Mr. Speaker, as my colleague on the Committee on Rules has just explained, this is an open rule. It sets no limit on the number of amendments that may be offered and it does not limit debate time. It is the kind of rule most of us would like to see more often and as such we support it.

We do not oppose the waivers that the rule provides, including the waiver of the point of order for failure to comply with the rule prohibiting appropriations in an authorization measure. The Committee on Rules intends to us to be purely technical in nature.

The legislation this rule makes in order, H.R. 3719, the Small Business Programs Improvement Act, has bipartisan support, although there are concerns about several of its provisions and about the goals of the bill. The ranking member of the Committee on Small Business, the gentleman from New York [Mr. LAFALCE], outlined many of those concerns in his additional views which we commend to our colleagues.

For instance, Mr. LAFALCE expressed concern about the amount of 7(a) loan guarantees that will be made available in fiscal year 1997. That is the primary financing program operated by the SBA, and it is vitally important to the success of many small businesses. Changes that mean more small businesses will be denied access to this federally guaranteed loan program should be made with the greatest care.

Many of us are also concerned about the direction the legislation takes in delegating more authority to the private sector to carry out programs under the SBA. We think it is important to remember that the private sector does not always operate programs more efficiently at a lower cost or better than the Government does. We would simply caution against overreliance on the private sector or privatizing simply for the sake of privatizing.

As a Member whose district was seriously affected by a major disaster, the Northridge earthquake of 1994, I can attest to the importance of the SBA's Disaster Loan Program. In fact, the main frustrations, Mr. Speaker, that our constituents felt in dealing with the SBA were usually caused because the agency simply did not have enough people to help those individuals who were seeking assistance. Because of our involvement with so many people applying for disaster assistance loans through the SBA, I was especially pleased to note that the Committee on Small Business recognizes the importance of aiding citizens in need and that in the committee's opinion, at least, disaster assistance is one of the few clear-cut areas in which the Government should, in fact, be involved in the lives of our citizens.

Mr. Speaker, I congratulate the chairwoman of the Committee on Small Business, the gentleman from Kansas [Mrs. MEYERS], and the ranking member of the committee, the gentleman from New York [Mr. LAFALCE], for the cooperation they have shown in bringing this bipartisan bill to the floor.

I would also like to take this time to give a special word of thanks to the Chairman, our good friend from Kansas, for her outstanding work as a member of the committee and as its chairwoman during this Congress. Her decision not to run for reelection is a huge loss to this institution. We are in need of more people like Mrs. MEYERS who legislate in a civil and a fair manner. Her grace and her charm and her intelligence will be missed, but we wish her the best in her well-deserved retirement.

Mr. Speaker, to repeat, this is an open rule. Any concerns about the bill and its direction can be fully addressed under the provisions of that rule. We urge our colleagues to approve the rule so that we can proceed with the consideration of this legislation and the amendments to it.

Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. LINDER, Mr. Speaker, in closing, let me urge Members to support this rule, urge the addition to the House floor amendments to the gentleman from California about the lady from Kansas [Mrs. MEYERS] who is retiring. The elegant lady is going to lose this seat for the last 2 years. She will be sorely missed.

Mr. Speaker, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered. The resolution was agreed to. A motion to reconsider was laid on the table.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Sherman Williams, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House and Senate of the following titles:

July 1, 1996:
H.R. 3029. An act to designate the United States courthouse in Washington, District of Columbia, as the “E. Barrett Prettyman United States Courthouse.”

July 2, 1996:
H.R. 2963. An act to amend the anti-car theft provisions of title 49, United States Code, to increase the utility of motor vehicle title information to the State and Federal law enforcement officials, and for other purposes.

July 3, 1996:
H.R. 3252. An act amend title 18, United States Code, to clarify the Federal jurisdiction over offenses relating to damage to religious property.

July 9, 1996:

H.R. 3057. An act to provide for the exchange of certain lands in Gilpin County, Colorado;
United States Code (commonly referred to as the "Single Audit Act").

Mr. Chairman, I rise in strong support of H.R. 3719, the Small Business Investment Act of 1958, and I urge my colleagues to support this bill which is pro-small business and pro-government efficiency. The Committee on Small Business reported out H.R. 3719 on July 18, 1996, by unanimous vote of the Committee in an atmosphere of bipartisan cooperation.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for consideration of the bill, H.R. 3719.

Mr. Collins of Georgia in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read from the Reading Room.

Under the rule, the gentlewoman from Kansas [Mrs. Meyers] and the gentleman from New York [Mr. LaFalce] each will control 30 minutes.

The Chairman recognizes the gentlewoman from Kansas [Mrs. Meyers].

Mrs. Meyers of Kansas. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in strong support of H.R. 3719, the Small Business Programs Improvement Act of 1996, and I urge my colleagues to support this bill which is pro-small business and pro-government efficiency.

The Committee on Small Business reported out H.R. 3719 on July 18, 1996, by a unanimous vote of the Committee after intelligent and bipartisan work. Mr. LaFalce, and I spent many hours together working out the details of the provisions. I am pleased to say that we are able to move H.R. 3719 through the Committee in an atmosphere of bipartisan cooperation.

The overall theme of this legislation, is better management of the loan programs. SBA guaranteed loans provide approximately $10 billion in life-giving capital to small businesses every year. The 7(a) Guaranteed Loan Program, the largest loan program at the SBA, will provide over $7 billion in financing to small businesses this year. As volume in the loan programs has increased, SBA staffing has decreased. I believe from every [Mrs. Meyers]. But only if the SBA relies on its private sector partners to carry out the day-to-day operations of making, servicing, and liquidating loans.

SBA does not have the manpower or resources to be a retail operator. They cannot efficiently process every loan or handle the liquidation of each loan that goes into default. This is clear from the new subsidy rates—rates that have dramatically increased due to low recovery rates on liquidated loans. The time period for liquidating loans is substantially longer than the average in the private sector. It is time for the SBA to move the liquidation function to the private sector partners without the SBA being the "Mollie Beattie Wilderness Area Group."