

SMALL BUSINESS ADMINISTRATION RURAL PERFORMANCE REPORT ACT

Mr. WILLIAMS of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5265) to amend the Small Business Act to require a report on the performance of the Office of Rural Affairs, to require a report on the memorandum of understanding between the Small Business Administration and the Department of Agriculture entered into on April 4, 2018, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5265

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 “Small Business Administration Rural Performance Report Act”.

SEC. 2. SMALL BUSINESS RURAL PERFORMANCE REPORTS.

(a) OFFICE OF RURAL AFFAIRS ANNUAL PERFORMANCE REPORT.—Section 26 of the Small Business Act (15 U.S.C. 653) is amended by adding at the end the following:

“(d) REPORTS.—

“(1) INITIAL REPORT.—Not later than 90 days after the date of the enactment of this subsection, the Administrator shall make available on a website of the Administration, and 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 activities of the Office during the year preceding the date of the report that includes the following elements:

“(A) How the Office is promoting financial assistance pursuant to subsection (c)(1).

“(B) Annual statistics compiled pursuant to subsection (c)(2).

“(C) How the Office is providing information pursuant to subsection (c)(3).

“(D) How the Office is providing information pursuant to subsection (c)(4).

“(E) The number of outreach events conducted by the Office to provide information described in paragraphs (3) and (4) of subsection (c).

“(F) Details of any partnerships that the Office engaged in to provide the outreach described in paragraph (5), including any partnerships with the National Travel and Tourism Office of the Department of Commerce.

“(G) The name of the director of the Office and the number of staff employed by the Office.

“(2) ANNUAL REPORT.—The Administrator shall annually submit, along with the budget the budget justification materials submitted in support of the Small Business Administration budget for a fiscal year (as submitted with the budget of the President under section 1105(a) of title 31), a report that includes the elements described in paragraph (1).”.

(b) TECHNICAL AMENDMENT.—Section 26(c)(5) of the Small Business Act (15 U.S.C. 653(c)(5)) is amended by striking “United States Tourism and Travel Administration” and inserting “National Travel and Tourism Office of the Department of Commerce”.

(c) MEMORANDUM OF UNDERSTANDING WITH DEPARTMENT OF AGRICULTURE REPORT.—Not later than 90 days after the date of the enactment of this Act, the Administrator shall make available on a website of the Administration and 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 MOU. Such report shall include a description of the following:

(1) How many working groups convened pursuant to the MOU the Administration was part of and if the Administration is still part of any such working groups.

(2) How many staff employed by the Administration were and are still involved with a working group convened pursuant to the MOU.

(3) The findings specified in clauses (i) through (iv) of paragraph (1) of part 2 of the MOU.

(4) The findings specified in clauses (i) through (iv) of paragraph (2) of part 2 of the MOU.

SEC. 3. DEFINITIONS.

In this Act:

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

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

(3) MOU.—The term “MOU” means the memorandum of understanding between the Department of Agriculture and the Small Business Administration entered into on April 4, 2018, about collaborative efforts to promote stronger businesses and agricultural economies in rural America.

SEC. 4. COMPLIANCE WITH CUTGO.

No additional amounts are authorized to be appropriated to carry out this Act or the amendments made by 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.

Mr. Speaker, I rise today in support of H.R. 5265, the Small Business Administration Rural Performance Report Act, sponsored by the gentleman from Missouri (Mr. ALFORD).

It should come as no surprise that rural entrepreneurs face unique challenges. In extending assistance to these entrepreneurs, the Department of Agriculture and the Small Business Administration offer a variety of programs to help them start and grow their businesses.

Unfortunately, government agencies often act in a silo and become ineffective in their outreach. That is why the Trump administration created a partnership between the USDA and the SBA to better tailor their outreach and services to rural entrepreneurs.

