

S. RES. 299

At the request of Mr. CAMPBELL, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. Res. 299, a resolution recognizing, and supporting efforts to enhance the public awareness of, the social problem of child abuse and neglect.

S. RES. 307

At the request of Mrs. DOLE, her name was added as a cosponsor of S. Res. 307, a resolution honoring the county of Cumberland, North Carolina, its municipalities and community partners as they celebrate the 250th year of the existence of Cumberland County.

S. RES. 309

At the request of Mr. CRAIG, the name of the Senator from Alaska (Ms. MURKOWSKI) was added as a cosponsor of S. Res. 309, a resolution designating the week beginning March 14, 2004 as "National Safe Place Week".

S. RES. 311

At the request of Mr. BROWNBACK, the names of the Senator from Pennsylvania (Mr. SPECTER) and the Senator from Oklahoma (Mr. INHOFE) were added as cosponsors of S. Res. 311, a resolution calling on the Government of the Socialist Republic of Vietnam to immediately and unconditionally release Father Thadeus Nguyen Van Ly, and for other purposes.

AMENDMENT NO. 2671

At the request of Mr. SMITH, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of amendment No. 2671 intended to be proposed to S. 1637, a bill to amend the Internal Revenue Code of 1986 to comply with the World Trade Organization rulings on the FSC/ETI benefit in a manner that preserves jobs and production activities in the United States, to reform and simplify the international taxation rules of the United States, and for other purposes.

AMENDMENT NO. 2695

At the request of Mr. KENNEDY, the names of the Senator from New Jersey (Mr. CORZINE), the Senator from California (Mrs. BOXER), the Senator from Connecticut (Mr. DODD) and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of amendment No. 2695 intended to be proposed to S. Con. Res. 95, an original concurrent resolution setting forth the congressional budget for the United States Government for fiscal year 2005 and including the appropriate budgetary levels for fiscal years 2006 through 2009.

AMENDMENT NO. 2697

At the request of Mr. DEWINE, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of amendment No. 2697 intended to be proposed to S. Con. Res. 95, an original concurrent resolution setting forth the congressional budget for the United States Government for fiscal year 2005 and including the appropriate budgetary levels for fiscal years 2006 through 2009.

AMENDMENT NO. 2699

At the request of Mr. KENNEDY, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of amendment No. 2699 intended to be proposed to S. Con. Res. 95, an original concurrent resolution setting forth the congressional budget for the United States Government for fiscal year 2005 and including the appropriate budgetary levels for fiscal years 2006 through 2009.

AMENDMENT NO. 2708

At the request of Mr. LUGAR, the names of the Senator from California (Mrs. FEINSTEIN), the Senator from Nebraska (Mr. HAGEL), the Senator from Ohio (Mr. DEWINE), the Senator from Washington (Mrs. MURRAY), the Senator from Rhode Island (Mr. CHAFEE), the Senator from Vermont (Mr. JEFFORDS), the Senator from New Jersey (Mr. LAUTENBERG), the Senator from Illinois (Mr. DURBIN), the Senator from Washington (Ms. CANTWELL), the Senator from Oregon (Mr. SMITH) and the Senator from Pennsylvania (Mr. SANTORUM) were added as cosponsors of amendment No. 2708 intended to be proposed to S. Con. Res. 95, an original concurrent resolution setting forth the congressional budget for the United States Government for fiscal year 2005 and including the appropriate budgetary levels for fiscal years 2006 through 2009.

AMENDMENT NO. 2710

At the request of Mr. DAYTON, his name was added as a cosponsor of amendment No. 2710 proposed to S. Con. Res. 95, an original concurrent resolution setting forth the congressional budget for the United States Government for fiscal year 2005 and including the appropriate budgetary levels for fiscal years 2006 through 2009.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS—MARCH 9, 2004

By Mr. DASCHLE (for Mr. KERRY):

S. 2186. A bill to temporarily extend the programs under the Small Business Act and the Small Business Investment Act of 1958, through May 15, 2004, and for other purposes; to the Committee on Small Business and Entrepreneurship.

(At the request of Mr. DASCHLE, the following statement was ordered to be printed in the RECORD.)

