

The language before us today, offered as an amendment at markup by Chairman WAXMAN and me, would ensure the Federal Acquisition Regulation is revised to include a requirement that Federal contractors notify the Government of violations of Federal criminal law or overpayments in connection with the award or performance of contracts or subcontracts. In doing so, it would ensure the regulation is applicable to all contracts, including those performed overseas and those for commercial items.

The stated purposes of the introduced version of H.R. 5712 are ultimately accomplished by this language, but accomplished through the more appropriate statutory acquisition rulemaking process.

Again, as with the other so-called "contractor bills" we are considering today, I continue to believe all would be better served if we had spent our time trying to improve the operation of our acquisition system—in order to better acquire the best value goods and services our Government so desperately needs.

And in this case, I am certain we would have been better off had we allowed the regulatory process to go forward without any interference at all from us.

Nonetheless, under the circumstances, I believe this version of the bill we are considering today is an adequate solution, and I thank Chairman WAXMAN and Mr. WELCH for working with me on the revised language.

Mr. TOWNS. Mr. Speaker, I would like to yield 5 minutes to the author of this legislation, a person that has worked real hard and has done a magnificent job, the gentleman from Vermont, Congressman WELCH.

Mr. WELCH of Vermont. Mr. Speaker, one of the fundamental responsibilities that this Congress has is to protect taxpayer dollars. That has become an enormous challenge, as many of the taxpayer dollars that are appropriated are paid to private contractors.

The growth in contracting in the past 6 or 7 years has exploded. Procurement spending in 2000 was \$213 billion. Procurement spending is when we enter into a contract with a private company to deliver goods or services. That amount exploded last year to \$412 billion. Much of that is going to Iraq and Afghanistan. Much of this is being subject to waste, fraud and abuse.

The Oversight Committee under Mr. WAXMAN and Mr. DAVIS has done vigorous oversight and identified in 2006 that there were 118 contracts valued at \$745 billion that were found by government auditors to include a significant component of fraud, abuse and mismanagement. And, in fact, it got worse.

In 2008, that report identified 187 contracts valued at \$1.1 trillion, where they were plagued by waste, fraud and abuse.

The bottom line is, will we, as a Congress, Republicans and Democrats, be vigilant in protecting taxpayer dollars? We have to do that, especially when there is documented evidence of rip-offs, wicked rip-offs that have occurred with taxpayer dollars in Afghanistan and in Iraq.

There's two goals that we have. The first that we widely share is that every taxpayer dollar will be accounted for, and that the taxpayers who were working hard to support this government and our troops will see that their money is spent on proper things that are in the contract. We have to protect the taxpayer.

The second is we've got to protect the troops. If we are spending money in Iraq and Afghanistan for the intended purpose of bringing our troops home and improving our national security, any dollar that's wasted that results in any additional injury, or one day prolonged in the conflicts, is a dollar that is improperly wasted. We cannot do that.

So I believe that this loophole, however it got there, by mistake or by sleight of hand, however it got there, it's got to be closed. Obviously, if you have a regulation, as it was written, that says we will report fraud when it is a rip-off on a domestic contract, but we won't when it's on a foreign contract, we're sending a very unambiguous message. There's a green light to rip off taxpayers if the money is being spent abroad. That's not a defensible position. And that's why we're closing this loophole to make it absolutely clear that's unacceptable.

Now I think it does make sense. What Congressman DAVIS proposed as a new way of proceeding is fine with me. And here's why. The bottom line is protecting the taxpayers and protecting our troops. And if we can accomplish that better by finding a way that has bipartisan support, we can all have more confidence that we'll be successful.

So I'm glad to work with Chairman DAVIS in order to have this get done in a bipartisan way. I want to thank very much Chairman WAXMAN and the great work of my chairman of the subcommittee, Mr. TOWNS, for bringing this forward so quickly and so effectively.

Mr. DAVIS of Virginia. Well, let me thank my friend for calling me Chairman DAVIS. It's with nostalgia that I use the terminology, but I guess once a chairman, always a chairman. But I now recognize Mr. WAXMAN as my chairman and a counterpart in a number of these issues.

I again enjoyed working with you on this legislation to bring it. I would urge its adoption.