After our committee marked up this bill, we were happy to see the SBA announce that they are going to work to

renew another agreement with the Department of Agriculture. While this progress should not go unnoticed, this bill goes further to require a report to track the effectiveness of this agreement and the SBA's Office of Rural Affairs. If we are going to be spending taxpayer dollars to help accomplish a goal, there must be performance metrics to see where the ROI is for the taxpayers and the businesses they are helping.

Mr. Speaker, it is vital that Congress knows just how impactful these efforts are so we can ensure our rural entrepreneurs are not left behind. I urge my colleagues to vote for H.R. 5265, and I reserve the balance of my time.

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

Today, we are considering H.R. 5265, the Small Business Administration Rural Performance Report Act, which, as amended, requires an annual performance report and budget justification for the Office of Rural Affairs.

Mr. GOLDEN has worked relentlessly to increase SBA outreach to rural small businesses and make sure the Office of Rural Affairs remains active. I commend Mr. GOLDEN for his efforts, and I am quite disappointed we are not considering his legislation today, which would have enhanced the Office of Rural Affairs and was unanimously approved by the committee in September. I look forward to its speedy consideration.

Today, we are considering legislation that would require a performance report and budget updates from the Office of Rural Affairs so that we can stay apprised of its activities. Currently, we get this information by simply asking the agency for an update, but this bill would now statutorily mandate that it is provided.

Mr. Speaker, I thank Mr. PAPPAS for joining Mr. ALFORD in sponsoring this legislation, 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 Missouri (Mr. ALFORD).

Mr. ALFORD. Mr. Speaker, I thank the leadership of our Ranking Member VELÁZQUEZ and our esteemed Chairman WILLIAMS. It is, indeed, a pleasure to be on this committee. There are many Members here today who are on the Small Business Committee and are making a difference for America in every piece of legislation we pass.

I rise today to speak on the Small Business Administration Rural Performance Report Act, a bill that we introduced to support our rural small businesses.

These businesses are essential to rural America, providing over 54 percent of employment in rural communities and counties. This bill would help us understand how the Small Business Administration is really helping them succeed.

The bill requires two reports. First, it would give us insight into the Office

of Rural Affairs, ensuring that they are providing the proper help to rural businesses.

We are all aware of the crucial role that these businesses play in our economy, yet the support that they offer is often unknown to small business owners. At a hearing just last summer, several small business owners, including Jennifer Cassaday, a constituent of mine who owns Byrd's Pecan Delights in Adrian, Missouri, came here to testify that she didn't even know that the Office of Rural Affairs existed.

Mr. Speaker, this bill would change that. It demands clear, detailed reports on the Office of Rural Affairs and its efforts to aid these businesses and people like Jennifer.

Are they providing the right assistance? Are the resources and information reaching those who need it the most?

It is time we had solid answers. This bill would provide them.

Mr. Speaker, the second part of this report requires a review of a memorandum of understanding between the SBA and the Department of Agriculture. This Trump-era MOU was a recognition that ag goes hand in hand with rural small businesses.

Supporting this bill means that we are committed to making sure that our rural entrepreneurs have the support they need in a timely fashion. We are standing up for the underrepresented, ensuring our rural small businesses are not left behind in America. We are promoting the accountability and oversight needed to support the backbone of our economy.

Mr. Speaker, I ask my colleagues to vote for transparency, responsibility, and the success of our rural small business owners.

Ms. VELÁZQUEZ. Mr. Speaker, I yield myself the balance of my time to close.

Mr. Speaker, small businesses are powerful drivers of economic growth across the United States, employing 46 percent of the workforce and generating two-thirds of new jobs. In rural areas, self-employment tends to be higher than in urban and suburban areas, but the challenges they face are much greater. Rural small businesses have a harder time securing affordable capital, finding talented workers, and making ends meet.

Administrator Guzman is increasing SBA's commitment to rural America by appointing a new director to the office and improving the outreach and engagement with rural small businesses. She recognizes the importance of ensuring rural small businesses have access to SBA's vital programs. With this type of assistance, rural small businesses can thrive and, in turn, create good-paying jobs and lift up communities.

