

and Workforce, for his leadership on this issue.

With access to capital being such a critical need for small business expansion and job creation, an increase in the individual leverage limit could deliver the needed capital that the next great American company is searching for.

This bill has broad bipartisan support and was favorably passed out of committee unanimously. I urge my colleagues to vote "yes" on H.R. 2333.

Mr. Speaker, I thank Ms. JUDY CHU, who is here this afternoon, I believe, on behalf of Ms. VELÁZQUEZ, who is the ranking member. We have a very strong bipartisan working committee. It is one of those in Congress that I think can be a model for other committees in how the two parties can actually work together and push forward with policies that are good for the country overall. We are not a very partisan committee. We work together. And I want to thank both Ms. VELÁZQUEZ and Ms. JUDY CHU for their participation in that bipartisanship.

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

Ms. JUDY CHU of California. Mr. Speaker, I yield myself such time as I may consume.

To date, small business investment companies have assisted thousands of high-growth businesses, providing over \$100 billion in capital. The key to the program's success is leveraging Federal funds to expand the amount of private capital invested in promising small firms.

The Small Business Administration provides funding to qualified SBICs with expertise in certain sectors of the economy. SBICs then use their own funds and leverage from SBA to invest in small businesses. Their actions have facilitated over 3 million jobs total and nearly \$6 billion per year of investment in domestic small employers.

Yet this very success has pushed many SBIC licensees against the leverage caps, in turn reducing the flow of capital to worthy small businesses. Addressing the cap should be a priority to stabilize the financial landscape. Failure to do so leaves employers without capital to create jobs and expand our economy.

In recent years, Congress has raised the leverage limits for SBICs to maximize the impact for family of funds licensees, but neglected to assist SBICs that manage just one company. That leverage cap remains at \$150 million.

H.R. 2333, the Small Business Investment Opportunity Act, would increase the cap to \$175 million for a SBIC that manages just one company. This change will enhance the flow of capital to small businesses.

I am happy to be an original cosponsor of this legislation, and I urge my colleagues to vote for this bill.

Mr. Speaker, I would also like to add my appreciation to Chairman CHABOT for his support in the process. I commend his leadership and Ranking Mem-

ber VELÁZQUEZ for their willingness to work in a bipartisan manner. I am pleased to serve on a committee that takes their responsibility seriously to help our Nation's small businesses prosper.

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

Mr. CHABOT. Mr. Speaker, I yield such time as he may consume to the gentleman from Kansas (Mr. MARSHALL).

Mr. MARSHALL. Mr. Speaker, I rise today in support of H.R. 2333, the Small Business Investment Opportunity Act of 2017.

Constantly, we hear that access to capital is a major hurdle for small businesses. Despite an improving economy, small business lending has plateaued since the Great Recession.

The Small Business Investment Opportunity Act aims to improve access to capital by increasing the amount a small business investment company can provide to small businesses.

In Kansas, communities from Hutchinson to Shawnee, Newton to Parsons, have benefited from small business investment company programs, with more than \$307 million in investments to over 110 small businesses across the State.

Small businesses are the Nation's job creators, and providing this sort of access to capital will spur job creation and growth.

Mr. Speaker, I recently finished my 39th townhall, and I dare say that at every townhall somebody asked me: Why can't Congress do anything in a bipartisan fashion?

Mr. Speaker, this is an example of both parties working together for bipartisan solutions to grow this economy.

Mr. Speaker, I encourage my colleagues to support this measure.

Ms. JUDY CHU of California. Mr. Speaker, I continue to reserve the balance of my time.

Mr. CHABOT. Mr. Speaker, I yield such time as he may consume to the gentleman from South Carolina (Mr. NORMAN), the newest member of the Small Business Committee.

Mr. NORMAN. Mr. Speaker, I rise in strong support of H.R. 2333, the Small Business Investment Opportunity Act of 2017.

As a businessman, I am keenly aware of how vital small businesses are to keeping our Nation's economy moving forward.

Small businesses alone employ nearly half of America's private sector workforce. However, the dreams of many small business owners in South Carolina can't be fully realized because of the serious obstacle of accessing capital. This burden prevents the creation of more jobs and better opportunities for the hardworking American people.

H.R. 2333 will allow the SBIC program, offered by the SBA to help tackle lending roadblocks, to be utilized to its full potential by increasing the in-

dividual leverage limit from \$150 million to \$175 million. With this legislation, small businesses will have a greater chance to grow and help spur our economy.

Mr. Speaker, I urge my colleagues to join me in support of H.R. 2333 and for all of the small businesses nationwide.