I yield back the balance of my time.

Mr. TOWNS. Mr. Speaker, I want to thank Chairman WAXMAN; I want to thank Ranking Member DAVIS; and, of course, Ranking Member BILBRAY for his work; and, of course, Congressman WELCH. This legislation is really needed, and I was happy that we were able to move it to the floor very quickly, because any time we can save money, and I think that this is what this does, it saves the taxpayers money, and I just think we need to salute Congressman WELCH for his insight in being able to do just that.

Mr. THOMPSON of Mississippi. Mr. Speaker, I rise today in support of H.R. 5712, the "Close the Contractor Fraud Loophole Act."

The name of this bill really says it all. Today, as I speak, there is a loophole in Government procurement regulations that allows some contractors to avoid reporting violations of Federal law or overpayments.

The privilege—and, yes, it's a privilege—of earning Federal dollars carries with it certain responsibilities. One of those responsibilities is to do your utmost to avoid fraud, violations of law, and overpayments. Now, I understand that many large contractors have thousands of employees, and sometimes there can be a bad apple. But when a contractor learns of such a bad apple, it is its responsibility to report what it learns to the Government, and to make the Government whole for any loss.

Today, most contractors working in the United States are required by regulation to do just this. But contractors working overseas, and a few here in the U.S., fall outside this simple, commonsense reporting requirement.

This is not right—contractors accepting Federal dollars should be treated the same, whether they are performing the work in the United States or overseas, and regardless of whether they are selling "commercial items."

I want to commend Mr. WELCH and Chairman WAXMAN for recognizing this problem, and for doing something about it. Now that they have acted, the administration says that this loophole was a "bureaucratic mistake" and should be closed. Yet, before Congress moved, the administration was curiously slow to do anything to address this "mistake."

My committee has devoted a lot of time and energy to examining the Department of Homeland Security's contracting practices. What we have found is not always pretty. The Department is young, and has made some poor contracting decisions. But poor decisionmaking and the occasional inexperienced contracting officer is not a license for abuse, and it is incumbent on any contractor who discovers such abuse to report it.

I hope the administration makes good on its word and closes this loophole, but I'm mindful that it took congressional oversight and action to stir them into action. This is oversight at its best, and make no mistake, our oversight—of both the Government and the contractors themselves—will continue. I encourage all of my colleagues to support this legislation.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. TOWNS) that the House suspend the rules and pass the bill, H.R. 5712, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

GOVERNMENT FUNDING TRANSPARENCY ACT OF 2008

Mr. TOWNS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3928) to require certain large government contractors that receive more than 80 percent of their annual gross

revenue from Federal contracts to disclose the names and salaries of their most highly compensated officers, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3928

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 "Government Funding Transparency Act of 2008".

SEC. 2. FINANCIAL DISCLOSURE REQUIREMENTS FOR CERTAIN RECIPIENTS OF FEDERAL AWARDS.

(a) DISCLOSURE REQUIREMENTS.—Section 2(b)(1) of the Federal Funding Accountability and Transparency Act (Public Law 109-282; 31 U.S.C. 6101 note) is amended—

(1) by striking "and" at the end of subparagraph (E);

(2) by redesignating subparagraph (F) as subparagraph (G); and

(3) by inserting after subparagraph (E) the following new subparagraph:

"(F) the names and total compensation of the five most highly compensated officers of the entity if—

"(i) the entity in the preceding fiscal year received—

"(I) 80 percent or more of its annual gross revenues in Federal awards; and

"(II) \$25,000,000 or more in annual gross revenues from Federal awards; and

"(ii) the public does not have access to information about the compensation of the senior executives of the entity through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m(a), 78o(d)) or section 6104 of the Internal Revenue Code of 1986.".

(b) REGULATIONS REQUIRED.—The Director of the Office of Management and Budget shall promulgate regulations to implement the amendment made by this Act. Such regulations shall include a definition of "total compensation" that is consistent with regulations of the Securities and Exchange Commission at section 402 of part 229 of title 17 of the Code of Federal Regulations (or any subsequent regulation).

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from New York (Mr. TOWNS) and the gentleman from Virginia (Mr. DAVIS) each will control 20 minutes.

