

□ 1400

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 2 p.m.

PRAYER

The Chaplain, the Reverend Margaret Grun Kibben, offered the following prayer:

Receive us, O Lord, this day into Your presence. Receive, too, these lawmakers as they return to the Capitol, having spent much-needed time with their families and friends, constituents, and communities. Receive us all into Your gracious plan for this day and equip us for the tests and rigors of this week.

Refreshed and renewed from the Thanksgiving holiday, we have opened our eyes and shown our gratitude for the many blessings You have bestowed on us. Remind us, then, that we have been so blessed that we, in turn, should be a blessing, that the country we serve and the people and concerns these Members have been elected to represent would be blessed by the words that are spoken and the decisions that are made here in these Chambers.

Restore us to the honor of bearing the responsibilities You have placed on our shoulders. Transform our hearts and minds so that we will discern and desire to return to You what is good, acceptable, and perfect in Your sight.

We give thanks that You would want to enfold us in grace this day and every day, and we offer our prayers in Your most holy name.

Amen.

THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House the approval thereof.

Pursuant to clause 1 of rule I, the Journal stands approved.

PLEDGE OF ALLEGIANCE

The SPEAKER. Will the gentleman from Wisconsin (Mr. VAN ORDEN) come forward and lead the House in the Pledge of Allegiance.

Mr. VAN ORDEN led the Pledge of Allegiance as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

NOTICE OF INTENTION TO OFFER RESOLUTION RAISING A QUESTION OF THE PRIVILEGES OF THE HOUSE

Mr. ROBERT GARCIA of California. Mr. Speaker, pursuant to clause 2(a)(1) of rule IX, I rise to give notice of my intent to raise a question of the privileges of the House.

The form of the resolution is as follows:

H. Res. 114. Resolved, that, pursuant to Article I, Section 5, Clause 2 of the Constitution of the United States, Representative GEORGE SANTOS be, and he hereby is, expelled from the House of Representatives.

The SPEAKER pro tempore (Mr. VAN ORDEN). Under rule IX, a resolution offered from the floor by a Member other than the majority leader or the minority leader as a question of the privileges of the House has immediate precedence only at a time designated by the Chair within 2 legislative days after the resolution is properly noticed.

Pending that designation, the form of the resolution noticed by the gentleman from California will appear in the RECORD at this point.

The Chair will not at this point determine whether the resolution constitutes a question of privilege. That determination will be made at the time designated for consideration of the resolution.

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess subject to the call of the Chair.

Accordingly (at 2 o'clock and 5 minutes p.m.), the House stood in recess.

□ 1600

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Mr. EZELL) at 4 p.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered.

The House will resume proceedings on postponed questions at a later time.

REPORT ON FRAUD RELATING TO CERTAIN COVID-19 LOANS

Mr. WILLIAMS of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4666) to require the Inspector General of the Small Business Administration to submit a quarterly report on fraud relating to certain COVID-19 loans, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4666

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

SECTION 1. REPORT ON FRAUD RELATING TO CERTAIN COVID-19 LOANS.

(a) IN GENERAL.—Not later than 60 days after the date of the enactment of this Act, and every 3 months thereafter, the Inspector

General of the Small Business Administration shall submit to the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a report on the number of borrowers engaged in fraud with respect to a covered loan.

(b) ELEMENTS.—The report required under subsection (a) shall include, with respect to the period covered by such report—

(1) the number and total dollar amount of all covered loans made;

(2) the number of new cases of fraud and suspected fraud;

(3) the number of fraud cases resolved; and

(4) the types of fraud cases described in paragraphs (2) and (3).

(c) COVERED LOAN DEFINED.—In this section, the term "covered loan" means—

(1) a loan made under paragraphs (36) or (37) of section 7(a) of the Small Business Act (15 U.S.C. 636(a)); or

(2) a loan made under section 7(b) of such Act (15 U.S.C. 636(b)) in response to COVID-19 during the covered period (as defined in section 1110(a) of the CARES Act (15 U.S.C. 9009)).

(d) TERMINATION.—This Act and the requirements of this Act shall terminate on the date that is two years after the date of the enactment of this Act.

SEC. 2. COMPLIANCE WITH CUTGO.

No additional amounts are authorized to be appropriated to carry out this Act.

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 the bill.

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, first, I say I am anxious for this to happen. I think we are going to show America that we have some bipartisan legislation that we can pass from both sides of the aisle. I am thankful that we have some good legislation, and we will see that that may happen, too.

