

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 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. 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

a more diverse Federal market and supply chain, provided billions of dollars annually through streamlined contracting processes for minority businessowners, and continues to work to help minority businessowners overcome the real and ongoing discrimination that would otherwise hold them back.

Keeping 8(a) intact and relevant must remain a top priority. I appreciate the sponsors for their work, 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 Texas (Mr. ELLZEY).

Mr. ELLZEY. Mr. Speaker, I thank Chairman WILLIAMS and Ranking Member VELÁZQUEZ for allowing me to lay out H.R. 5961, the Encouraging Success Act. Bipartisanship on this committee is alive and well, and I thank Congressman THANEDAR for joining me on this bill.

The Small Business Administration's 8(a) program was established in the 1970s to help small businesses compete with large corporations for U.S. Government contracts.

A qualifying small business can only be a part of the program for 9 years. To initially qualify and remain in the 8(a) program, there is a cap to the value of a small business' assets.

Since the program's inception, the asset cap has only been raised twice and is currently at the very small amount of \$6.5 million.

The asset threshold is set through an SBA-determined regulation, and the law does not outline any process of when or how the SBA should reassess the threshold to remain in line with market changes.

Unfortunately, because the requirements to initially qualify for the program or to remain in it haven't kept up with market changes, the cap is set to a level at which a small business is disadvantaged to compete in the open market at the end of the 9-year program.

The SBA's slow-to-change attitude with the asset cap can limit the success of an 8(a) small business or outright kill it.

With the threat of being graduated out of the 8(a) program, small business owners must decide whether their firm's growth is worth being removed from the program.

Our bill, H.R. 6591, helps solve the situation and encourages success of small businesses by compelling the SBA administrator to review the qualification caps with greater frequency to ensure that small businesses participating in the 8(a) program are allowed to grow big enough to compete with larger companies, once their participation in the program ends. We ask for your support for H.R. 6591.

Ms. VELÁZQUEZ. Mr. Speaker, again, I appreciate the great work of my colleagues on this bill, and I yield myself the balance of my time.

I will close by noting that 3 weeks ago, the committee held a hearing on

small business size standards and contracting policies and the barriers they can pose to growth.

As we discussed, the Federal Government needs to both recruit and retain small business government contractors.

We are seeing that retaining small firms, like those in the 8(a) program, is a necessity for the health of the industrial base.

This bill will contribute to the retention of growing small businesses. It is a productive step designed to ensure that minority businessowners can succeed, thrive, and grow in the Federal marketplace and beyond.

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

Mr. WILLIAMS of Texas. Mr. Speaker, I urge my colleagues to support this commonsense legislation from Congressmen ELLZEY and THANEDAR, 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. 6591, 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.

PROVIDING WEBSITE TO REPORT 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. 5426) to require the Administrator of the Small Business Administration to provide a link to resources for submitting reports on suspected fraud relating to certain COVID-19 loans.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5426

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

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

(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 include on the primary website of the Administration a link to a website of the Office of the Inspector General of the Small Business Administration regarding reporting fraud, waste, abuse, mismanagement, and misconduct, and containing a resource for individuals to report suspected cases of fraud with respect to a covered loan to the Administration.

(b) COVERED LOAN DEFINED.—In this section, the term “covered loan” means—

(1) a loan made under paragraph (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)).

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 in support of H.R. 5426, a bill to require the SBA's administrator to place a visible link on their website to report COVID fraud.

Last summer, the SBA's Inspector General testified to our committee that throughout the COVID-19 pandemic, the SBA distributed more than \$200 billion in potentially fraudulent loans.

The committee was also told that in order to work through all these cases, it will take more than 100 years of work. That is simply not a realistic feat, and they need all the help they can get from the American people.

Reporting fraud in the SBA should be easy for everyday Americans to do. Our committee now has a direct fraud reporting link on our website, and the SBA should do the same.

When our committee was researching the need for this bill, we found that the only link to report COVID fraud redirected users to a different website that was in Spanish.

Even after we figured out how to correct the language, it was unclear how to actually report the fraud. This bill will ensure that reporting fraud is simply one click away.

It should be a top priority of this body to recoup as many of these taxpayer dollars as possible and in the most timely and efficient manner possible.

H.R. 5426 is a commonsense bill that will help individuals easily report suspected fraudulent activity and help the SBA and the OIG prioritize which potentially fraudulent loans to investigate.

Mr. Speaker, I urge my colleagues to support this bill, 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. 5426, which will require the SBA to put a link to the IG's fraud hotline on its website for whistleblowers to report suspected fraud.

The good news is that the Biden administration SBA already has a link to the OIG's hotline on its main landing page, but with this bill, it will be here to stay.