• Mr. KERRY. Mr. President, today I introduce legislation that keeps the Small Business Administration and its financing and counseling assistance available to small businesses. Small businesses need us to act now to keep critical assistance available to our Nation's biggest job creators.

There should not be any objections to this bill. It has broad support in the small business and the lending communities. The lending provisions of the bill have the support of small bor-

rowers that testified before Congress over the past few weeks and the support of a coalition of small business trade associations, including the trade associations of 504 lenders and of 7(a) lenders, the American Bankers Association and the Independent Community Bankers Association, as well as the National Small Business Alliance and the U.S. Chamber of Commerce, and the women's business center provisions have the support of women's trade associations such as Women Impacting Public Policy and the Association of Women's Business Centers.

This bill authorizes the SBA and most of its programs through the May 15, 2004, which will allow time for the House to complete its work on the SBA's 3-year reauthorization bill, passed by the Senate in September 2003. In addition, this bill addresses several urgent issues that are critical to keep SBA programs operating and helping small businesses across the country.

Let me outline these for you. The first provision authorizes the continued operation of the SBA's 504 loan guarantee program for the rest of fiscal year 2004. Unless we act, the authority to operate this program will expire on March 15, next Monday, and small businesses in need of financing for fixed assets will be turned away. These loans are for growing small businesses that need loans with long repayment terms and fixed interest rates to afford a new building or perhaps land to expand their business and their workforce, or equipment to improve or increase production. The lenders who make these loans serve a unique role in our economy—they develop economic opportunities where conventional lenders are not willing to take a risk. They are not a shy group, and care deeply about the communities where they live. I am sure most, if not all, Senators have received numerous calls and communications from them over the past few weeks. It is my hope that extending authorization will provide some stability to the industry so that they continue to fund our growing businesses, and then in the near future, the House will consider our more comprehensive SBA reauthorization legislation, bill number S. 1375, that we passed in September, to enact other important 504 program improvements that are supported by the small business community. This loan program requires no appropriations because it is funded entirely by fees that borrowers and lenders pay.

The second provision keeps open the doors of our most experienced and successful Women's Business Centers, again without added cost to the Treasury. This bill contains a small adjustment to the Women's Business Center program that updates the current funding formula. The adjustment changes the portion of funding allowed for women's business centers in the sustainability part of the program to keep up with the increasing number of centers that will need funding this fiscal

year. In short, this change directs the SBA to reserve 48 percent of the appropriated funds for the sustainability centers, instead of 30 percent, which will give the most experienced centers the greatest opportunity to receive sustainability funding, while still allowing for new centers and protecting existing ones.

Currently there are 88 women's business centers. Of these, 35 are in the initial grant program and 53 will have graduated to the sustainability part of the program. These sustainability centers make up more than half of the total women's business centers, but under the current funding formula are only allotted 30 percent of the funds. Without the change to 48 percent, all grants to sustainability centers could be cut in half—or worse, 23 experienced centers could lose funding completely. Cutting funding for these, our most efficient and successful centers, would not only be detrimental to the centers themselves, but also to the women they serve, to their local communities, to their states, and to the national economy.

As the author of the Women's Business Centers Sustainability Act of 1999, I can tell you that when the bill was signed into law, it was Congress's intent to protect the established and successful infrastructure of worth, performing centers. The law was designed to allow all graduating Women's Business Centers that meet certain performance standards to receive continued funding under sustainability grants. This approach allows for new centers to be established—but not by penalizing those that have already demonstrated their worth. It was our intention to continue helping the most productive and well-equipped women's business centers, knowing that demand for such services was rapidly growing.

Today, with women-owned businesses opening at one-and-a-half times the rate of all privately held firms, the demand and need for women's business centers is even greater. Until Congress makes permanent the Women's Business Center Sustainability Pilot program, as intended in Senate-passed legislation, an extension of authority and increase in sustainability funds is vital—not only to the centers themselves, but to the women's business community and to the millions of workers employed by women-owned businesses around the country.