I rise today in support of H.R. 4666 introduced by my friend from Florida (Mr. BEAN). For any small business owner, once a problem is identified, they need to get periodic updates until the problem is fixed. The Small Business Administration's pandemic lending programs should be held to the same standard.

The PPP and the EIDL Fraud Report Act of 2023 requires the Inspector General of the SBA to submit quarterly reports to Congress that keep Congress updated on the ongoing fraud investigations in the Paycheck Protection Program and the Economic Injury Disaster Loans.

It is estimated that \$200 billion in potentially fraudulent COVID-19 EIDL and PPP loans were disbursed by the SBA. This massive loss of taxpayer dollars is unacceptable. The American people need to know what the status is of recouping these stolen funds as the SBA's Office of the Inspector General works through their investigations.

The report will provide Congress the most recent vital information on the number of both new fraud cases opened, the type of fraud suspected, and the number of investigations resolved to date.

Tracking the progress of the OIG's actions will be vital for Congress as we look to piece together the complete picture of how much fraud truly flowed through the SBA and how many of these funds were able to be recovered on the back end. This information will be vital to evaluate the role the SBA should play in future emergencies.

I urge full support from my colleagues on this commonsense bill, and I reserve the balance of my time.

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

I rise today in support of the six bills we are considering today. America's 33 million small businesses are the foundation of our Nation's economy and account for two-thirds of new jobs. The Small Business Committee has a long tradition of working together on behalf of our Nation's small businesses. I am pleased we are coming together yet again.

Let me start off by thanking Representatives BEAN and MFUME for their bipartisan work on H.R. 4666, which will help the committee fulfill its oversight responsibilities.

SBA was a lifeline to millions of small businesses throughout the pandemic. More than \$1.2 trillion in economic aid was distributed to help businesses keep their doors open.

During these unprecedented times, the SBA, under the Trump administration, weakened and removed these internal controls in an effort to disburse funds swiftly.

This resulted in roughly 87 percent of likely fraud originating in the first 9 months of the pandemic, largely due to organized criminal syndicates and transnational gangs exploiting the weakened controls and stealing billions of dollars from the American people.

Upon taking office, Administrator Guzman strengthened internal controls, and they remain in place to this day, but the damage was done.

In order to improve our understanding and prevent future fraud, H.R. 4666 requires the OIG to send periodic reports over the next 2 years to provide the Committee with detailed information that it needs to conduct robust oversight.

Let me take a minute to commend our IG and their commitment to rooting out fraud and abuse. I also highlight the need to fully meet their budget request rather than make any cuts.

Doing so harms their ability to hold fraudsters accountable.

As of this October, their work has resulted in nearly 1,200 indictments, almost 950 arrests, and over 600 convictions. Almost \$400 million in seized or forfeited assets and more than \$500 million in restitution orders have been returned to the American taxpayers.

I urge my colleagues to support H.R. 4666, as amended, 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 the great State of Florida (Mr. BEAN).

Mr. BEAN of Florida. Mr. Speaker, I thank the chairman for yielding time.

Mr. Speaker, the COVID pandemic is behind us, and with that, a lot of the problems associated with COVID have also managed to go away, but fraud remains. The bill to the American people associated with that COVID relief fraud is here. We have to deal with it.

Pandemic relief opened the door to wide-scale fraud. Due to the lack of guardrails within the SBA and the borrowing structure, over \$200 billion of pandemic loan programs were potentially fraudulent.

Did you catch that, Mr. Speaker? \$200 billion. That is not me. That is not AARON BEAN. That is the Inspector General of the United States overseeing the SBA.

He has identified more than 90,000 fraud cases, over one in five, which represents more than 100 years of investigative casework.

Mr. Speaker, one of the most disturbing stories to come out of the Inspector General's investigation is the Barbie doll face scam.

Do you know about this? This scam wasn't perpetrated by America's favorite Barbie such as Malibu Barbie, Presidential Barbie, Lawyer Barbie, or even Live Action Barbie.

No, no, no, Mr. Speaker. This was perpetrated—this was the job of swindler Barbie. Swindler Barbie's face was used as identification for fake identities who went on to collect millions in fraudulent loans when facial recognition software used at SBA verified the identities as real people.

Behind me, this poster shows real faces, real corrupt Barbie dolls that were used to collect fraudulent PPP and EIDL loans. Yes, it is absurd, Mr. Speaker, but what do you expect? This is crazy town.

