

capital, in particular for small businesses.

A substantial mutual fund investment in a small-cap company can easily exceed the 10 percent cap. This likely deters mutual fund investments into growing and innovative companies.

My bill asks the SEC to consider four key items: one, how many mutual funds are currently affected by the 10 percent cap; two, how the investing preferences of diversified mutual funds have shifted over time with respect to smaller companies; three, the potential impact of a change in the 10 percent threshold; and, four, the ability of diversified funds to manage liquidity risk.

This information is necessary so that we can continue to work in a non-partisan manner to ensure that small businesses have access to capital, so they can grow and invest.

Smart, targeted reforms can give us more vibrant capital markets; growing, innovative small businesses; better outcomes for American investors; and, ultimately, a stronger economy.

I look forward to continuing to work with my colleagues toward this goal. I thank Chair WATERS and Ranking Member MCHENRY for their support of this bill, and I urge my colleagues to support its passage.

This bill is an important step forward toward a stronger economy, more dynamic small businesses, and more jobs for American workers.

□ 1800

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

Mr. BARR. Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. RIGGLEMAN), who is an outstanding new member of the House Financial Services Committee. He is another gentleman who comes to Congress not as a politician, but as an entrepreneur, someone who has built businesses and created jobs himself and understands intimately the need for small businesses and entrepreneurs to have the ability to access capital.

Mr. RIGGLEMAN. Mr. Speaker, I have to support my good friend from Wisconsin as we go forward. I am also in a very small business type of atmosphere in Virginia. I own a small business, a distillery, and for us, small businesses are one of the most important things we can support as we go forward.

I am here today to support my colleagues and to support Democrats in a bipartisan fashion. This is something that we need to do, we have to do, and I urge my colleagues to support this bill.

Mr. Speaker, I don't need the 2 minutes to actually make sure that this happens. I urge my colleagues to support this bill and make sure we support small businesses in everything that we do.

Mr. BARR. Mr. Speaker, I urge my colleagues to support the legislation,

and I yield back the balance of my time.

Ms. WATERS. Mr. Speaker, I yield myself the balance of my time. I want to, again, thank the sponsors of H.R. 3050 and the gentleman from Wisconsin for working with my side on the text of this legislation. I think it is a good bill and will, along with other measures that we are considering today, improve the access of small businesses to U.S. capital markets.

Mr. Speaker, I urge my colleagues to join me in supporting this important piece of legislation, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATERS) that the House suspend the rules and pass the bill, H.R. 3050, as amended.

The question was taken.

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

Mr. STELL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

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

EXPANDING ACCESS TO CAPITAL FOR RURAL JOB CREATORS ACT

Ms. WATERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2409) to amend the Securities Exchange Act of 1934 to expand access to capital for rural-area small businesses, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2409

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 "Expanding Access to Capital for Rural Job Creators Act".

SEC. 2. ACCESS TO CAPITAL FOR RURAL-AREA SMALL BUSINESSES.

Section 4(j) of the Securities Exchange Act of 1934 (15 U.S.C. 78d(j)) is amended—

(1) in paragraph (4)(C), by inserting "rural-area small businesses," after "women-owned small businesses,"; and

(2) in paragraph (6)(B)(iii), by inserting "rural-area small businesses," after "women-owned small businesses,".

The SPEAKER pro tempore. Pursuant to the rule, the gentlewoman from California (Ms. WATERS) and the gentleman from Kentucky (Mr. BARR) each will control 20 minutes.

The Chair recognizes the gentlewoman from California.

GENERAL LEAVE

Ms. WATERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on this legislation and to insert extraneous material thereon.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from California?

There was no objection.

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

Mr. Speaker, I would like to thank Representatives AXNE and MOONEY for working together to put forth this bipartisan piece of legislation to require the Advocate for Small Business Capital Formation at the Securities and Exchange Commission to pay particular attention to the unique challenges rural-area small businesses face in accessing the funds they need to grow and thrive.

This important bill has gained broad bipartisan support because it is aimed at understanding and addressing real problems faced by Americans all across our country: the capital needs of rural startups and entrepreneurs.

When we created the Advocate for Small Business Capital Formation we recognized that our Nation's small businesses are proven job creators which require special attention from the SEC. However, it is also important for the advocate to recognize that different types of small businesses face unique challenges. For example, as a result of my amendment to the legislation creating the position, the advocate is required to specifically consider the challenges facing minority-owned and women-owned small businesses.

