

MILITARY RESERVIST AND VETERAN SMALL BUSINESS REAUTHORIZATION AND OPPORTUNITY ACT OF 2007

Ms. VELÁZQUEZ. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 4253) to improve and expand small business assistance programs for veterans of the armed forces and military reservists, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4253

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the “Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2007”.

(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

- Sec. 1. Short title; table of contents.
Sec. 2. Definitions.

TITLE I—VETERANS BUSINESS DEVELOPMENT

- Sec. 101. Increased funding for the Office of Veterans Business Development.
Sec. 102. Interagency task force.
Sec. 103. Permanent extension of SBA Advisory Committee on Veterans Business Affairs.
Sec. 104. Office of Veterans Business Development.
Sec. 105. Increasing the number of outreach centers.
Sec. 106. Independent study on gaps in availability of outreach centers.

TITLE II—NATIONAL RESERVIST ENTERPRISE TRANSITION AND SUSTAINABILITY

- Sec. 201. Short title.
Sec. 202. Purpose.
Sec. 203. National Guard and Reserve business assistance.
Sec. 204. Veterans Assistance and Services program.

TITLE III—RESERVIST PROGRAMS

- Sec. 301. Reservist programs.
Sec. 302. Reservist loans.
Sec. 303. Noncollateralized loans.
Sec. 304. Loan priority.
Sec. 305. Relief from time limitations for veteran-owned small businesses.
Sec. 306. Service-disabled veterans.
Sec. 307. Study on options for promoting positive working relations between employers and their Reserve Component employees.
Sec. 308. Increased Veteran Participation Program.

SEC. 2. DEFINITIONS.

In this Act—

- (1) the term “activated” means receiving an order placing a Reservist on active duty;
(2) the term “active duty” has the meaning given that term in section 101 of title 10, United States Code;
(3) the terms “Administration” and “Administrator” mean the Small Business Administration and the Administrator thereof, respectively;
(4) the term “Reservist” means a member of a reserve component of the Armed Forces, as described in section 10101 of title 10, United States Code;
(5) the term “Service Corps of Retired Executives” means the Service Corps of Retired Executives authorized by section 8(b)(1) of the Small Business Act (15 U.S.C. 637(b)(1));

(6) the terms “service-disabled veteran” and “small business concern” have the meaning as in section 3 of the Small Business Act (15 U.S.C. 632);

(7) the term “small business development center” means a small business development center described in section 21 of the Small Business Act (15 U.S.C. 648); and

(8) the term “women’s business center” means a women’s business center described in section 29 of the Small Business Act (15 U.S.C. 656).

TITLE I—VETERANS BUSINESS DEVELOPMENT

SEC. 101. INCREASED FUNDING FOR THE OFFICE OF VETERANS BUSINESS DEVELOPMENT.

(a) **IN GENERAL.**—There are authorized to be appropriated to the Office of Veterans Business Development of the Administration, to remain available until expended—

- (1) \$2,100,000 for fiscal year 2008; and
(2) \$2,300,000 for fiscal year 2009.

(b) **FUNDING OFFSET.**—Amounts necessary to carry out subsection (a) shall be offset and made available through the reduction of the authorization of funding under section 20(e)(1)(B)(iv) of the Small Business Act (15 U.S.C. 631 note).

(c) **SENSE OF CONGRESS.**—It is the sense of Congress that any amounts provided pursuant to this section that are in excess of amounts provided to the Administration for the Office of Veterans Business Development in fiscal year 2007, should be used to support Veterans Business Outreach Centers.

SEC. 102. INTERAGENCY TASK FORCE.

Section 32 of the Small Business Act (15 U.S.C. 657b) is amended—

- (1) by redesignating subsection (c) as (f); and
(2) by inserting after subsection (b) the following:

“(c) **INTERAGENCY TASK FORCE.**—

“(1) **ESTABLISHMENT.**—Not later than 90 days after the date of enactment of this subsection, the President shall establish an interagency task force to coordinate the efforts of Federal agencies necessary to increase capital and business development opportunities for, and increase the award of Federal contracting and subcontracting opportunities to, small business concerns owned and controlled by service-disabled veterans and small business concerns owned and controlled by veterans (in this section referred to as the ‘task force’).”

“(2) **MEMBERSHIP.**—The members of the task force shall include—

- “(A) the Administrator, who shall serve as chairperson of the task force;
“(B) a senior level representative from—
“(i) the Department of Veterans Affairs;
“(ii) the Department of Defense;
“(iii) the Administration (in addition to the Administrator);
“(iv) the Department of Labor;
“(v) the Department of the Treasury;
“(vi) the General Services Administration; and
“(vii) the Office of Management and Budget; and

“(C) 4 representatives from a veterans service organization or military organization or association, selected by the President.

“(3) **DUTIES.**—The task force shall coordinate administrative and regulatory activities and develop proposals relating to—

- “(A) increasing capital access and capacity of small business concerns owned and controlled by service-disabled veterans and small business concerns owned and controlled by veterans through loans, surety bonding, and franchising;
“(B) increasing access to Federal contracting and subcontracting for small busi-

ness concerns owned and controlled by service-disabled veterans and small business concerns owned and controlled by veterans through expanded mentor-protégé assistance and matching such small business concerns with contracting opportunities;

“(C) increasing the integrity of certifications of status as a small business concern owned and controlled by service-disabled veterans or a small business concern owned and controlled by veterans;

“(D) reducing paperwork and administrative burdens on veterans in accessing business development and entrepreneurship opportunities;

“(E) increasing and improving training and counseling services provided to small business concerns owned and controlled by veterans; and

“(F) making other improvements relating to the support for veterans business development by the Federal Government.