Ms. JUDY CHU of California. Mr. Speaker, expanding access to capital for small businesses has been a top priority for both sides of the aisle.

The SBIC program fills the gap in the capital markets for businesses that have outgrown SBA's flagship 7(a) loan guarantee program, but remain too small or risky for the private equity industry.

H.R. 2333 will help boost this program's success by changing how much leverage a SBIC can obtain from SBA.

Specifically, this legislation is narrowly tailored to increase the leverage limit exclusively for SBICs that manage just one company. Increasing the capital will expand the flow of much-needed capital to small businesses.

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

Mr. CHABOT. Mr. Speaker, I want to, again, commend the gentleman from California (Mr. KNIGHT) for his leadership on this particular legislation. He is the subcommittee chairman of the Contracting and Workforce Subcommittee.

Mr. Speaker, in closing, let me reiterate the importance of this bill, which aims to increase access to capital for small businesses. It simply increases the SBIC's individual leverage limit from \$150 million to \$175 million.

This legislation really is common sense. And, as I mentioned before, it is bipartisan. I, again, want to thank the gentlewoman from California (Ms. JUDY CHU) for her bipartisan leadership on this as well.

It will enhance the ability of small businesses to gain the needed money to expand and create jobs in our communities.

Mr. Speaker, I urge my colleagues to vote "yes" on H.R. 2333, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. CHABOT) that the House suspend the rules and pass the bill, H.R. 2333, 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.

MICROLOAN MODERNIZATION ACT OF 2017

Mr. CHABOT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2056) to amend the Small Business Act to provide for expanded participation in the microloan program, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2056

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 Modernization Act of 2017”.

SEC. 2. DEFINITIONS.

In this Act—

(1) the term “intermediary” has the meaning given that term in section 7(m)(11) of the Small Business Act (15 U.S.C. 636(m)(11)); and

(2) the term “microloan program” means the program established under section 7(m) of the Small Business Act (15 U.S.C. 636(m)).

SEC. 3. MICROLOAN INTERMEDIARY LENDING LIMIT INCREASED.

Section 7(m)(3)(C) of the Small Business Act (15 U.S.C. 636(m)(3)(C)) is amended by striking “\$5,000,000” and inserting “\$6,000,000”.

SEC. 4. MICROLOAN TECHNICAL ASSISTANCE.

Section 7(m)(4)(E) of the Small Business Act (15 U.S.C. 636(m)(4)(E)) is amended by striking “25 percent” each place such term appears and inserting “50 percent”.

SEC. 5. SBA STUDY OF MICROENTERPRISE PARTICIPATION.

Not later than 1 year after the date of enactment of this Act, the Administrator of the Small Business Administration shall conduct a study and submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on—

(1) the operations (including services provided, structure, size, and area of operation) of a representative sample of—

(A) intermediaries that are eligible to participate in the microloan program and that do participate; and

(B) intermediaries that are eligible to participate in the microloan program and that do not participate;

(2) the reasons why eligible intermediaries described in paragraph (1)(B) choose not to participate in the microloan program;

(3) recommendations on how to encourage increased participation in the microloan program by eligible intermediaries described in paragraph (1)(B); and

(4) recommendations on how to decrease the costs associated with participation in the microloan program for eligible intermediaries.

SEC. 6. GAO STUDY ON MICROLOAN INTERMEDIARY PRACTICES.

Not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report evaluating—

(1) oversight of the microloan program by the Small Business Administration, including oversight of intermediaries participating in the microloan program; and

(2) the specific processes used by the Small Business Administration to ensure—

(A) compliance by intermediaries participating in the microloan program; and

(B) the overall performance of the microloan program.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. CHABOT) and the gentlewoman from California (Ms. JUDY CHU) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio.

GENERAL LEAVE

Mr. CHABOT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise

and extend their remarks and include extraneous material on the bill under consideration.

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

There was no objection.

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

Mr. Speaker, the microloan program at the Small Business Administration is a program that acutely targets small dollar borrowers by utilizing nonprofit intermediaries known as microlenders.

Beyond lending the needed capital that is critical to a small business, microlenders are required to provide technical assistance and training to borrowers and perspective borrowers.

The program is unique to the SBA's capital access programs because it combines capital with counseling, two ingredients for growth. However, like many Federal programs, it is in need of modernizing to fully meet the demands of America's small businesses.

H.R. 2056, the Microloan Modernization Act of 2017, does just that.

To fully service small dollar borrowers, H.R. 2056 raises the lending volume a microloan intermediary has at its disposal from \$5 million to \$6 million.