That is why I rise today to speak in favor of my bill, H.R. 4666, the PPP/EIDL Fraud Report Act of 2023, but you know it, Mr. Speaker, as the we want our money back act.

The bill requires the Inspector General of the SBA to report to Congress every quarter with detailed updates on the ongoing fraud investigations of the PPP and EIDL loan programs.

Most importantly, we are not going to let it go. This will hopefully ensure that the pandemic loan fraud will not be swept under the rug. The American people want oversight over a runaway,

unaccountable bureaucracy. We just don't like cheats. We don't like skip-pers. Somebody has to be held accountable.

As the Inspector General continues to uncover the abuse of taxpayer dollars, it is important for Congress to know the full extent of the fraud, and most importantly, the progress of getting our money back.

To the fraudsters: You can run, but you can't hide. We will find you, and we will prosecute you to the fullest extent of the law. We will never tolerate stealing from hardworking taxpayers.

Mr. Speaker, as the chairman said, it has been a delight working together, both within the committee and even on the other side of the aisle.

To the gentleman from Maryland, Mr. MFUME, what a treat it is to work with him as we come together to get our money back because that is what the American people want. We want our money back.

Get ready, Mr. Speaker, and get ready, America, accountability is coming. I urge my colleagues on both sides of the aisle to support this important piece of legislation because the American people have made it clear: We want our money back.

Ms. VELAZQUEZ. Mr. Speaker, I yield such time as he may consume to the gentleman from Maryland (Mr. MFUME), the ranking member of the Subcommittee on Oversight, Investigations, and Regulations.

Mr. MFUME. Mr. Speaker, I thank the ranking member, the gentlewoman from New York (Ms. VELAZQUEZ) and the chairman of the committee, the gentleman from Texas (Mr. WILLIAMS), as well as the cosponsor of this bill, the gentleman from Florida (Mr. BEAN) for their work on this measure.

I rise today in full support, obviously, of this bill, which requires the Inspector General of the Small Business Administration to submit a quarterly report on the fraud that has occurred and is being uncovered in the small business pandemic relief programs. We do want our money back, and this is about the first step in doing that.

On June 27 of this year, the SBA's Office of the Inspector General issued a white paper that the Small Business Administration disbursed more than \$200 billion in potentially fraudulent pandemic relief aid in the form of loans and in the form of grants. It was all done through the COVID-19 Economic Injury Disaster Loan program and the Paycheck Protection Program.

The Small Business Administration also issued another report. It was titled: "Protecting the Integrity of the Pandemic Relief Programs."

In that report, they estimated that \$36 billion of the \$1.2 trillion in small business pandemic relief money was obtained fraudulently. The criminals and the fraudsters had a payday on the American public.

That level of fraud, highly significant in these programs, is absolutely astonishing. It also absolutely reflects the

years-long repercussion of the 2020 decision that the ranking member spoke about earlier to loosen the antifraud protections in an effort to fast-track pandemic relief. Well, I hope we are learning from our mistakes.

It is clear that we have to do all that we can to return all of the money stolen from the Federal Government and bring the fraudsters and the criminals to justice.

This bill, which I am proud to co-lead with my colleague from Florida (Mr. BEAN), ensures consistent reporting, regular reporting on progress toward the goal by requiring the Inspector General of the SBA, who has come before our committee on a number of occasions, to issue a report to Congress every 3 months, every 90 days, which includes the total dollar amount of small business pandemic relief funds that were made and the number and the type of fraud in both the new fraud cases and the suspected fraud cases, as well as the number of fraud cases that have been resolved to date at the conclusion of that 90-day period. We wanted to make sure we were regular in finding the money and reporting the money.

Again, I thank Ranking Member VELÁZQUEZ, Chair WILLIAMS, and my colleague, Mr. BEAN, for their work on this measure. We do want our money back, and I urge my colleagues to support this bill.

□ 1615

Mr. WILLIAMS of Texas. Mr. Speaker, I am prepared to close, and I reserve the balance of my time.

Ms. VELÁZQUEZ. Mr. Speaker, while much of the focus today has been about pandemic fraud, we must also be mindful of the stellar work that the SBA did to help small businesses stay afloat throughout the pandemic. Distributing more than a trillion dollars in economic aid was a tall order for a small agency.

Today, we are seeing the fruits of their labor. Small businesses have been recovering with unprecedented speed and success, and more Americans are launching small businesses than ever before, with more than 14 million new starts since January 2021.