The importance of the women's business centers to small business owners in communities across this country cannot be overstated. Take for instance the story of Melanie Marsden and Shannon Lawler, who recently opened A Better Place to Be Day Spa in Charlestown, MA. While working on a business plan last summer, the two hopeful entrepreneurs happened across the website of the Center for Women and Enterprise (CWE), a women's business center in Boston. Having just signed a lease and with a target opening for their spa quickly approaching,

Melanie and Shannon were looking for help, and quick. At first, the process seemed overwhelming, but the experts at CWE were able to guide Melanie and Shannon through the complicated process—from business plan to long-term financing and management. CWE helped Melanie and Shannon open A Better Place to Be Day Spa and already see a steady stream of clients pass through their doors. Without CWE, Melanie and Shannon believe that they would not have opened their business on time, or at all. Last year alone, women's business centers like CWE helped over 100,000 entrepreneurs just like Melanie and Shannon with their small business needs. The majority of these women have few resources and little access to business development assistance, and without the women's business centers, they might have none.

As I have said on more than one occasion, women business owners do not get the recognition they deserve for the contribution to our economy: Eighteen million Americans would be without jobs today if it weren't for these entrepreneurs who had the courage and the vision to strike out on their own. For 19 years, as a member of the Senate Committee on Small Business and Entrepreneurship, I have worked to increase the opportunities for these enterprising women, leading to greater earning power, financial independence and asset accumulation. For these women, in addition to the challenge and experience of running their own business, it means having a bank account, buying a home, sending their children to college, and being in control of their own future.

I want to again express my sincere and continuing support for the growing community of women entrepreneurs across the Nation and for the invaluable programs through which the SBA provides women business owners with the tools they need to succeed. For years, I have fought for increased funding for SBA assistance that helps women entrepreneurs, including measures that have sustained and expanded the Women's Business Centers, and give women entrepreneurs their deserved representation within the Federal procurement process.

The third provision makes temporary changes to the SBA's largest loan program, the so-called 7(a) program, in order to compensate for the administration's budget gimmicks and program mismanagement that caused a substantial shortage in funding. This shortage led to a temporary shutdown of the program in January, followed by lending restrictions that created serious financial hardships for small businesses and reduced access to affordable capital for small businesses in general. For the remainder of fiscal year 2004, a coalition of 7(a) lenders and small business groups have worked with Congress to come up with some limited fees, paid by lenders and not borrowers, that will increase the amount of lending

available. That extra funding will increase from \$9.5 billion to more than \$11 billion the amount of loan guarantees available to small businesses. With more funding, Congress expects the SBA to lift the loan cap size of \$750,000 and other restrictions, give priority in processing and approval to eligible small businesses that have been shut out this year, and require the SBA to renew export working capital loans to eligible small businesses.

Of course, these changes would not be necessary if the administration had either requested adequate funding in its budget or used its authority to reprogram money to compensate for the shortfall. It also could have sent up a request for supplemental funding. On three different occasions, I wrote to the administration urging these actions, with the support of Senators LEVIN, HARKIN, LIEBERMAN, LANDRIEU, EDWARDS, CANTWELL, BAYH, and PRYOR, urging any of these solutions, but the administration refused to act. Instead, the insufficient funding was compounded by mismanagement and the program was completely shutdown from January 6 to January 14. When the administration reopened the program, it was with extreme restrictions. The restrictions were aimed at keeping the demand for the loans down without regard to their effect on the small businesses the Agency is intended to serve. Small businesses appealed to the administration and our committees for help because they were caught in the middle. For example, one company in Pennsylvania has a \$1 million export working capital loan that needs to be renewed, but it can't because one of SBA's restrictions does not allow loans of more than \$750,000. At risk is the home of one of the owners because it is part of the collateral securing the existing loan. This company is qualified; it's just trapped by the SBA's restrictions. With your help in passing this bill immediately, we can do the right thing for these small business owners and others who played by the rules. There is no cost to the Treasury in enacting these provisions.

Last, the fourth provision, addresses an urgent need for some firms in New York needing disaster loan assistance. Many have said we should wait until we address other SBA legislation in the next 60 days. However, hundreds of jobs are at stake and these businesses do not have 2 months. This language is included at the bipartisan request of the House Small Business Committee leadership. Their staffs worked closely with the SBA to develop this language, which is acceptable to all of them. In addition to the support of House Committee Chairman DON MANZULLO and Ranking Member NYDIA VELÁZQUEZ, this provision is also supported by Congresswoman SUE KELLY and Senator CHARLES SCHUMER.