Next, the legislation provides flexibility to the outdated and antiquated 25/75 rule that limits the amount of preloan technical assistance a microloan intermediary can offer to their small business clients.

By updating the rule to a 50/50 split, more complete assistance can be offered in the early stages of the process, oftentimes, when a small business needs it the most.

To determine if the program is running at its full potential with microlenders throughout the Nation, H.R. 2056 also directs the SBA to study the utilization of the program.

Lastly, to make sure the SBA is providing the correct amount of supervision, the Government Accountability Office, the GAO, is required to study the SBA's oversight tools.

As we continue to see signs of economic improvement, we must steadfastly defend the Nation's small businesses and startups. H.R. 2056 makes important changes to the program that will enhance a small dollar borrower's ability to grow and create jobs.

I want to thank the gentlewoman from Florida (Mrs. MURPHY) and all the members on this committee who have taken a leading role in this legislation. It has broad bipartisan support—again, the Small Business Committee working in a bipartisan fashion.

Mr. Speaker, I urge my colleagues to vote “yes” on H.R. 2056, and I reserve the balance of my time.

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Ms. JUDY CHU of California. Mr. Speaker, I yield myself as much time as I may consume.

Mr. Speaker, I rise in support of H.R. 2056, the Microloan Modernization Act

of 2017. This bill comes at an important time, because the nature of small business financing has evolved. No longer do many banks want to take on a business loan under \$250,000, leaving much of the Nation's small employers empty-handed.

Small entities don't always want or need large amounts of capital, and find small loans sufficient to meet their needs, or they lack the qualifications necessary to qualify for a bank loan. The SBA's Microloan program helps fill this gap by serving entrepreneurs who are not served by the private sector or SBA's 7(a) loan program.

This program has provided millions of dollars in financing and technical assistance to small businesses and entrepreneurs since its inception in 1992. By providing loans to nonprofit intermediaries who, in turn, lend funds to the smallest of small businesses, the program helps borrowers streamline their operations, grow to profitability, and create new jobs.

Microloans have proven to be incredibly valuable to prospective entrepreneurs and to communities who badly need greater economic opportunities. Despite the average microloan size being about \$13,000, these loans have changed the face of small business lending and how small companies are funding their success.

H.R. 2056 offers a much-needed change by increasing the microloan intermediary loan limit from \$5 million to \$6 million. It also raises the cap on grant funds that intermediaries can spend on technical assistance for prospective borrowers.

Microloans are labor intensive and require staff time, expense, and risk. Technical assistance grants allows intermediaries to support personalized and intensive technical assistance for those microborrowers in their portfolio. Raising the cap will better serve potential business borrowers by ensuring they are ready for that next step: taking on a loan.

These changes will increase the reach of the program and will ultimately go a long way toward creating opportunity for established enterprises and those who dream of going into business for themselves.

I strongly urge my colleagues to support this important bill.

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

Mr. CHABOT. Mr. Speaker, I yield such time as he may consume to the gentleman from Nebraska (Mr. BACON).

Mr. BACON. Mr. Speaker, I rise today in support of the Microloan Modernization Act of 2017. This legislation will benefit America's small businesses by improving the Small Business Administration's Microloan program.

Small business lending has not kept pace with the improving economy after the Great Recession, and this has been especially true for small-dollar borrowers.

Early stage small businesses do not have the proven financial history and

lack access to traditional lending. Unable to borrow money from banks and credit unions, they often turn to friends, family, or credit cards to finance their businesses.

The SBA Microloan program provides access to capital through nonprofit intermediaries that will loan up to \$50,000 for their upstart companies. These intermediaries also offer technical assistance and counseling to facilitate their business' success.

H.R. 2056 will improve the SBA Microloan program by expanding the lending volume to microloan intermediaries, by giving them greater flexibility with their SBA technical assistance grants, to provide more preloan comprehensive assistance to businesses in their infancy, and by requiring the SBA to study and report to Congress on the utilization of the program.

This bill provides meaningful reforms to modernize the SBA Microloan program, and I am a proud cosponsor. This is a needed bill to support the engine of our economy: our small businesses.

Mr. Speaker, I urge my colleagues to support this bipartisan legislation.

Ms. JUDY CHU of California. Mr. Speaker, I yield as much time as she may consume to the gentlewoman from Florida (Mrs. MURPHY).

Mrs. MURPHY of Florida. Mr. Speaker, I rise in support of H.R. 2056, my bipartisan bill to improve the Small Business Administration's Microloan program.