“(4) **REPORTING.**—The task force shall submit an annual report regarding its activities and proposals to—

“(A) the Committee on Small Business and Entrepreneurship and the Committee on Veterans’ Affairs of the Senate; and

“(B) the Committee on Small Business and the Committee on Veterans’ Affairs of the House of Representatives.”

SEC. 103. PERMANENT EXTENSION OF SBA ADVISORY COMMITTEE ON VETERANS BUSINESS AFFAIRS.

(a) **ASSUMPTION OF DUTIES.**—Section 33 of the Small Business Act (15 U.S.C. 657c) is amended—

- (1) by striking subsection (h); and
(2) by redesignating subsections (i) through (k) as subsections (h) through (j), respectively.

(b) **PERMANENT EXTENSION OF AUTHORITY.**—Section 203 of the Veterans Entrepreneurship and Small Business Development Act of 1999 (15 U.S.C. 657b note) is amended by striking subsection (h).

SEC. 104. OFFICE OF VETERANS BUSINESS DEVELOPMENT.

Section 32 of the Small Business Act (15 U.S.C. 657b), as amended by section 102, is further amended by inserting after subsection (c) (as added by section 102) the following:

“(d) **PARTICIPATION IN TAP WORKSHOPS.**—

“(1) **IN GENERAL.**—The Associate Administrator shall increase veteran outreach by ensuring that Veteran Business Outreach Centers regularly participate, on a nationwide basis, in the workshops of the Transition Assistance Program of the Department of Labor.

“(2) **PRESENTATIONS.**—In carrying out paragraph (1), a Center may provide grants to eligible entities located in Transition Assistance Program locations to make presentations on the opportunities available from the Administration for recently separating veterans. Each such presentation must include, at a minimum, the entrepreneurial and business training resources available from the Administration.

“(3) **WRITTEN MATERIALS.**—The Associate Administrator of Veterans Business Development shall create written materials that provide comprehensive information on self-employment and veterans entrepreneurship, including information on Small Business Administration resources available for such topics, and shall make these materials available for inclusion in the Transition Assistance Program manual.

“(4) **REPORTS.**—The Associate Administrator shall submit to Congress progress reports on the implementation of this subsection.

“(e) **WOMEN VETERANS BUSINESS TRAINING RESOURCE PROGRAM.**—The Associate Administrator shall establish a Women Veterans

Business Training Resource Program. The program shall—

“(1) compile information on resources available to women veterans for business training, including resources for—

“(A) vocational and technical education;

“(B) general business skills, such as marketing and accounting; and

“(C) business assistance programs targeted to women veterans; and

“(2) disseminate the information through Veteran Business Outreach Centers and women’s business centers.”.

SEC. 105. INCREASING THE NUMBER OF OUTREACH CENTERS.

The Administrator of the Small Business Administration shall use the authority in section 8(b)(17) of the Small Business Act (15 U.S.C. 637(b)(17)) to ensure that the number of Veterans Business Outreach Centers throughout the United States increases—

(1) by at least 2, for each of fiscal years 2008 and 2009, in accordance with funding provided in sections 101(a)(1) and (a)(2) of this Act; and

(2) by the number that the Administrator considers appropriate, based on existing need, for each fiscal year thereafter.

SEC. 106. INDEPENDENT STUDY ON GAPS IN AVAILABILITY OF OUTREACH CENTERS.

The Administrator of the Small Business Administration shall sponsor an independent study on gaps in the availability of Veterans Business Outreach Centers across the United States. The purpose of the study shall be to identify the gaps that do exist so as to inform decisions on funding and on the allocation and coordination of resources. Not later than 6 months after the date of the enactment of this Act, the Administrator shall submit to Congress a report on the results of the study.

TITLE II—NATIONAL RESERVIST ENTERPRISE TRANSITION AND SUSTAINABILITY

SEC. 201. SHORT TITLE.

This title may be cited as the “National Reservist Enterprise Transition and Sustainability Act of 2007”.

SEC. 202. PURPOSE.

The purpose of this title is to establish a program to—

(1) provide managerial, financial, planning, development, technical, and regulatory assistance to small business concerns owned and operated by Reservists;

(2) provide managerial, financial, planning, development, technical, and regulatory assistance to the temporary heads of small business concerns owned and operated by Reservists;

(3) create a partnership between the Small Business Administration, the Department of Defense, and the Department of Veterans Affairs to assist small business concerns owned and operated by Reservists;

(4) utilize the service delivery network of small business development centers, women’s business centers, Veterans Business Outreach Centers, and centers receiving funding from the National Veterans Business Development Corporation, and any other Veterans Business Assistance program which receives federal funding, to expand the access of small business concerns owned and operated by Reservists to programs providing business management, development, financial, procurement, technical, regulatory, and marketing assistance;

(5) utilize the service delivery network of small business development centers, women’s business centers, Veterans Business Outreach Centers, and centers receiving funding from the National Veterans Business Development Corporation, and any other Veterans Business Assistance program which receives

federal funding, to quickly respond to an activation of Reservists that own and operate small business concerns; and

(6) utilize the service delivery network of small business development centers, women’s business centers, Veterans Business Outreach Centers, and centers receiving funding from the National Veterans Business Development Corporation, and any other Veterans Business Assistance program which receives federal funding, to assist Reservists that own and operate small business concerns in preparing for future military activations.