All four provisions address circumstances that require immediate action. Let me remind everyone: Without

this legislation, the SBA's loan program for growing businesses, commonly referred to as the 504 Loan Guarantee Program, would shut down next Monday, March 15, 2004. Without this legislation, the future of counseling and training for women starting and growing their businesses, through the most established SBA's Women's Business Centers, would be compromised. Without this legislation, small businesses with their homes and life savings at stake may face financial and personal devastation because of program mismanagement. Without this legislation, small business disaster victims may go out of business.

Mr. President, I ask unanimous consent that the text of the bill and two letters relating to programs affected by this legislation be printed in the RECORD. I thank my colleagues for their support of small businesses and for considering immediate passage of this important small business bill.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

A BETTER PLACE TO BE DAY SPA,  
Charlestown, MA.

DEAR SENATOR KERRY: This past summer I had the opportunity to work with the Center for Women & Enterprise when I was in the beginning stages of writing a business plan for a small day spa that had long been a dream. My business partner and childhood friend and I were both born to working class families and raised in Charlestown. I was educated in the Boston Public School system and went on to attend Boston University on one of their Boston Scholars full tuition scholarships. While working full time after graduation, I decided to enroll at the Muscular Therapy Institute in Cambridge with the goal in mind of opening my own business someday. My business partner held down a full time job and attended The Elizabeth Grady School of Aesthetics in preparation for our venture. While for many years we talked about our dream, we know that making that dream become the reality it is today, would not have been possible without programs like the Center for Women & Enterprise and the Small Business Administration.

For the last 2 years we had been keeping our eyes and ears open about commercial space in Charlestown, which is not easy to come by and generally not affordable. Our goal was to open by May 2004 (when I will turn 30 and my partner will be 31). We hadn't even begun the business plan writing when the ideal location became available in August. The 1,500 square foot commercial space is located at Mishuam Park Apartments on Maine Street in Charlestown which is an apartment complex funded through the HUD Section 236 program and is managed by Peabody Properties. We had to move quickly on the space and before we knew it we had signed a lease and incorporated in a matter of days. Our target opening date then became November 1st which didn't leave us much time to pull things together but we didn't even know how overwhelming the whole process might have been if we had not found the Center for Women & Enterprise.

After contacting CWE, I received a call back within minutes from Bea Chiem and she would prove to be an invaluable resource to us during the following months. She took what was very complicated and overwhelming for us and made it so much easier to understand. Every time we would come to

a part of the financials that we thought we might never figure out, we knew Bea was only a phone call away. I was most impressed by her response time to each and every question I had. Her patience, knowledge and belief in our vision played a major role in us getting the financing we needed. CWE should be proud to have such a caring and knowledgeable woman on the team.

The closing on our loan with Sovereign finally took place last week and we got a \$60,000 term loan and the \$40,000 line of credit we requested from Sovereign through an SBA loan. Shannon and I cannot thank the Center for Women & Enterprise enough for all of their help. We have no doubt that without CWE (and Bea) in our corner the financial institutions we approached would not have taken us as seriously.

The way in which the center for Women & Enterprise reaches out to help women in business inspired us to do the same. In selecting suppliers and inventory for our gift shop within the spa, we chose to carry products that were made by women or by women owned businesses with a preference given to Massachusetts or New England based businesses.

A Better Place to Be Day Spa, was received well by the Charlestown community, we had 400 people at our grand opening open house on November 1st and have a steady stream of clients coming through our doors each day. And in the short time we have been open we have seen many repeat clients already. Our business got off to a great start because of the Center for Women & Enterprise and as we continue to grow I will be sure to let our clients know that A Better Place to Be Day Spa is here because of the guidance we received from the Center for Women & Enterprise and the support of the Small Business Administration.

In closing I need you to know that what the Center for Women & Enterprise and the SBA do for women in business is truly incredible. I particularly enjoy the frequent newsletters outlining upcoming events as well as educational opportunities and workshops that I will be sure to take advantage of in the future. A Better Place to Be Day Spa will be represented at the upcoming State House Day and we will continue to look for ways that we can give back to other women in business through CWE.

Thank you.

MELANIE MARSDEN,  
SHANNON LAWLER,  
Owners.

NATIONAL ASSOCIATION OF  
WOMEN BUSINESS OWNERS,  
Kansas City, MO, March 9, 2004.

