

Asian American, and Native American consumers has increased over the past 30 years to \$3 trillion in 2020, making up 17.2 percent of the nation's total buying power that year. (Based on data provided by the U.S. Census Bureau, U.S. Bureau of Economic Analysis, and other sources.)

I strongly support the Small Businesses Advocacy Improvements Act because it allows women and minorities who own small companies to express their interests and opinions in the on the global market.

I strongly urge my colleagues to vote in favor of H.R. 399 because of the significant effects its passage will on millions of small business owners around the nation.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. WILLIAMS) that the House suspend the rules and pass the bill, H.R. 399.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

MICROLOAN TRANSPARENCY AND ACCOUNTABILITY ACT OF 2023

Mr. WILLIAMS of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 449) to amend the Small Business Act to increase transparency, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 449

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 "Microloan Transparency and Accountability Act of 2023".

SEC. 2. PORTFOLIO RISK ANALYSIS OF MICROLOANS.

Section 7(m)(10) of the Small Business Act (15 U.S.C. 636(m)(10)) is amended—

(1) by redesignating subparagraphs (A) through (F) as clauses (i) through (vi), respectively, and adjusting the margins accordingly;

(2) by amending clause (iv), as so redesignated, to read as follows:

“(vi) the number, amount, and percentage of microloans made by intermediaries to small business concerns—

“(I) that went into default in the previous year; and

“(II) that were charged off in the previous year by such intermediaries;”;

(3) in clause (vi), as so redesignated, by striking “and” at the end;

(4) by redesignating subparagraph (G) as clause (viii), and adjusting the margin accordingly;

(5) by striking “On November 1, 1995,” and all that follows through “the following:” and inserting the following:

“(A) IN GENERAL.—Beginning on February 1, 2023, and annually thereafter, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives, and make available to the public on the website of the Administration, a report on the effectiveness of the microloan program during the fiscal year preceding the date of the report. Such report shall include—”;

(6) in subparagraph (A), as so designated, by inserting after clause (vi) the following new clauses:

“(vii) the number and type of enforcement actions taken by the Administrator against noncompliant intermediaries;

“(viii) an analysis of compliance by intermediaries with the credit availability requirements of paragraph (3)(E) for loans in an amount greater than \$20,000;

“(ix) the extent to which microloans are provided to small business concerns in rural areas;

“(x) the number of underserved borrowers, as defined by the Administration, participating in the microloan program;

“(xi) the average rate of interest for each microloan;

“(xii) the average amount of fees charged for each microloan;

“(xiii) the average size of each microloan, including—

“(I) the number of loans made in an amount greater than \$20,000; and

“(II) the average size and charge-off rate of such loans;

“(xiv) the subsidy cost to the Administration;

“(xv) the number and percentage of microloans that were made to refinance other loans;

“(xvi) the number and percentage of microloans made to new program participants and the number and percentage of microloans made to previous program participants;

“(xvii) the average amount of technical assistance grant monies spent on each loan; and”;

(7) by adding at the end the following:

“(B) PRIVACY.—Each report submitted under subparagraph (A) shall not contain any personally identifiable information of any borrower.”.

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

The Chair recognizes the gentleman from Texas.

GENERAL LEAVE

Mr. WILLIAMS of Texas. Mr. 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 this measure.

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

There was no objection.

Mr. WILLIAMS of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 449, the Microloan Transparency and Accountability Act.

When an entrepreneur wants to start a business, finding starting capital can be one of the hardest challenges there is. SBA's microloan program looks to solve this issue and provide capital to people who need help getting their businesses off the ground.

While this program is well intended, Congress currently doesn't have access to some key metrics that we need to evaluate the effectiveness of this program. For example, it would be very helpful to have a comprehensive review

of where the loans are being distributed to see if it is being utilized in many rural areas of the country. Additionally, we are currently left in the dark about the overall risk profile of the entirety of the program.

This bill would solve these problems by directing the SBA to do a comprehensive analysis to evaluate the effectiveness of this program.

The Microloan Transparency and Accountability Act will provide Congress with much-needed insight to make determinations on how to better optimize this program to assist small businesses.

I thank my colleague from Tennessee, who has advanced this bill for the last few Congresses, for his dedication to improving this program.

Mr. Speaker, I reserve the balance of my time.

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

Mr. Speaker, I rise in support of the bill before us today, H.R. 449, the Microloan Transparency and Accountability Act, which will improve SBA's data reporting with respect to the microloan program.

Congress created the microloan program in 1991 to make funds available to nonprofit, community-based lenders who, in turn, make small-dollar loans to eligible borrowers. Many of these borrowers are unable to get a traditional loan due to poor credit, no credit history, or a lack of business experience.

This program reaches various demographic groups that will otherwise not be served by the private sector or even the SBA's 7(a) program, especially businesses located in underserved communities.

In fact, in fiscal year 2021, the program delivered more than 4,500 loans to small businesses in these communities, totaling almost \$75 million. This fiscal year, the SBA estimates it will assist over 5,700 small businesses, supporting approximately 24,000 jobs.

The bill we are considering today will help Congress and the public better evaluate the program and its impact on underserved communities.

Despite the program's record of success, many participating intermediaries report being restricted in their lending activity as a result of numerous rules governing the program being outdated. The information received from these reports will assist Congress and the agency in developing policies to continue the strong performance of the program.

I applaud the bipartisanship shown by Mr. BURCHETT and Mr. KIM, the sponsors of this bill.

Mr. Speaker, I urge all of my colleagues to vote “yes,” and I reserve the balance of my time.

Mr. WILLIAMS of Texas. Mr. Speaker, I yield such time as he may consume to the gentleman from Tennessee (Mr. BURCHETT), a great patriot who loves our country.