SEC. 203. NATIONAL GUARD AND RESERVE BUSINESS ASSISTANCE.

The Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) by redesignating section 37 (15 U.S.C. 631 note) as section 38; and

(2) by inserting after section 36 the following:

“SEC. 37. RESERVIST ENTERPRISE TRANSITION AND SUSTAINABILITY.

“(a) IN GENERAL.—The Administrator shall establish a program to provide business planning assistance to small business concerns owned and operated by Reservists.

“(b) DEFINITIONS.—In this section—

“(1) the terms ‘activated’ and ‘activation’ mean having received an order placing a Reservist on active duty, as defined by section 101(1) of title 10, United States Code;

“(2) the term ‘Administrator’ means the Administrator of the Small Business Administration, acting through the Associate Administrator for Small Business Development Centers;

“(3) the term ‘Association’ means the association established under section 21(a)(3)(A);

“(4) the term ‘eligible applicant’ means—

“(A) a small business development center that is accredited under section 21(k);

“(B) a women’s business center;

“(C) a Veterans Business Outreach Center that receives funds from the Office of Veterans Business Development;

“(D) an information and assistance center receiving funding from the National Veterans Business Development Corporation under section 33; or

“(E) any other Veterans Business Assistance program which receives federal funding;

“(5) the term ‘enterprise transition and sustainability assistance’ means assistance provided by an eligible applicant to a small business concern owned and operated by a Reservist, who has been activated or is likely to be activated in the next 12 months, to develop and implement a business strategy for the period while the owner is on active duty and 6 months after the date of the return of the owner;

“(6) the term ‘Reservist’ means any person who is—

“(A) a member of a reserve component of the Armed Forces, as defined by section 10101 of title 10, United States Code; and

“(B) on active status, as defined by section 101(d)(4) of title 10, United States Code;

“(7) the term ‘small business development center’ means a small business development center as described in section 21 of the Small Business Act (15 U.S.C. 648);

“(8) the term ‘State’ means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, American Samoa, and Guam; and

“(9) the term ‘women’s business center’ means a women’s business center described in section 29 of the Small Business Act (15 U.S.C. 656).

“(c) AUTHORITY.—The Administrator may award grants, in accordance with the regulations developed under subsection (d), to eligible applicants to assist small business concerns owned and operated by Reservists by—

“(1) providing management, development, financing, procurement, technical, regulatory, and marketing assistance;

“(2) providing access to information and resources, including Federal and State business assistance programs;

“(3) distributing contact information provided by the Department of Defense regarding activated Reservists to corresponding State directors;

“(4) offering free, one-on-one, in-depth counseling regarding management, development, financing, procurement, regulations, and marketing;

“(5) assisting in developing a long-term plan for possible future activation; and

“(6) providing enterprise transition and sustainability assistance.

“(d) OTHER FEDERAL DEPARTMENTS AND AGENCIES.—The Administrator shall make available informational materials established by this section to other Federal departments and agencies for their own internal programs.

“(e) RULEMAKING.—

“(1) IN GENERAL.—The Administrator, in consultation with the Association and after notice and an opportunity for comment, shall promulgate regulations to carry out this section.

“(2) DEADLINE.—The Administrator shall promulgate final regulations not later than 180 days of the date of enactment of the Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2007.

“(3) CONTENTS.—The regulations developed by the Administrator under this subsection shall establish—

“(A) procedures for identifying, in consultation with the Secretary of Defense, States that have had a recent activation of Reservists;

“(B) priorities for the types of assistance to be provided under the program authorized by this section;

“(C) standards relating to educational, technical, and support services to be provided by a grantee;

“(D) standards relating to any national service delivery and support function to be provided by a grantee;

“(E) standards relating to any work plan that the Administrator may require a grantee to develop; and

“(F) standards relating to the educational, technical, and professional competency of any expert or other assistance provider to whom a small business concern may be referred for assistance by a grantee.

“(f) APPLICATION.—

“(1) IN GENERAL.—Each eligible applicant desiring a grant under this section shall submit an application to the Administrator at such time, in such manner, and accompanied by such information as the Administrator may reasonably require.

“(2) CONTENTS.—Each application submitted under paragraph (1) shall describe—

“(A) the activities for which the applicant seeks assistance under this section; and

“(B) how the applicant plans to allocate funds within its network.

“(g) AWARD OF GRANTS.—

“(1) DEADLINE.—The Administrator shall award grants not later than 60 days after the promulgation of final rules and regulations under subsection (e).

“(2) AMOUNT.—Each eligible applicant awarded a grant under this section shall receive a grant in an amount not greater than \$300,000 per fiscal year.

“(h) REPORT.—

“(1) IN GENERAL.—The Comptroller General of the United States shall—

“(A) initiate an evaluation of the program not later than 30 months after the disbursement of the first grant under this section; and

“(B) submit a report not later than 6 months after the initiation of the evaluation under paragraph (1) to—

- “(i) the Administrator;
- “(ii) the Committee on Small Business and Entrepreneurship of the Senate; and
- “(iii) the Committee on Small Business of the House of Representatives.