Hon. JOHN KERRY,  
Ranking Member, Committee on Small Business  
and Entrepreneurship.

DEAR SENATOR KERRY: On behalf of the Kansas City chapter of the National Assoc. of Women Business Owners (representing 200 members), I would like to request the following actions be taken regarding the SBA 7(a) program.

Absent the SBA asking congress for additional funding, NAWBO supports increasing fees on lenders as an approach to adequately fund the SBA 7(a) program and to lift restrictions.

Specifically, NAWBO would like the program to:

Allow piggyback loans, but charge a 0.50 percent lender fee for each;

Raise lender fees by 0.10 percent; and

For loans that are under \$150,000, have lenders pay the SBA the 0.25 percent fee that lenders currently keep for themselves. This only applies to these small loans.

Thank you.

ELAINE HAMILTON,  
Public Policy Chair.

S. 2186

*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 "SBA Emergency Authorization Extension Act of 2004".

**SEC. 2. SBA PROGRAM AUTHORIZATIONS.**

(a) IN GENERAL.—Section 1 of Public Law 108-172 (117 Stat. 2065) is amended—

(1) in subsection (a), by striking "March 15" each place that term appears and inserting "May 15"; and

(2) by adding at the end the following:

"(c) EXCEPTION FOR OTHER PROGRAMS.—Notwithstanding subsection (a), title V of the Small Business Investment Act of 1958 (15 U.S.C. 661 et seq.) and section 29 of the Small Business Act (15 U.S.C. 656), including any pilot program, shall remain authorized through September 30, 2004."

(b) CONFORMING AMENDMENT.—Section 503(f) of the Small Business Investment Act of 1958 (15 U.S.C. 697(f)) is amended by striking "October 1, 2003" and inserting "October 1, 2004".

**SEC. 3. WOMEN'S BUSINESS CENTERS.**

(a) IN GENERAL.—Section 29(k) of the Small Business Act (15 U.S.C. 656(k)) is amended—

(1) in paragraph (2), by adding at the end the following:

"(C) FUNDING PRIORITY.—Subject to available funds, and reservation of funds, the Administration shall, for each fiscal year, allocate—

"(i) \$150,000 for each women's business center established under subsection (b), except for any center that requests a lesser amount;

"(ii) from the remaining funds, not more than \$125,000, in equal amounts, to each women's business center established under subsection (l), to the extent such funds are reserved under subsection (k)(4)(A), except for any center that requests a lesser amount; and

"(iii) any funds remaining after allocations are made under clauses (i) and (ii) to new eligible women's business centers and eligible women's business centers that did not receive funding in the prior fiscal year under subsection (b)."; and

(2) in paragraph (4)(A), by adding at the end the following:

"(v) For fiscal year 2004, 48 percent.".

(b) SUNSET DATE.—The amendments made by this section are repealed on October 1, 2004.

**SEC. 4. 7(a) LOAN GUARANTEE PROGRAM.**

(a) COMBINATION LOANS.—

(1) 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:

"(31) COMBINATION LOANS.—

"(A) DEFINED TERM.—As used in this paragraph, the term 'combination loan' means a financing comprised of a loan guaranteed under this subsection and a loan not guaranteed by Federal, State, or local government.

"(B) AUTHORITY.—

"(i) IN GENERAL.—A small business concern may combine a loan guaranteed under this subsection with a loan that is not guaranteed by Federal, State, or local government.

"(ii) LENDER.—The nonguaranteed loan under clause (i) may be made by—

"(I) the lender that provided the financing under this subsection or a different lender; or

"(II) a lender in the Preferred Lenders Program.

"(iii) SECURITY.—The nonguaranteed loan under clause (i) may be secured by a senior lien and the guaranteed loan under this subsection may be secured by a subordinated lien.

"(iv) APPLICATION.—A loan guarantee under this subsection on behalf of a small

business concern, which is approved within 120 days of the date on which a nonguaranteed loan is obtained by the same small business concern, shall be subject to the provisions of this paragraph.

“(C) FEE ON COMBINATION LOAN.—The lender shall pay a one-time fee of 0.5 percent of the amount of the nonguaranteed loan if the nonguaranteed portion of the loan has a senior credit position to the guaranteed portion of the loan. This fee shall be in addition to any other lender fees and shall not be charged to the borrower.