Small businesses are the backbone of our Nation's economy. In my home State of Florida, there are 2.4 million small businesses, which is 99.8 percent of all employers in the State. These businesses employ 3.2 million workers.

In my central Florida district, we have a vibrant community of entrepreneurs, and they tell me the number one challenge they face is access to capital. As someone who counseled entrepreneurs and businesses in the private sector before I came to Congress, I know how difficult it can be to obtain the capital you need to start and grow a small business. That is why this bill to improve SBA's Microloan program is so important.

Mr. Speaker, I thank Chairman CHABOT and Ranking Member VELÁZQUEZ for helping to advance this bill through the Small Business Committee, where the bill received unanimous support. I also thank the Administrator of the SBA, Linda McMahon, and her senior staff for working with my office to make modest changes to the bill after it was introduced.

These changes should better position the bill to move through Congress and then to be signed into law by the President.

The Microloan program is one of several lending programs administered by the SBA. Its goal is to help small-dollar borrowers who want to start or grow their business. Under this program, the SBA makes loans to nonprofit organizations known as inter-

mediaries. These intermediaries, in turn, make short-term loans up to \$50,000 to small businesses and nonprofit childcare centers. Recipients of microloans use these funds to finance their operations and to acquire supplies and equipment.

The Microloan program seeks, in particular, to assist small business owners with little or no credit history, women and minority businessowners, and aspiring and existing entrepreneurs who may not qualify for traditional bank loans or even for the larger loan guarantee programs that the SBA administers.

In fiscal year 2016, intermediaries provided over \$60 million in loans to small firms around the country, creating or retaining nearly 18,000 jobs in the process. While the loans may not be large, they can mean the difference between a small business starting up and succeeding or struggling and shuttering.

Despite the relative success of the Microloan program, it must be modernized. My bill would improve the program in two respects. First, the bill would increase the total amount an intermediary can borrow from the SBA from \$5 million to \$6 million. This will allow intermediaries to make more small-dollar loans to more small businesses and entrepreneurs.

Second, the bill would enable intermediaries to use a larger percentage of the technical assistance grants they receive from the SBA in order to help small business owners and entrepreneurs navigate the microloan applications process.

Mr. Speaker, I respectfully ask my colleagues on both sides of the aisle to support this bill, which will assist and empower more small businesses.

Mr. CHABOT. Mr. Speaker, I have no further speakers, and I reserve the balance of my time.

Ms. JUDY CHU of California. Mr. Speaker, I have no further speakers, and I yield myself the balance of my time to close.

Mr. Speaker, SBA's Microloan program fulfills a critical need in the capital markets. It is a key resource for startup, newly established, and growing small businesses, many of which come from traditionally underserved markets, where personal and commercial credit are hard to come by.

The Microloan Modernization Act of 2017 makes targeted reforms to assist more of these small businesses, by raising the amount that the SBA may commit to an intermediary and raising the cap on the amount of grant funding for technical assistance.

These changes would further assist very small businesses to obtain loans and, in turn, provide them greater opportunity to create and retain the jobs that they need.

With no significant effect on the Federal budget, I can think of no better time to make long-sought changes to improve the program. As such, I once again would urge my colleagues to support this legislation.

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

Mr. CHABOT. Mr. Speaker, in closing, I would note again that we have bipartisan work on this committee. I thank Mrs. MURPHY and Mr. BACON for working together and pushing this bill, which I think will benefit small businesses all across the country. I we appreciate that. Mrs. MURPHY, of course, is from Florida, and Mr. BACON is from Nebraska.

I think the Microloan program really is an important tool in the SBA's capital access toolbox, but it is in need of modernizing, and H.R. 2056 does that. These are the reforms, I think, that the Nation's job creators need.

Small businesses, startups, and entrepreneurs have the ideas to create the next great American company. We just need to provide the correct environment for that growth to take place, and I think this is something that will contribute towards that possibility and, therefore, be able to create more jobs for more Americans all across the country.

Mr. Speaker, I would urge my colleagues to support H.R. 2056, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. CHABOT) that the House suspend the rules and pass the bill, H.R. 2056, 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.

INVESTING IN MAIN STREET ACT OF 2017

Mr. CHABOT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2364) to amend the Small Business Investment Act of 1958 to increase the amount that certain banks and savings associations may invest in small business investment companies, subject to the approval of the appropriate Federal banking agency, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2364

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 2017".

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 inserting before the period the following: "or, subject to the approval of the appropriate Federal banking agency, 15 percent of such capital and surplus";

(2) in paragraph (2), by inserting before the period the following: "or, subject to the approval of the appropriate Federal banking agency, 15 percent of such capital and surplus"; and