H.R. 2409 would recognize another important category: small businesses in rural areas and require the advocate to pay special attention to and report to Congress on the unique challenges and issues they face.

According to a recent survey by the Small Business Majority, roughly one in five rural small businesses rated access to capital as one of the top three challenges to maintaining or growing their business in their community. What is more, these businesses largely get their funds from personal savings, and only 13 percent said that they received investments or gifts from friends or family. So I think it is time for the SEC to look into why that is and see what, if anything, we can be doing to encourage capital formation for our Nation's rural small businesses.

Mr. Speaker, I urge all of my colleagues to support this important bill, and I reserve the balance of my time.

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

Mr. Speaker, I rise in support of H.R. 2409, the Expanding Access to Capital for Rural Job Creators Act. As a Member of Congress who represents a rural area, I want to commend the work of Congresswoman AXNE and Congressman MOONEY for their bipartisan commitment to help rural small businesses access capital.

In the House Financial Services Committee, we continue to highlight the importance of capital formation for individuals in underbanked rural communities.

Small and rural communities in Kentucky and other places are extremely vulnerable during recessions and during recovery, and their subsequent recoveries are often slower due to a lack of access to capital.

U.S. counties as a whole saw more business establishments close than open during the first 5 years of the most recent financial crisis. This decline was felt disproportionately in rural areas, where the percentage of business closures was higher. Additionally, as our economy recovers, data shows that small businesses and startups are much less likely to form in rural areas than urban areas.

H.R. 2409 is an example of bipartisan legislation that can help solve the biggest issue for a number of rural small businesses, and that is access to capital.

H.R. 2409 would amend the Securities Exchange Act of 1934 to direct the Advocate for Small Business Capital Formation to identify unique challenges to rural-area small businesses when identifying problems that small businesses have with securing access to capital.

Small towns across the country are still struggling to recover from the post-financial crisis recession. It is imperative that we fully understand the challenges facing rural areas so that we can reinvigorate economic growth and diversify rural economies in those areas that need help the most. This bipartisan bill is an important tool for us to better address the capital formation issues facing our rural small businesses and job creators.

Mr. Speaker, I urge my colleagues to support H.R. 2409, and I reserve the balance of my time.

Ms. WATERS. Mr. Speaker, I yield such time as she may consume to the gentlewoman from Iowa (Mrs. AXNE), who is the sponsor of H.R. 2409.

Mrs. AXNE. Mr. Speaker, I rise today in support of my bill, H.R. 2409, the Expanding Access to Capital for Rural Job Creators Act.

I want to thank my colleagues, Mr. MOONEY, Ms. VELÁZQUEZ, Mr. RIGGLEMAN, Mr. PAPPAS, and Mr. ROSE for their work and for cosponsoring the Expanding Access to Capital for Rural Job Creators Act, and I want to thank our chairwoman of the Financial Services Committee to help us bring this here today.

As a small business owner, I know how difficult it can be to access the capital you need to succeed, and my friends across the aisle just explained that very well. I thank them so much for the bill that they have brought to the floor. However, rural entrepreneurs face unique challenges when it comes to accessing capital, but far too often their voices are left out of the conversation.

For example, in a recent Federal Reserve survey of small businesses, despite more than 70 percent of rural small businesses being a low credit risk, less than half received the full amount of funding that they were seeking. This restricts growth in rural areas. That same survey found that only 35 percent of rural small businesses expected to increase employment in the next year compared to 51

percent in urban areas. This can create a cycle where younger people leave rural areas because there are no jobs, furthering the decline in certain rural areas across this country.

The bipartisan Expanding Access to Capital for Rural Job Creators Act will ensure that rural small businesses have a seat at the table as Federal policymakers consider new rules that govern investment and capital. The Office of the Advocate of Small Business Capital Formation at the SEC was established to promote the interests of small businesses and help make sure that they have access to capital with a focus on supporting women- and minority-owned businesses.

I would also like to acknowledge the work of Ms. VELÁZQUEZ and others last Congress to include small businesses affected by natural disasters, like the recent flooding in Iowa.

My legislation, H.R. 2409, would expand the focus areas of the advocate to include rural-area small businesses. This data will help Congress and Federal regulators make better-informed decisions on how to best support economic growth in rural America.