“(D) LOAN SIZE.—

“(i) PREFERRED LENDERS PROGRAM.—If the loan guaranteed under this subsection is processed under delegated authority under the Preferred Lenders Program, the maximum amount of the nonguaranteed loan may not exceed—

“(I) \$1,000,000; or

“(II) a combination of \$2,000,000 gross loan amount of a loan guaranteed by the Administration and an additional nonguaranteed loan of \$1,000,000.

“(ii) SMALL BUSINESS ADMINISTRATION.—If the loan guaranteed under this subsection is processed and approved by Administration staff, the amount of the nonguaranteed loan may not exceed—

“(I) \$2,000,000; or

“(II) a combination of \$2,000,000 gross loan amount of a loan guaranteed by the Administration and an additional nonguaranteed loan of \$2,000,000.

“(E) USE OF PROCEEDS.—All proceeds from the fee collected under this subparagraph shall be used to offset the cost (as defined in section 502 of the Credit Reform Act of 1990) to the Administration of guaranteeing loans under this subsection.”

(b) TERMINATION OF LENDER AUTHORITY TO RETAIN GUARANTEE FEES.—Section 7(a)(18)(B) of the Small Business Act (15 U.S.C. 636(a)(18)(B)) is amended to read as follows:

“(B) RETENTION OF CERTAIN FEES.—

“(i) IN GENERAL.—Except as provided under clause (ii), lenders participating in the programs established under this subsection may retain not more than 25 percent of a fee collected under subparagraph (A)(i).

“(ii) FISCAL YEAR 2004.—Beginning on the date of enactment of this clause and ending on September 30, 2004, the Administration or its agent shall collect all fees under subparagraph (A)(i). All proceeds from fees collected under this paragraph shall be used to offset the cost (as defined in section 502 of the Credit Reform Act of 1990) to the Small Business Administration of guaranteeing loans under this subsection.”

(c) TEMPORARY MODIFICATION OF ANNUAL LENDER FEE.—Section 7(a)(23) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) by striking “0.25 percent” and inserting “0.35 percent”; and

(2) by adding at the end the following: “All proceeds from the fee collected under this paragraph shall be used to offset the cost (as defined in section 502 of the Credit Reform Act of 1990) to the Administration of guaranteeing loans under this subsection.”

(d) LIFTING LOAN RESTRICTIONS AND PRIORITY PROCESSING OF REJECTED APPLICATIONS.—

(1) IN GENERAL.—The Small Business Administration shall—

(A) eliminate the program restrictions imposed by policy notices 5000-902 and 0000-1709 to allow for the processing and approval of loan applications cancelled or returned because of the program shutdown or restrictions imposed by policy notices 5000-902, 0000-1707, or 0000-1709;

(B) permit a small business or lender to resubmit any loan application that was not considered or approved because of the pro-

gram shutdown or restrictions imposed by policy notices 5000-902, 0000-1707, or 0000-1709;

(C) give priority to processing any application submitted before January 8, 2004, that was not considered because of the program shutdown or loan restrictions imposed by policy notices 5000-902, 0000-1707, or 0000-1709;

(D) give priority, to the extent possible, to approving all eligible loans that were cancelled or returned because of the program shutdown or restrictions imposed by policy notices 5000-902, 0000-1707, or 0000-1709, in the order in which the applications were originally submitted; and

(E) give priority to processing all eligible loans to any small business that has received financing under section 7(a)(14) of the Small Business Act (15 U.S.C. 636(a)(14)) and requests a renewal of such financing, regardless of temporary restrictions imposed by the Small Business Administration through the policy notices referred to in this paragraph, and approve such loans, if the small business is otherwise eligible for such financing under that section.

(2) PROOF OF APPLICATION.—An application shall not be denied consideration or approval because the Small Business Administration failed to retain a record of receiving an application if the lender or borrower supplies proof that the application was submitted by mail, fax, or electronic means before January 8, 2004.