Once again, I thank Representative BEAN and Representative MFUME, and I urge my colleagues to support this measure, as amended.

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

Mr. WILLIAMS of Texas. Mr. Speaker, with an estimated \$200 billion outstanding in potentially fraudulent COVID-19 EIDL and PPP loans, there has never been a more critical time for legislation like H.R. 4666.

I thank Representative BEAN for his work on this bill, and I urge my colleagues on both sides of the aisle to join our committee in demanding answers to where this money is and how to rightfully return it to the American taxpayers.

Mr. Speaker, 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. 4666, as amended.

The question was taken.

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

Mr. WILLIAMS of Texas. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this question will be postponed.

The point of no quorum is considered withdrawn.

RETURNING ERRONEOUS COVID LOANS ADDRESSING ILLEGAL AND MISAPPROPRIATED TAXPAYER FUNDS ACT

Mr. WILLIAMS of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 4667) to require the Administrator of the Small Business Administration to issue guidance and rules for lenders and the Small Business Administration on handling amounts of Paycheck Protection Loans returned by borrowers, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4667

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 “Returning Erroneous COVID Loans Addressing Illegal and Misappropriated Taxpayer Funds Act” or the “RECLAIM Taxpayer Funds Act”.

SEC. 2. PAYCHECK PROTECTION LOAN RETURN GUIDANCE.

(a) IN GENERAL.—Not later than 30 days after the date of the enactment of this Act, the Administrator of the Small Business Administration shall issue guidance for borrowers and lenders on returning any unused amounts of PPP loans made to the borrower.

(b) GUIDANCE REQUIREMENTS.—The guidance required by subsection (a) shall include—

(1) detailed guidance for borrowers on how to return to the lender that made a PPP loan to the borrower the unused amounts of such PPP loan;

(2) detailed guidance for lenders regarding the responsibilities of lenders, including that a lender must—

(A) accept the return of any unused amounts of any PPP loan from a borrower or any other source (including law enforcement) if the lender made such PPP loan;

(B) document the reason for the return of such unused amounts, the identification number of the PPP loan, the name of the borrower of the PPP loan, and the name of the person returning such unused amounts if different than the borrower;

(C) remit such unused amounts to the Administration;

(D) make the guidance described in paragraph (1) available to borrowers described in such paragraph; and

(E) if the lender made a PPP loan, periodically certify that the lender has reported and

returned to the Administration all unused amounts of PPP loans returned to the lender;

(3) detailed guidance for financial institutions holding funds from a PPP loan on the procedure for returning such funds to the Administration if the financial institution suspects the borrower may be committing fraud with respect to the PPP loan or any other issue for which the financial institution should return the funds the Administration; and

(4) detailed guidance for borrowers and lenders of PPP loans, financial institutions described in paragraph (3), and other relevant individuals and entities on complying with the requirement to report to the Office of the Inspector General for the Small Business Administration any information indicating the occurrence of fraud with respect to a PPP loan.

SEC. 3. RETURNS HANDLING PROCESS.

(a) IN GENERAL.—Not later than 30 days after the date of the enactment of this Act, the Administrator of the Small Business Administration shall issue guidance establishing a process for the Small Business Administration to track amounts of PPP loans returned to mitigate the risk of financial loss to the Federal Government.

(b) RETURNS HANDLING PROCESS REQUIREMENTS.—The process established under subsection (a) shall require—

(1) the Administration to accept returns of unused amounts of PPP loans; and

(2) the Administrator to deposit in the general fund of the Treasury the unused amounts of PPP loans returned to the Administration.

SEC. 4. DEFINITIONS.

In this Act:

(1) ADMINISTRATION.—The term “Administration” means the Small Business Administration.

(2) ADMINISTRATOR.—The term “Administrator” means the Administration of the Small Business Administration.

(3) PPP LOAN.—The term “PPP loan” means a loan made under paragraph (36) or (37) of section 7(a) of the Small Business Act (15 U.S.C. 636(a)).

SEC. 5. COMPLIANCE WITH CUTGO.

No additional amounts are authorized to be appropriated to carry out this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. WILLIAMS) and the gentlewoman 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 the bill.

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. I rise today in full support of H.R. 4667, better known as the RECLAIM Taxpayer Funds Act, introduced by Representative SALAZAR of the great State of Florida. During the COVID-19 pandemic, banks and credit unions stepped up to administer the Paycheck Protection Program, or PPP.