By ensuring that Washington listens to the voices of rural small businesses, this legislation will help create jobs in rural Iowa and in rural areas across the country contributing not only to their success but to the economic success of this entire country's GDP.

Mr. Speaker, I want to thank the chairwoman and my colleagues for their support and working on this issue, and I ask for a "yes" from the House.

Mr. BARR. Mr. Speaker, as I said before, the gentleman from Virginia who is going to speak has personal experience in the private sector, is an entrepreneur, and knows a lot about rural America and rural America's need for access to capital as an entrepreneur.

Mr. Speaker, I yield 2 minutes to the gentleman from Virginia (Mr. RIGGLEMAN), who is an outstanding new member of our committee.

Mr. RIGGLEMAN. Mr. Speaker, I thank my friend, Representative MOONEY, and I would like to also thank my colleague, Representative AXNE, for introducing this legislation.

I rise today to speak in support of this bill, the Expanding Access to Capital for Rural Job Creators Act.

This bill will expand the mission of the SEC Advocate for Small Business Capital Formation to identify the unique challenges facing rural small businesses and give them expanded access to the capital they need.

As someone who, along with my wife, started a distillery business in the rural part of Virginia, I know many of the challenges faced by small business owners in rural areas. These small business owners are the backbones of communities across America and pillars of the local economies that help these areas thrive.

According to Census data from 2017, one in five Americans live in a rural

area. In my district, the Fifth District of Virginia, approximately 65 percent of the population resides in a rural area. These people deserve the same access to the financial system as urban dwellers and urban businesses.

Running a rural small business is a challenge, and it is important for me as the Representative of the Fifth District to advocate for the needs of these small business owners. By expanding their access to capital, we can help small businesses grow and sustain rural communities.

This bill will allow the SEC to help job creators and improve rural economies across the country. I look forward to working with the SEC and my colleagues to accomplish this mission.

For these reasons and many more, Mr. Speaker, I strongly support this legislation, and I urge everyone else to do the same.

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

Mr. BARR. Mr. Speaker, I yield 2 minutes to the gentleman from Tennessee (Mr. JOHN W. ROSE), who is another outstanding new member of our committee. The gentleman from Tennessee does, in fact, represent a rural district and is himself a job creator and someone who knows about the need to provide expanded access to credit for rural American entrepreneurs.

Mr. JOHN W. ROSE of Tennessee. Mr. Speaker, I rise in support of H.R. 2409, the Expanding Access to Capital for Rural Job Creators Act. I want to thank Representatives AXNE and MOONEY for their leadership on this important issue as well as my colleagues, Representatives VELÁZQUEZ, PAPPAS, and RIGGLEMAN, for their original sponsorship.

Small businesses are truly the heart of job growth in rural communities. The vast majority of the 19 counties in Tennessee's Sixth District are rural, with four being categorized as economically distressed counties.

The workforces in these communities depend on the job opportunities provided by entrepreneurs who build their businesses from the ground up.

In my short time in office, I have visited small businesses in rural communities of Tennessee's Sixth District. The men and women who run and work for these rural small businesses are some of the hardest working people I have ever met.

This bill is simple. It includes rural businesses in the mission of the Office of the Advocate for Small Business Capital Formation. This will allow rural small businesses to receive the capital formation assistance they might need and will require the Securities and Exchange Commission to consider any adverse effects regulations might have on rural small businesses.

□ 1815

Rural small businesses are often overlooked by their capital formation challenges, but their capital formation challenges deserve the same attention as any other type of small business.

Mr. Speaker, I urge all Members to support this commonsense bill.

Ms. WATERS. Mr. Speaker, I inquire through the Chair if my colleague has any remaining speakers on his side.

Mr. BARR. Mr. Speaker, I have no further speakers, and I yield myself the balance of my time to close.

Mr. Speaker, in conclusion, as a Representative of a rural congressional district and who has tremendous respect for the hardworking, small business owners of rural America—and in my case, rural, central, and eastern Kentucky—I know how hard it is for folks to access the credit that they need to build a business, to grow jobs, to create greater and better opportunities for themselves and their employees.

Not every small business in America, Mr. Speaker, can access Silicon Valley. Not every small business in middle America can access Wall Street. We need the SEC to have greater sensitivity to rural small business and their unique challenges in terms of access to capital formation.