“(2) CONTENTS.—The report under paragraph (1) shall—

“(A) address the results of the evaluation conducted under paragraph (1); and

“(B) recommend changes to law, if any, that it believes would be necessary or advisable to achieve the goals of this section.

“(i) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated to carry out this section—

“(A) \$5,000,000 for the first fiscal year beginning after the date of enactment of the Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2007; and

“(B) \$5,000,000 for the fiscal year following the fiscal year described in subparagraph (A).

“(2) FUNDING OFFSET.—Amounts necessary to carry out this section shall be offset and made available through the reduction of the authorization of funding under section 20(e)(1)(B)(iv) of the Small Business Act (15 U.S.C. 631 note).”.

SEC. 204. VETERANS ASSISTANCE AND SERVICES PROGRAM.

Section 21 of the Small Business Act (15 U.S.C. 648) is amended by adding at the end the following:

“(n) VETERANS ASSISTANCE AND SERVICES PROGRAM.—

“(1) IN GENERAL.—A Small Business Development Center may apply for an additional grant to carry out a veterans assistance and services program.

“(2) ELEMENTS OF PROGRAM.—Under a program under paragraph (1), the Center shall—

“(A) create a marketing campaign to promote awareness and education of the services of the Center that are available to veterans, and to target the campaign toward veterans, disabled veterans, military units, Federal agencies, and veterans organizations;

“(B) use technology-assisted online counseling and distance learning technology to overcome the impediments to entrepreneurship faced by veterans and members of the Armed Forces; and

“(C) increase coordination among organizations that assist veterans, including by establishing virtual integration of service providers and offerings for a one-stop point of contact for veterans who are entrepreneurs or small business owners.

“(3) MINIMUM AMOUNT.—Each grant under this subsection shall be for at least \$75,000.

“(4) MAXIMUM AMOUNT.—A grant under this subsection may not exceed \$250,000.

“(5) FUNDING.—Subject to amounts approved in advance in appropriations Acts, the Administration may make grants or enter into cooperative agreements to carry out the provisions of this subsection.”.

TITLE III—RESERVIST PROGRAMS

SEC. 301. RESERVIST PROGRAMS.

(a) APPLICATION PERIOD.—Section 7(b)(3)(C) of the Small Business Act (15 U.S.C. 636(b)(3)(C)) is amended—

(1) by striking “90 days” and inserting “1 year”; and

(2) by adding at the end the following: “The Administrator may, when appropriate (as determined by the Administrator), waive the ending date specified in the preceding sentence and provide a later ending date.”.

(b) PRE-CONSIDERATION PROCESS.—

(1) DEFINITION.—In this subsection, the term “eligible Reservist” means a Reservist who—

(A) has not been ordered to active duty;

(B) expects to be ordered to active duty during a period of military conflict; and

(C) can reasonably demonstrate that the small business concern for which that Reservist is a key employee will suffer economic injury in the absence of that Reservist.

(2) ESTABLISHMENT.—Not later than 6 months after the date of enactment of this Act, the Administrator shall establish a pre-consideration process, under which the Administrator—

(A) may collect all relevant materials necessary for processing a loan to a small business concern under section 7(b)(3) of the Small Business Act (15 U.S.C. 636(b)(3)) before an eligible Reservist employed by that small business concern is activated; and

(B) shall distribute funds for any loan approved under subparagraph (A) if that eligible Reservist is activated.

(c) OUTREACH AND TECHNICAL ASSISTANCE PROGRAM.—

(1) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Administrator, in consultation with the Secretary of Veterans Affairs and the Secretary of Defense, shall develop a comprehensive outreach and technical assistance program (in this subsection referred to as the “program”) to—

(A) market the loans available under section 7(b)(3) of the Small Business Act (15 U.S.C. 636(b)(3)) to Reservists, and family members of Reservists, that are on active duty and that are not on active duty; and

(B) provide technical assistance to a small business concern applying for a loan under that section.

(2) COMPONENTS.—The program shall—

(A) incorporate appropriate websites maintained by the Administration, the Department of Veterans Affairs, and the Department of Defense; and

(B) require that information on the program is made available to small business concerns directly through—

(i) the district offices and resource partners of the Administration, including small business development centers, women’s business centers, and the Service Corps of Retired Executives; and

(ii) other Federal agencies, including the Department of Veterans Affairs and the Department of Defense.

(3) REPORT.—

(A) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, and every 6 months thereafter until the date that is 30 months after such date of enactment, the Administrator shall submit to Congress a report on the status of the program.

(B) CONTENTS.—Each report submitted under subparagraph (A) shall include—

(i) for the 6-month period ending on the date of that report—

(I) the number of loans approved under section 7(b)(3) of the Small Business Act (15 U.S.C. 636(b)(3));

(II) the number of loans disbursed under that section; and

(III) the total amount disbursed under that section; and

(ii) recommendations, if any, to make the program more effective in serving small business concerns that employ Reservists.

SEC. 302. RESERVIST LOANS.

(a) IN GENERAL.—Section 7(b)(3)(E) of the Small Business Act (15 U.S.C. 636(b)(3)(E)) is amended by striking “\$1,500,000” each place such term appears and inserting “\$2,000,000”.