(3) RESERVATION AND APPLICATION OF FEE PROCEEDS.—All proceeds from fees authorized under section 7(a) of the Small Business Act (15 U.S.C. 636(a)) shall be combined with any amounts appropriated to carry out such section and used—

(A) first, to process and fund loan guarantees approved pursuant to paragraph (d)(1); and

(B) second, to process and fund other loan guarantees under section 7(a) of the Small Business Act.

(4) NOTIFICATION REQUIREMENT.—The Small Business Administration shall not make any significant policy or administrative changes affecting the operation of the loan program authorized under section 7(a) of the Small Business Act (15 U.S.C. 636(a)) unless, not later than 15 business days before such change, the Administrator of the Small Business Administration submits, under the Administrator's signature, a report that specifically describes the proposed changes and the duration of those changes to—

(A) the chairman and ranking member of the Committee on Small Business and Entrepreneurship of the Senate; and

(B) the chairman and ranking member of the Committee on Small Business of the House of Representatives.

(e) SUNSET DATE.—This section and the amendments made by this section are repealed on October 1, 2004.

#### SEC. 5. RESUBMISSION OF DISASTER LOAN APPLICATIONS FOR CERTAIN BUSINESSES.

(a) RESUBMISSION OF APPLICATIONS.—During the 30-day period beginning on the date of enactment of this Act, a small business concern may resubmit an application for a loan that was not approved under section 7(b)(2) of the Small Business Act (15 U.S.C. 636(b)(2)) if the following conditions are met:

(1) ORIGINAL APPLICATION.—The small business concern originally submitted an application before January 1, 2003, in response to the events associated with Small Business Administration Disaster Declaration 3364.

(2) LOCATION.—On the date of the original submission of the application and on the date of the resubmission, the applicant operates a facility in Bronx, Kings, Nassau, New York, Queens, Richmond, or Westchester county in the State of New York.

(3) INABILITY TO OPERATE.—Without regard to physical damage to a facility, the applicant was unable to operate at a facility because of a prohibition on the use of the facility, in whole or in part, by an order or other action of a Federal, State, or local government (or any instrumentality of any of the foregoing) for 20 or more consecutive days, occurring as a result of the events associated with Small Business Administration Disaster Declaration 3364.

(b) STANDARD FOR APPROVAL.—The Administrator shall approve (without regard to any requirements applicable under section 7(b) of the Small Business Act (15 U.S.C. 636(b))), a loan with respect to any application resubmitted under subsection (a) if the applicant has a debt coverage ratio, as attested to by a qualified, independent, third-party auditor, of not less than 1.15 for the applicant's last taxable year ending before the date of the submission of the original application. For purposes of determining the debt coverage ratio under this subsection, the Administrator shall not take into account any Federal or State tax lien or obligation other than a judgment lien.

(c) MINIMUM LOAN AMOUNT.—The Administrator shall not approve a loan under this section for an amount that is less than 80 percent of the documented losses shown on the application submitted under subsection (a).

(d) COORDINATION WITH OTHER LOAN LIMITS.—No loan made under this section shall be taken into account under section 7(b)(3)(E) of the Small Business Act (15 U.S.C. 636(b)(3)(E)).

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GRAHAM of Florida:

S. 2187. A bill to amend the Haitian Refugee Immigration Fairness Act of 1998; to the Committee on the Judiciary.

Mr. GRAHAM of Florida. Mr. President, seven years ago, I introduced the Haitian Refugee Immigration Fairness Act of 1998 (HRIFA). I introduced HRIFA after Congress enacted the Nicaraguan Adjustment and Central American Relief Act (NACARA). NACARA enabled Nicaraguans and Cubans to become permanent residents and permitted many unsuccessful Central American and Eastern European asylum applicants to seek another form of immigration relief. At the time, Haitians were suffering brutal and widespread political persecution by a ruthless dictatorship. Yet lawmakers opted to exclude Haitian asylum seekers from the NACARA legislation.

HRIFA became law with bipartisan support and reversed this grave inequity in U.S. immigration law. It allowed Haitians who had fled political turmoil in their country an opportunity to adjust their status like the opportunity we granted to refugees from other countries. The legislation has been beneficial and nearly 11,000 Haitians have adjusted their status and become legal permanent residents of the United States. However HRIFA contained several flaws that undermine the original intent of the legislation. That is why today I am introducing the HRIFA Improvement Act of 2004. I would like to thank my friend Senator