Transparency in COVID-19 Expenditures Act, which would require an audit of all Federal COVID-19 relief spending. There is obviously room for improvement in providing additional oversight and returning fraudulently awarded funds back to the taxpayers.

In response, Ranking Member LUETKEMEYER has done great work introducing the COVID-19 Economic Industry Disaster Loans Fraud Statute of Limitations Act of 2022 that will help fix part of the shortcomings by expanding the statute of limitations for EIDL loans and fraud from 6 to 10 years, the same as bank fraud. This will give officials a greater window to track down fraudulent activity and hold bad actors accountable.

No one should be wrongly profiting from the need to distribute aid during this pandemic. The American taxpayers deserve better, and I applaud

the ranking member's efforts on this. I urge all my colleagues to support this.

Ms. VELÁZQUEZ. Madam Speaker, I have no further speakers, and I am prepared to close. I reserve the balance of my time.

Mr. LUETKEMEYER. Madam Speaker, I have no further speakers, and I am prepared to close. I yield myself such time as I may consume.

Madam Speaker, fraud associated with the EIDL program is a serious matter. Due to mismanagement and poor oversight capabilities, the EIDL program has been overwhelmed with fraud.

As I mentioned earlier, the SBA's inspector general has found more than \$80 billion within the \$400 billion program that could potentially be fraudulent. This represents a double-digit fraud rate.

However, recouping these dollars has just begun and the current statute of limitations is limited. My bill, H.R. 7334, will ensure the statute of limitations runway is recalibrated and extended out to 10 years. By passing this bill, Congress will allow the time needed to correct all wrongdoing within the program.

I urge my colleagues to support H.R. 7334, and I yield back the balance of my time.

Ms. VELÁZQUEZ. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, our Federal, State, and local law enforcement agencies are diligently investigating and prosecuting pandemic loan fraud, and we must continue to support those efforts, whether in the COVID EIDL program or the Paycheck Protection Program.

We all agree that anyone who took advantage of this once-in-a-lifetime crisis to commit fraud and enrich themselves at the expense of hard-working Main Street businesses must be held accountable.

It is unacceptable to allow anyone to get off the hook for defrauding a government relief program simply because the statute of limitations expired. We cannot let this happen, and we must pass this bill.

Once again, I thank our Ranking Member, Mr. LUETKEMEYER, for introducing this important measure, and I am pleased to support it.

I also thank all the members of the Small Business Committee for their bipartisan work on this bill, and I urge my colleagues to vote "yes."

Madam Speaker, I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from New York (Ms. VELÁZQUEZ) that the House suspend the rules and pass the bill, H.R. 7334.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mrs. GREENE of Georgia. Madam Speaker, on that I demand the yeas and nays.

The SPEAKER pro tempore. Pursuant to section 3(s) of House Resolution 8, the yeas and nays are ordered.

Pursuant to clause 8 of rule XX, further proceedings on this motion are postponed.

HUBZONE PRICE EVALUATION PREFERENCE CLARIFICATION ACT OF 2021

Ms. VELÁZQUEZ. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 5879) to amend the Small Business Act to clarify the application of the price evaluation preference for qualified HUBZone small business concerns to certain contracts, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5879

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "Hubzone Price Evaluation Preference Clarification Act of 2021".

SEC. 2. APPLICATION OF PRICE EVALUATION PREFERENCE FOR QUALIFIED HUBZONE SMALL BUSINESS CONCERNS TO CERTAIN CONTRACTS.

(a) IN GENERAL.—Section 31(c)(3) of the Small Business Act (15 U.S.C. 657a(c)(3)) is amended by adding at the end the following new subparagraph:

"(E) APPLICATION TO CERTAIN CONTRACTS.—The requirements of subparagraph (A) shall apply to an unrestricted order issued under an unrestricted multiple award contract or the unrestricted portion of a contract that is partially set aside for competition restricted to small business concerns."

(b) RULEMAKING.—Not later than 90 days after the date of the enactment of this section, the Administrator of the Small Business Administration shall revise any rule or guidance to implement the requirements of this section.

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from New York (Ms. VELÁZQUEZ) and the gentleman from Missouri (Mr. LUETKEMEYER) each will control 20 minutes.

The Chair recognizes the gentlewoman from New York.

GENERAL LEAVE

Ms. VELÁZQUEZ. Madam Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the measure under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Ms. VELÁZQUEZ. Madam Speaker, I yield myself such time as I may consume.

Madam Speaker, I rise today in support of H.R. 5879, the HUBZone Price Evaluation Preference Clarification Act of 2021.

The HUBZone program is a contracting assistance program based on locality. It helps small businesses in urban and rural communities gain preferential access to Federal procurement

opportunities. By ensuring that small businesses in disadvantaged communities participate in the Federal marketplace, it, in turn, boosts job creation and economic growth.

One of the main incentives of the HUBZone program is the price evaluation preference. This tool gives a slight competitive advantage to HUBZone firms competing against large companies. In doing so, it meets the objectives of the program because every contract awarded to a qualified HUBZone firm is an opportunity for developing and uplifting America's most distressed communities.

Unfortunately, this tool is not being used as often as it should be due to agencies misinterpreting that it does not apply to orders. There is nothing in the Small Business Act that excludes the price evaluation preference from being used at the ordering level, and it is our intention that it be used at that level.

Given the prevalence of government-wide and agency-wide vehicles, it is now necessary to state in clear and unequivocal terms that the price evaluation preference does apply to orders. This is precisely the goal of H.R. 5879. With this clarification, this legislation incentivizes the use of this important tool so that one day we can finally meet the 3 percent HUBZone contracting goal and, ultimately, bring economic development to those communities that need it the most.

I thank Representatives NEWMAN and SALAZAR for leading this effort, which will bolster the HUBZone program.

Madam Speaker, I urge Members to support this legislation, and I reserve the balance of my time.

Mr. LUETKEMEYER. Madam Speaker, I ask unanimous consent that the gentleman from Texas (Mr. WILLIAMS) be allowed to manage the remainder of the time for the minority.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. WILLIAMS of Texas. Madam Speaker, I yield myself such time as I may consume, and I rise in support of H.R. 5879, the HUBZone Price Evaluation Preference Clarification Act of 2021.

The SBA's contracting programs deliver for this Nation's smallest businesses and the country's smallest contractors. Unfortunately, consolidation with all of the Federal Government's contracting programs continues to be problematic. Our committee has examined many of these programs and has offered solutions that would deliver change.

H.R. 5879 takes important steps within the HUBZone program and ensures that the 10 percent price preference is available on all task orders within large multiple award contracts.

I thank the gentlewoman from Illinois (Ms. NEWMAN) and the gentlewoman from Florida (Ms. SALAZAR),