(b) LOAN INFORMATION.—

(1) IN GENERAL.—The Administrator and the Secretary of Defense shall develop a joint website and printed materials providing information regarding any program

for small business concerns that is available to veterans or Reservists.

(2) MARKETING.—The Administrator is authorized—

(A) to advertise and promote the program under section 7(b)(3) of the Small Business Act jointly with the Secretary of Defense and veterans’ service organizations; and

(B) to advertise and promote participation by lenders in such program jointly with trade associations for banks or other lending institutions.

SEC. 303. NONCOLLATERALIZED LOANS.

Section 7(b)(3) of the Small Business Act (15 U.S.C. 636(b)(3)) is amended by adding at the end the following:

“(G)(i) Notwithstanding any other provision of law, the Administrator may make a loan under this paragraph of not more than \$50,000 without collateral.

“(ii) The Administrator may defer payment of principal and interest on a loan described in clause (i) during the longer of—

“(I) the 1-year period beginning on the date of the initial disbursement of the loan; and

“(II) the period during which the relevant essential employee is on active duty.”.

SEC. 304. LOAN PRIORITY.

Section 7(b)(3) of the Small Business Act (15 U.S.C. 636(b)(3)), as amended by this Act, is amended by adding at the end the following:

“(H) The Administrator shall give priority to any application for a loan under this paragraph and shall process and make a determination regarding such applications prior to processing or making a determination on other loan applications under this subsection, on a rolling basis.”.

SEC. 305. RELIEF FROM TIME LIMITATIONS FOR VETERAN-OWNED SMALL BUSINESSES.

Section 3(q) of the Small Business Act (15 U.S.C. 632(q)) is amended by adding at the end the following:

“(5) RELIEF FROM TIME LIMITATIONS.—

“(A) IN GENERAL.—Any time limitation on any qualification, certification, or period of participation imposed under this Act on any program that is not subject to the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.) and is available to small business concerns shall be extended for a small business concern that—

“(i) is owned and controlled by—

“(I) a veteran who was called or ordered to active duty under a provision of law specified in section 101(a)(13)(B) of title 10, United States Code, on or after September 11, 2001; or

“(II) a service-disabled veteran who became such a veteran due to an injury or illness incurred or aggravated in the active military, naval, or air service during a period of active duty pursuant to a call or order to active duty under a provision of law referred to in subclause (I) on or after September 11, 2001; and

“(ii) was subject to the time limitation during such period of active duty.

“(B) DURATION.—Upon submission of proper documentation to the Administrator, the extension of a time limitation under subparagraph (A) shall be equal to the period of time that such veteran who owned or controlled such a concern was on active duty as described in that subparagraph.

“(C) EXCEPTION FOR PROGRAMS SUBJECT TO FEDERAL CREDIT REFORM ACT OF 1990.—The provisions of subparagraphs (A) and (B) shall not apply to any programs subject to the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.).”.

SEC. 306. SERVICE-DISABLED VETERANS.

Not later than 180 days 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 describing—

(1) the types of assistance needed by service-disabled veterans who wish to become entrepreneurs; and

(2) any resources that would assist such service-disabled veterans.

SEC. 307. STUDY ON OPTIONS FOR PROMOTING POSITIVE WORKING RELATIONS BETWEEN EMPLOYERS AND THEIR RESERVE COMPONENT EMPLOYEES.

(a) **STUDY REQUIRED.**—The Comptroller General of the United States shall conduct a study on options for promoting positive working relations between employers and Reserve component employees of such employers, including assessing options for improving the time in which employers of Reservists are notified of the call or order of such members to active duty other than for training.

(b) **REPORT.**—

(1) **IN GENERAL.**—Not later than 180 days after the date of enactment of this Act, the Comptroller General of the United States shall submit to the appropriate committees of Congress a report on the study conducted under subsection (a).

(2) **CONTENTS.**—The report submitted under paragraph (1) shall—

(A) provide a quantitative and qualitative assessment of—

(i) what measures, if any, are being taken to inform Reservists of the obligations and responsibilities of such members to their employers;

(ii) how effective such measures have been; and

(iii) whether there are additional measures that could be taken to promote positive working relations between Reservists and their employers, including any steps that could be taken to ensure that employers are timely notified of a call to active duty; and

(B) assess whether there has been a reduction in the hiring of Reservists by business concerns because of—

(i) any increase in the use of Reservists after September 11, 2001; or

(ii) any change in any policy of the Department of Defense relating to Reservists after September 11, 2001.

(c) **APPROPRIATE COMMITTEES OF CONGRESS DEFINED.**—In this section, the term “appropriate committees of Congress” means—

(1) the Committee on Armed Services and the Committee on Small Business and Entrepreneurship of the Senate; and

(2) the Committee on Armed Services and the Committee on Small Business of the House of Representatives.

SEC. 308. INCREASED VETERAN PARTICIPATION PROGRAM.

(a) **IN GENERAL.**—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding at the end the following:

“(32) **INCREASED VETERAN PARTICIPATION PROGRAM.**—The Administrator shall carry out an Increased Veteran Participation Program. For a loan made under this paragraph, the following shall apply:

“(A) The loan shall be made to a business concern the majority ownership interest of which is directly held by individuals who are veterans of the Armed Forces or members of the reserve components of the Armed Forces.