Mr. BURCHETT. Mr. Speaker, Mr. Chairman, Ranking Member VELÁZQUEZ—I believe I got that right; I have been working on it for about 5 years—it is a pleasure being here with you all.

Mr. Chairman, I appreciate the great work you do. There is nobody, I think, better at the helm of the Small Business Committee than somebody who has actually taken a business and made it into something. That is very American and very cool, and I thank you for your friendship to me and my family.

Mr. Speaker, I rise today in support of H.R. 449, the Microloan Transparency and Accountability Act of 2023.

The Small Business Administration's microloan program helps America's entrepreneurs access capital to help their small businesses grow.

□ 1330

These loans are usually around \$13,000; \$13,000, the difference between them making it or not. That kind of money would go a long way for a lot of our mom-and-pop stores in the rural areas of East Tennessee that I am proud to represent, and in our inner cities, as well.

Unfortunately, the microloan program has a low participation rate, Mr. Speaker, among our rural businesses. My bill would increase transparency by requiring the Small Business Administration to report data about the program to Congress. This will help us better understand how the program is operating and what we can do to improve it.

Government programs that support small businesses shouldn't be full of waste, and they shouldn't neglect businesses simply because of their ZIP Code.

My bill will increase transparency and establish accountability at the Small Business Administration to ensure it is working on behalf the small businesses everywhere.

I thank my colleagues, especially my sponsor across the aisle who has been my friend for a few years here, for their support on this bipartisan, common-sense bill which passed the House in the 116th and 117th Congresses, and I look forward to seeing the Microloan Transparency and Accountability Act pass the House again today.

I also look forward to the Senate doing their work and taking this up, Mr. Speaker,

Ms. VELÁZQUEZ. Mr. Speaker, I yield 2 minutes to the gentleman from New Jersey (Mr. KIM).

Mr. KIM of New Jersey. Mr. Speaker, during the last Congress, Mr. BURCHETT and I introduced this important bill as part of a two-bill microloan major impact package.

Together, these bills would increase the number of microloan lenders in our communities, increase access to capital, and ensure greater transparency around how taxpayer dollars are being spent by the SBA.

I look forward to continuing to work with the chairman and the ranking

member, as well as Congressman BURCHETT to again advance these pieces of legislation.

Today, I rise in support of the Microloan Transparency and Accountability Act, and I look forward to working with them to advance the Microloan Improvement Act in the 118th Congress, as well.

I have heard from a diverse range of businessowners across New Jersey's Third District about how just small increases in access to capital could make an enormous impact for them.

These businessowners aren't asking for the moon. Many of them are in communities that are underserved and may not have a credit history, extensive past business experience, or the luxury of coming from wealth, but they have a dream. They are entrepreneurial, and with a small investment, a microloan to get started in some cases, they can launch their business, chase their dreams, create jobs, and transform communities.

By passing this bill, we can help enhance microloans in rural areas and provide greater transparency to ensure we are using taxpayer dollars efficiently and effectively.

This bill will help make sure the SBA's microloan program is reaching those most in need, best serving America's small businessowners, and giving them a fair shot at success.

I thank Congressman BURCHETT for leading this effort and for the support of the Small Business Committee. I urge all of my colleagues to support small businesses across this country and vote "yes" on this bill.

Mr. WILLIAMS of Texas. Mr. Speaker, I have no further speakers, and I am prepared to close.

Mr. Speaker, I reserve the balance of my time.

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

This bill will greatly increase the publicly available information about the microloan program's performance and impact.

If we intend to continue to support the smallest of small businesses, especially women- and minority-owned businesses, we need to make sure the programs targeting them are operating at their best. That starts with improving the data and information available about where the loans are going, how affordable they are, and where the gaps in coverage are.

With more data, Congress will be able to monitor the program and identify areas for improvement.

I thank the gentlemen from Tennessee and New Jersey for their hard work and collaboration in bringing this bill to the floor today. I urge my colleagues to vote "yes," and I yield back the balance of my time.

Mr. WILLIAMS of Texas. Mr. Speaker, the microloan program which delivers capital assistance to the Nation's smallest businesses is an important lending tool at the SBA.

H.R. 449, the Microloan Transparency and Accountability Act, will deliver comprehensive data and information on the effectiveness of the program. I applaud all of the members for working on this important legislation in an effort to shine more light on how well the program is working.

From my State of Texas to both of the Nation's coasts, accessing capital remains a top challenge facing all small businesses. We must ensure these programs and tools are operating at a high level and delivering on the goals that Congress set for them.

Mr. Speaker, I urge my colleagues to support H.R. 449, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. WILLIAMS) that the House suspend the rules and pass the bill, H.R. 449.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

INVESTING IN MAIN STREET ACT OF 2023

Mr. WILLIAMS of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 400) to amend the Small Business Investment Act of 1958 to increase the amount that may be invested in small business investment companies.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 400

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 "Investing in Main Street Act of 2023".

SEC. 2. INVESTMENT IN SMALL BUSINESS INVESTMENT COMPANIES.

Section 302(b) of the Small Business Investment Act of 1958 (15 U.S.C. 682(b)) is amended—

(1) in paragraph (1), by striking "5 percent" and inserting "15 percent"; and

(2) in paragraph (2), by striking "5 percent" and inserting "15 percent".

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

The Chair recognizes the gentleman from Texas.

GENERAL LEAVE

Mr. WILLIAMS of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and submit extraneous materials on this measure.

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

There was no objection.

Mr. WILLIAMS of Texas. Mr. Speaker, I yield myself such time as I may consume.