So I applaud the leadership of the Members who have brought this legislation forward. I urge my colleagues to support this legislation. Vote in favor of rural small business capital formation.

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

Ms. WATERS. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I want to thank the gentlewoman from Iowa (Mrs. AXNE) and the gentleman from West Virginia (Mr. MOONEY) for introducing this important legislation.

This bipartisan bill passed the House by a near unanimous vote last Congress. It is time for it to become law to help rural businesses across this country become even more important job creators.

Mr. Speaker, I urge my colleagues to join me in supporting this important piece of legislation, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATERS) that the House suspend the rules and pass the bill, H.R. 2409.

The question was taken.

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

Ms. WATERS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

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

RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess for a period of less than 15 minutes.

Accordingly (at 6 o'clock and 17 minutes p.m.), the House stood in recess.

□ 1830

AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Ms. TITUS) at 6 o'clock and 30 minutes p.m.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Proceedings will resume on questions previously postponed. Votes will be taken in the following order:

Motions to suspend the rules and pass:

- H.R. 2515;
- H.R. 3050; and
- H.R. 2409.

The first electronic vote will be conducted as a 15-minute vote. Pursuant to clause 9 of rule XX, remaining electronic votes will be conducted as 5-minute votes.

WHISTLEBLOWER PROTECTION REFORM ACT OF 2019

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the unfinished business is the vote on the motion to suspend the rules and pass the bill (H.R. 2515) to amend the Securities and Exchange Act of 1934 to amend the definition of whistleblower, as amended, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from California (Ms. WATERS) that the House suspend the rules and pass the bill, as amended.

The vote was taken by electronic device, and there were—yeas 410, nays 12, not voting 10, as follows:

[Roll No. 431]
YEAS—410

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|-----------------|---------------|-----------------|
| Adams | Brownley (CA) | Collins (GA) |
| Aderholt | Buchanan | Collins (NY) |
| Aguilar | Buck | Comer |
| Allen | Bucshon | Conaway |
| Allred | Budd | Connolly |
| Amodei | Burchett | Cook |
| Armstrong | Burgess | Cooper |
| Arrington | Bustos | Correa |
| Axne | Butterfield | Costa |
| Babin | Byrne | Courtney |
| Bacon | Calvert | Cox (CA) |
| Baird | Carbajal | Craig |
| Balderson | Cardenas | Crawford |
| Banks | Carson (IN) | Crenshaw |
| Barr | Carter (GA) | Crist |
| Barragan | Carter (TX) | Crow |
| Bass | Cartwright | Cuellar |
| Beatty | Case | Cummings |
| Bera | Casten (IL) | Cunningham |
| Bergman | Castor (FL) | Curtis |
| Beyer | Castro (TX) | Davids (KS) |
| Biggs | Chabot | Davidson (OH) |
| Bilirakis | Cheney | Davis (CA) |
| Bishop (GA) | Chu, Judy | Davis, Danny K. |
| Bishop (UT) | Cicilline | Davis, Rodney |
| Blumenauer | Cisneros | Dean |
| Blunt Rochester | Clark (MA) | DeFazio |
| Bonamici | Clarke (NY) | DeGette |
| Bost | Clay | DeLauro |
| Boyle, Brendan | Cleaver | DelBene |
| F. | Cline | Delgado |
| Brady | Cloud | Demings |
| Brindisi | Clyburn | DeSaulnier |
| Brooks (AL) | Cohen | DesJarlais |
| Brown (MD) | Cole | Deutch |