“(B) The loan shall include the participation by the Administration equal to 90 percent of the balance of the financing outstanding at the time of disbursement.

“(C) The fees on the loan under paragraphs (18) and (23) shall not apply.”

(b) **NOTICE AND COMMENT.**—The program required by section 7(a)(32) of the Small Business Act, as added by subsection (a), shall be established after the opportunity for notice

and comment and not later than 180 days after the date of the enactment of this Act.

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

The Chair recognizes the gentlewoman from New York.

GENERAL LEAVE

Ms. VELÁZQUEZ. Madam 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 gentlewoman from New York?

There was no objection.

Ms. VELÁZQUEZ. Madam Speaker, I yield myself as much time as I may consume.

In their service to the Nation, veterans have demonstrated strength, discipline and dedication to preserving security. At home, they have proven to be invaluable components of a strong economy.

We have already seen the impact veterans can have on the business community. Currently, approximately 22 percent of servicemembers in the United States have either purchased or started a new business. These entrepreneurs are significant contributors to job growth and expansion of local economies.

I wish to commend Congressman JASON ALTMIRE and Congressman VERN BUCHANAN for their leadership in crafting this bill that will further this effort. H.R. 4253 promotes veterans' continued pursuit of self-employment and provides them with the support for growth that they deserve. It accomplishes this objective by comprehensively updating several of the Small Business Administration's programs to better meet the current needs of veteran entrepreneurs.

The bill addresses several of the impediments to veterans' success as entrepreneurs. Because servicemembers are removed from the workforce for an extended period of time, they can often then face difficulties securing capital or technical assistance upon their return from service. Additionally, while many veterans receive specialized skills during their service, it is often quite difficult transforming those skills into profitable resources. We can increase veteran entrepreneurial opportunities by creating the right tools to ensure their success.

H.R. 4253 responds to these challenges by establishing a strong role for the Federal Government to help veterans overcome obstacles to entrepreneurship. The legislation increases veterans' access to affordable capital, enhances entrepreneurial development resources, and sharpens the focus of Federal resources on this key member of the small business community.

Veterans will have improved access to capital with specially tailored ini-

tiatives in the SBA's 7(a) and disaster loan programs. This will help returning servicemen and women bridge the gap for financial capital that they need to start and grow a new endeavor. By increasing outreach assistance centers and entrepreneurial development program resources, the bill also improves access to assistance that will help veteran entrepreneurs evaluate business ideas, conduct market research, and receive technology training.

This legislation will also establish an interagency task force that will take a lead role in altering the institutional culture at the Federal level to promote increased veteran entrepreneurship. This will significantly improve the coordination of various Federal agencies' veteran service programs. Additionally, new initiatives will improve transition assistance for separating servicemembers, and provide customized support to service disabled, women veterans, and the members of the reserves. This will ensure that all sectors are considered in Federal veteran policymaking.

As new troops are added to the already 13,000 that have returned home just from Iraq and Afghanistan, it is imperative that our resources and initiatives are designed to effectively prepare them for economic success.

With their tremendous potential to thrive as entrepreneurs and their critical service for which we all greatly benefit, we must continue to work to allow these budding entrepreneurs to realize the American Dream of business ownership. I believe this bill is a major step towards realizing this goal, and I strongly support this legislation.

I urge my colleagues to support H.R. 4253.

I reserve the balance of my time.

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

Today, Madam Speaker, I rise in support of the request to suspend the rules and pass H.R. 4253, the Military Reservist and Veteran Small Business Reauthorization and Opportunity Act of 2007. I would like to thank Chairwoman VELÁZQUEZ for working in a cooperative and bipartisan manner to bring this bill, which incorporates provisions of a bill authored by Mr. BUCHANAN, who is a freshman member of the Small Business Committee and who has already shown tremendous initiative and leadership on that committee, to the House floor.

While we could never adequately repay the debt we owe to America's fighting men and women for their service and sacrifice, today's bill takes important steps to help our Nation's veterans make a smoother transition to civilian life.

While serving in the Armed Forces, service men and women learn and practice technical skills valued in today's civilian workforce, in addition to the leadership and decisionmaking skills that they learn on the battlefield. All

of these attributes are critical to success in the business world and are particularly important traits for successful small business owners.

Despite the success that veterans have shown in starting and operating small businesses, more must be done to assist our veterans in the startup and operation of their businesses. Outreach must improve to ensure that veterans wishing to start their own businesses will have the training and advice needed to transfer their skills to entrepreneurship without first working for someone else.

Title I of H.R. 4253 represents an excellent start in the efforts to expand and ensure that our veterans have the technical support they need to start their own businesses.

I want to especially thank the chairwoman for incorporating Mr. BUCHANAN's interest in expanding the number of Veterans Business Outreach Centers, which will play an increased role in providing assistance to veterans wishing to start small businesses.

The technical advice and assistance are not limited to veterans continuing their service in the Reserves. Title II of the bill recognizes Reservists who operate small businesses have their own unique set of operational problems associated with their call-up to duty. They may not know how long their call-up will last and they need assistance in ensuring they have a plan in place to operate their business while they are on active duty. This legislation builds on the existing network of entrepreneurial partners to deliver key technical and operational assistance to Reservists.