Mr. Speaker, I again thank Mr. ALFORD, Mr. PAPPAS, and Mr. GOLDEN for their leadership on this issue, and I yield back the balance of my time.

Mr. WILLIAMS of Texas. Mr. Speaker, I urge my colleagues to support this

commonsense legislation brought to us by Mr. PAPPAS, Mr. GOLDEN, and Mr. ALFORD. 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. 5265, as amended.

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

A motion to reconsider was laid on the table.

ENCOURAGING SUCCESS ACT

Mr. WILLIAMS of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6591) to amend section 8(a) of the Small Business Act to require the Administrator of the Small Business Administration to regularly reassess the asset and net worth thresholds for qualifying as an economically disadvantaged individual, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 6591

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 "Encouraging Success Act".

SEC. 2. REGULAR REASSESSMENT OF THE THRESHOLDS FOR ECONOMICALLY DISADVANTAGED INDIVIDUALS.

(a) IN GENERAL.—Section 8(a)(6) of the Small Business Act (15 U.S.C. 637(a)(6)) is amended by adding at the end the following new subparagraph:

"(F)(i) Not later than one year after the date of the enactment of this subparagraph, and not less frequently than every four years thereafter, the Administrator shall assess and, if appropriate, revise the maximum value of asset and the maximum net worth an individual may have to qualify as an economically disadvantaged individual under subparagraph (A) to account for changes in the economy, including inflation and other factors as determined appropriate by the Administrator.

"(ii) The Administrator shall make each covered revision by issuing a rule after an opportunity for public notice and comment.

"(iii) To the extent practicable, the Administrator shall coordinate the activities carried out under clause (i) with the activities required under section 1344(a)(2) of the Small Business Jobs Act of 2010 (15 U.S.C. 632 note).

"(iv) In this subparagraph, the term 'covered revision' means a revision described in clause (i) that the Administrator determines is appropriate pursuant to an assessment under such clause."

(b) COMPLIANCE WITH CUTGO.—No additional amounts are authorized to be appropriated to carry out this Act or the amendments made by 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, I rise today in support of H.R. 6591, the Encouraging Success Act, sponsored by the gentleman from Texas (Mr. ELLZEY), my good friend.

The 8(a) program allows certain small businesses to compete for valuable contracting opportunities. However, SBA regulations threaten to remove the participating firms if the owner reaches certain financial thresholds. While these thresholds are necessary to ensure that only true small businesses are utilizing this program, it can force some small business owners to make a tough decision: proactively stop expanding their business so they can stay in the program or grow outside the limits set by the SBA and get kicked out of the program.

I spoke with a female veteran in my district who was facing this exact issue. The bill doesn't solve all the issues in this program, but it requires the SBA to reassess the 8(a) asset threshold cap every 4 years, ensuring it is in line with market realities.

Mr. Speaker, I urge my colleagues to vote for H.R. 6591, the Encouraging Success Act, and I reserve the balance of my time.

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

Mr. Speaker, I thank my colleagues, Representatives ELLZEY and THANEDAR, for their work on this bill, the Encouraging Success Act.

The 8(a) program is one of the most effective tools for minority businessowners to get their foot in the door of the Federal marketplace.

The program is critical for entrepreneurs who have faced discrimination. This bill requires the SBA to regularly assess, and, when necessary, update the economic threshold for program participation.

I share the sponsors' concerns that the lack of reassessment or readjustment can penalize growth and that a regular assessment will ensure that the program keeps pace with changing economic environments.

Mr. Speaker, the National Minority Supplier Development Council has said that this legislation will enhance the effectiveness of SBA programs, including the esteemed 8(a) program, ensuring they continue to serve as powerful catalysts for community wealth building and inclusive economic development.

The 8(a) program remains a win-win for the government and for communities across the country. It has led to