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|-----------------|-----------------|----------------|
| Dingell | Kirkpatrick | Rice (NY) |
| Doggett | Krishnamoorthi | Richmond |
| Doyle, Michael | Kuster (NH) | Riggleman |
| F. | Kustoff (TN) | Roby |
| Dunn | LaHood | Rodgers (WA) |
| Emmer | LaMalfa | Roe, David P. |
| Engel | Lamb | Rogers (AL) |
| Escobar | Lamborn | Rogers (KY) |
| Eshoo | Langevin | Rooney (FL) |
| Espallat | Larsen (WA) | Rose (NY) |
| Estes | Larson (CT) | Rose, John W. |
| Evans | Latta | Rouda |
| Ferguson | Lawrence | Rouzer |
| Finkenauer | Lawson (FL) | Roy |
| Fitzpatrick | Lee (CA) | Roybal-Allard |
| Fleischmann | Lee (NV) | Ruiz |
| Fletcher | Lesko | Ruppersberger |
| Flores | Levin (CA) | Rush |
| Fortenberry | Levin (MI) | Rutherford |
| Foster | Lewis | Sánchez |
| Foxx (NC) | Lieu, Ted | Sarbames |
| Fudge | Lipinski | Scalise |
| Fulcher | Loeb sack | Scanlon |
| Gabbard | Lofgren | Schakowsky |
| Gaetz | Long | Schiff |
| Gallagher | Loudermilk | Schneider |
| Gallego | Lowenthal | Schrader |
| Garamendi | Lowey | Schrier |
| Garcia (IL) | Lucas | Schweikert |
| Garcia (TX) | Luetkemeyer | Scott (VA) |
| Gibbs | Lujan | Scott, Austin |
| Gohmert | Luria | Scott, David |
| Golden | Lynch | Sensenbrenner |
| Gomez | Malinowski | Serrano |
| Gonzalez (OH) | Maloney, | Sewell (AL) |
| Gonzalez (TX) | Carolyn B. | Shalala |
| Gooden | Maloney, Sean | Sherman |
| Gosar | Marchant | Sherrill |
| Gottheimer | Marshall | Shimkus |
| Granger | Matsui | Simpson |
| Graves (GA) | McAdams | Sires |
| Graves (LA) | McBath | Slotkin |
| Graves (MO) | McCarthy | Smith (MO) |
| Green (TN) | McCaull | Smith (NE) |
| Green, Al (TX) | McCollum | Smith (NJ) |
| Griffith | McEachin | Smith (WA) |
| Grothman | McGovern | Smucker |
| Guthrie | McHenry | Soto |
| Haaland | McKinley | Spanberger |
| Hagedorn | McNerney | Spano |
| Harder (CA) | Meadows | Speier |
| Harris | Meeks | Stanton |
| Hartzler | Meng | Staubert |
| Hastings | Meuser | Stefanik |
| Hayes | Miller | Steil |
| Heck | Moolenaar | Steube |
| Herrera Beutler | Mooney (WV) | Stevens |
| Hice (GA) | Moore | Stewart |
| Higgins (NY) | Morelle | Stivers |
| Hill (AR) | Moulton | Suozi |
| Hill (CA) | Mucarsel-Powell | Swalwell (CA) |
| Himes | Mullin | Takano |
| Holding | Murphy | Taylor |
| Hollingsworth | Nadler | Thompson (CA) |
| Horn, Kendra S. | Napolitano | Thompson (MS) |
| Horsford | Neal | Thompson (PA) |
| Houlahan | Neguse | Thornberry |
| Hoyer | Newhouse | Timmons |
| Hudson | Norcross | Tipton |
| Huffman | Norman | Titus |
| Huizenga | Nunes | Tlaib |
| Hunter | O'Halleran | Tonko |
| Hurd (TX) | Ocasio-Cortez | Torres (CA) |
| Jackson Lee | Olson | Torres Small |
| Jayapal | Omar | (NM) |
| Jeffries | Palazzo | Trahan |
| Johnson (GA) | Pallone | Trone |
| Johnson (OH) | Palmer | Turner |
| Johnson (SD) | Panetta | Underwood |
| Johnson (TX) | Pappas | Upton |
| Jordan | Pascrell | Van Drew |
| Joyce (OH) | Payne | Vargas |
| Joyce (PA) | Pence | Veasey |
| Kaptur | Perlmutter | Vela |
| Katko | Perry | Velázquez |
| Keating | Peters | Vislosky |
| Keller | Peterson | Wagner |
| Kelly (IL) | Phillips | Walberg |
| Kelly (MS) | Pingree | Walden |
| Kelly (PA) | Pocan | Walker |
| Kennedy | Porter | Walorski |
| Khanna | Posey | Waltz |
| Kildee | Pressley | Wasserman |
| Kilmer | Price (NC) | Schultz |
| Kim | Quigley | Waters |
| Kind | Raskin | Watkins |
| King (IA) | Ratcliffe | Watson Coleman |
| King (NY) | Reed | Weber (TX) |
| Kinzinger | Reschenthaler | Webster (FL) |