□ 1700

Another important element of the bill is the recognition of the changing nature of the military with a greater involvement of women. The legislation requires the administrator to expand assistance to women veterans and Reservists. Given the rapid expansion and success of women-owned businesses, it makes sense to ensure that the needs of women Reservists are met when they seek to start and operate small businesses.

Our fighting men and women are the best in the world. Let us help them become the best entrepreneurs in the world by enacting this legislation, H.R. 4253.

Again, I want to thank Mr. BUCHANAN for his leadership in this effort, and I also want to thank the gentleman from Pennsylvania, Mr. ALTMIRE, who also has worked very hard in this area as well and is responsible for this bill being here today.

Madam Speaker, I reserve the balance of my time.

Ms. VELÁZQUEZ. Madam Speaker, I recognize Mr. ALTMIRE, the sponsor of the legislation, for as much time as he may consume.

Mr. ALTMIRE. I thank the Chair and the ranking member for their continued leadership on these issues, and I es-

pecially want to thank my good friend from Florida, Mr. BUCHANAN. It was a pleasure working with him to craft this legislation. He was an equal partner in putting this bill on the floor today, and I want to recognize his leadership as well.

Madam Speaker, with nearly 25 million veterans and over 1 million Reservists in the United States, there is a need, and a growing need, for an increased commitment by the government to assist veterans and Reservists both during and after their service to our Nation. As more and more servicemembers return to civilian life after their deployments in Iraq and Afghanistan, the opportunities and economic benefits that the Federal Government can provide will become even more critical, especially for businesses that are owned and operated by veterans.

The brave men and women that put their lives on hold to defend our Nation should not have to sacrifice their jobs and their livelihoods. Starting and maintaining a small business presents challenges for anyone, and, unfortunately, veterans often face unique barriers as a result of their military service. The unemployment rate among veterans is double the overall national unemployment rate, and over half of all self-employed Reservists experience significant income loss when they are called to duty.

Over the past 3 years, we have watched as the number of returning veterans and Reservists has increased, and that number is only going to continue to grow.

While Congress has passed legislation and provided Federal agencies with some of the resources necessary to provide entrepreneurial opportunities for veterans, I believe that more can be done to relieve the burden that is placed on small business owners during and after their deployment.

To ensure that the Federal Government is there to assist our country's servicemembers, I have introduced the bill that we are debating here today, the Military Reservist and Veteran Small Business Reauthorization and Opportunity Act. This legislation will support and expand entrepreneurial opportunities for veterans and Reservists to ensure that their livelihoods are not compromised because of their military service.

My bill increases funding for the Small Business Administration's Office of Veteran Business Development to \$4.4 million and facilitates the coordination of all Federal agencies to focus attention on increasing the success rate of and opportunities for veteran-owned small businesses.

This legislation will make the Advisory Committee on Veterans Business Affairs permanent, strengthening the focus and input advisory committees can provide to the Federal Government to ensure continued commitment to our Nation's veterans. The Advisory Committee has been an important

source of information for the Federal Government. By making the committee permanent, we can continue to improve the support provided to veteran and Reservist small business owners.

We will also increase the number of Veteran Business Outreach Centers across the country and identify areas that are in need of additional assistance to ensure that veterans and Reservists in every region are able to keep their businesses afloat.

Through grants of up to \$300,000 per year made to Small Business Development Centers, this bill will establish the Reservist Enterprise Transition and Sustainability program to provide one-on-one counseling on management, financing, procurement and regulatory assistance to small business owners to help our returning service men and women successfully transition to civilian life.

Finally, my legislation makes much-needed improvements to the Military Reservist Economic Injury Disaster Loan program by requiring the SBA to extend the application deadline, raise the maximum loan amount and create a pre-consideration process for small businesses applying for assistance during military deployment. This is important, because currently Reservists can apply for a loan only after deployment, when their businesses are already in the red. A pre-deployment loan would be helpful to many small business owners during active duty when the funding is most critical.

Madam Speaker, there is no question that veterans have a unique ability to thrive as entrepreneurs. They have the leadership skills and work ethic necessary to run a small business and a successful business. But we must do more to help veteran entrepreneurs fully meet their needs and overcome the unique challenges that they face.

I believe that we owe no greater debt than to our brave men and women in uniform, and it is essential that they are afforded every opportunity for economic success at home, especially given their sacrifices for us abroad.

I strongly support the Military Reservist and Veteran Small Business Reauthorization and Opportunity Act, and I ask my colleagues to support this important legislation.

Mr. CHABOT. Madam Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. BUCHANAN).

Mr. BUCHANAN. Madam Speaker, I want to thank the ranking member for yielding me the time, and I rise in support of H.R. 4253. I would also like to thank the Congressman from Pennsylvania, Congressman ALTMIRE. He has worked on a bipartisan basis. I appreciate it. It has been a great partnership. And also Madam Chairman, and the ranking member, you guys have done an incredible job this first year. A lot of people said we couldn't work together, but it has been great leadership this year. I also want to thank you for

the opportunity to include a lot of the provisions in this bill.

H.R. 4253 incorporates legislation I introduced in May and was passed in the House in June creating an important program within the Small Business Administration that will give our veterans a chance to succeed in business enterprises but provides them with all the help and assistance a grateful Nation can offer.

My legislation is intended to help veterans through grants, information services and contacts with professionals in fields of their endeavor. This Federal program will enhance the ability of a veteran to become a successful entrepreneur in his or her chosen field. I know from personal experience, being a veteran of 6 years and an entrepreneur for 30 years, I was able to realize the American Dream, and I think this bill does it.

H.R. 4253 puts an emphasis on providing veterans with the market research, financial options and the technological training important to become a successful small business owner. This legislation not only expands the number and the scope of the Veteran Outreach Centers, it ensures the opening of more doors and an opportunity for our women veterans. Assisting our women returning from combat is something that has long been overlooked and overdue. It is high time that we did something about it.

Today, the House will pass a bill that will help individuals make an important transition from being a veteran to a small business entrepreneur. I urge my colleagues to support H.R. 4253.

Mr. CHABOT. Madam Speaker, I have no further speakers, so I yield back the balance of my time.

Ms. VELÁZQUEZ. Madam Speaker, I would like to yield myself the balance of my time.

Madam Speaker, the wars in Iraq and Afghanistan have produced over 600,000 new veterans thus far and have created a serious challenge for the Nation: how to facilitate our returning servicemembers' successful transition back home and into our economy. Given the ongoing nature of these conflicts, the shift in economic opportunities and the diverse needs of returning veterans, this is an unprecedented situation that will require a major and rapid response.

To promote veterans' abilities to be productive engines of the economy, I believe we must comprehensively modernize Federal programs designed to assist this key group through self-employment opportunities. H.R. 4253 achieves this objective by obtaining the Small Business Administration programs to ensure they are customized to meet the growing needs of this sector in a changing economy.

This Nation has a clear obligation to ensure that our returning servicemembers have the assistance they need to succeed at entrepreneurship. By complementing their individual strengths with appropriate Fed-

eral resources, we can help them realize their full potential, while also growing the economy.

Madam Speaker, I want to thank the staff that worked on this bill. From the majority staff, Michael Day, Adam Minehardt and Andy Jimenez. From the minority staff, Barry Pineles and Kevin Fitzpatrick. I also want to recognize Max Goodman from Mr. BUCHANAN's staff and Cara Toman and Erik Komendant from Mr. ALTMIRE's staff.

I strongly urge my colleagues to vote for H.R. 4253.

Mr. BUCHANAN. Madam Speaker, I thank the Ranking Member for yielding me the time and rise in support of H.R. 4253.

I would like to thank Congressman ALTMIRE for bringing this bill to the floor today and for including in the bill a number of provisions important to me.

H.R. 4253 incorporates legislation I introduced in May and the House passed in June creating an important program within the Small Business Administration that will give our veterans not just a chance at success in a business enterprise but provide them with all the help and assistance a grateful Nation can offer.

My legislation is intended to help veterans through grants, information services, and contact with professionals in their fields of endeavor.

This federal support will enhance the ability of a veteran to become an entrepreneur in his or her own right.

H.R. 4253 puts an emphasis on providing veterans with the market research, financial options and technological training important to becoming a successful small business owner.

This legislation not only expands the number and scope of Veteran Outreach Centers, it ensures the opening of more doors and opportunities for our women veterans. Assisting our women returning from combat has been an area long overlooked and it's high time we did something about it.

Today, the House will pass a bill that will help individuals make an important transition from veteran to small business entrepreneur.

I urge all of my colleagues to support H.R. 4253.

Ms. VELÁZQUEZ. Madam Speaker, I yield back the balance of my time, and urge its adoption.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from New York (Ms. VELÁZQUEZ) that the House suspend the rules and pass the bill, H.R. 4253.

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. VELÁZQUEZ. Madam 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 and the Chair's prior announcement, further proceedings on this motion will be postponed.

TEMPORARY EXTENSION OF PROGRAMS UNDER SMALL BUSINESS ACT AND SMALL BUSINESS INVESTMENT ACT OF 1958

Ms. VELÁZQUEZ. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 4252) to provide for an additional temporary extension of programs under the Small Business Act and the Small Business Investment Act of 1958 through May 23, 2008, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 4252

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

SECTION 1. ADDITIONAL TEMPORARY EXTENSION OF AUTHORIZATION OF PROGRAMS UNDER THE SMALL BUSINESS ACT AND THE SMALL BUSINESS INVESTMENT ACT OF 1958.

(a) IN GENERAL.—Section 1 of the Act entitled "An Act to extend temporarily certain authorities of the Small Business Administration", approved October 10, 2006 (Public Law 109-316; 120 Stat. 1742), as most recently amended by section 1 of Public Law 110-57 (121 Stat. 560), is further amended by striking "December 15, 2007" each place it appears and inserting "May 23, 2008".

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect on December 15, 2007.

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

The Chair recognizes the gentlewoman from New York.

GENERAL LEAVE

Ms. VELÁZQUEZ. Madam 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 gentlewoman from New York?

There was no objection.

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

Madam Speaker, today we will consider a short-term extension for programs in the Small Business Act and Small Business Investment Act. This bill extends the authorization of the Small Business Administration and these programs through May 23, 2008.

This short-term extension is necessary to ensure continuous operations at the agencies so that this Nation's entrepreneurs continue to receive vital assistance. The programs at the SBA are designed to stimulate job creation and economic development across the country.

As the sole Federal agency charged with assisting this Nation's 26 million small businesses, it is critical that the SBA is able to meet their needs through access to capital, technical assistance and increasing their ability to secure Federal contracting opportunities.