The Chair recognizes the gentleman from New York.

Mr. TOWNS. Mr. Speaker, I yield 5 minutes to Chairman WAXMAN, the gentleman from California.

Mr. WAXMAN. Mr. Speaker, my colleagues, this is the third of the three bills we had before us out of the Oversight and Government Reform Committee dealing with contracting issues. And I rise in strong support of this bill, H.R. 3928, the Government Funding Transparency Act. This bill requires contractors and other entities that are dependent on taxpayers funds for more than 80 percent of their annual gross revenue to disclose the names and salaries of their most highly compensated officials.

This requirement is similar to requirements that already apply to publicly traded companies under the rules of the Security and Exchange Commission and to nonprofit organizations through the Tax Code. It is based on a

very simple principle. If you receive the vast amount of your revenue from the public, then the public has a right to know how that money is being spent.

The need for this bill became evident when the head of Blackwater, the private security military company, refused to tell Congress how much it earns, how much he earns. Blackwater gets almost all of its revenue from contracts with the Federal Government, yet Eric Prince, the head of the company, refused to answer Congressman MURPHY when Mr. MURPHY asked how much he earned.

As originally introduced by Representative MURPHY last October, H.R. 3928 would have applied only to government contractors. Some felt that this approach unfairly singled out those entities, and we worked with the ranking member of the committee, Representative TOM DAVIS, to address this concern. And I believe that the result is a much stronger bill.

The measure before us today applies to any entity that receives government funding, whether through a contract, grant, cooperative agreement, subsidy or any other form of Federal funding. The measure will bring much needed sunshine to how tax dollars are spent, including on contracts. Under the bill, companies that are privately held that receive the vast majority of their revenues from taxpayers' dollars would be required to disclose the salaries of their top officers.

I want to congratulate and express my appreciation to Congressman MURPHY for introducing this commonsense bill. American taxpayers have a right to know where their hard earned dollars are going.

I commend the sponsor and those who have worked on this bill on both sides of the aisle. And I urge my colleagues to support this bipartisan piece of legislation.

Mr. DAVIS of Virginia. Mr. Speaker, I yield myself such time as I may consume.

(Mr. DAVIS of Virginia asked and was given permission to revise and extend his remarks.)

Mr. DAVIS of Virginia. Let me thank Chairman WAXMAN and the author of this bill, Mr. MURPHY of Connecticut, for reaching out. I think we have a pretty good work product at the end of this. I think what started as a germination of one idea going in one direction, as we sat and discussed and talked about it, we have a more inclusive bill that I think gets the gentleman the information that he thought should be public. But I think is even more encompassing and shines even more sunshine on government. And I'm happy to get up here today and speak for this legislation.

□ 1230

Specifically, H.R. 3928 will require any nonpublic company receiving more than \$25 million from the Federal sources, whether it is grants, loans, co-

operative agreements, contracts, and other forms of financial assistance and earning 80 percent of its revenue from those sources, to disclose the names and total compensation of the organization's five most highly compensated officers. The mandatory disclosure of this type of information on a public Web site is what will ensue.

As introduced, the bill would have accomplished, I think, a much more limited scope, but in working with the author of this bill, we now expand the Federal Funding Accountability and Transparency Act that was authored last year by myself and Mr. BLUNT and in the Senate by Mr. COBURN and Mr. OBAMA, to include compensation disclosures for all entities receiving more than \$25 million a year.

This isn't a contracting reform bill in the strictest sense of the word, but it is a disclosure bill that I think will shed much sunlight on government. And transparency in government is very fundamental. Sunshine is the best disinfectant.

I want to again thank Chairman WAXMAN and Mr. MURPHY and their staff for a willingness to work to make an open-government bill, one that I think will have good ramifications in the years ahead.

Today we rise to take up H.R. 3928, the Government Funding Transparency Act. This legislation would expand the Federal spending database created by the Federal Funding Accountability and Transparency Act of 2006 to include information about the compensation of management officials of private entities receiving most of their revenues from the Federal Government.

Specifically, H.R. 3928 would require any non-public company receiving more than \$25 million from Federal sources—such as grants, loans, cooperative agreements, contracts, and other forms of financial assistance, and earning 80 percent of its revenue from those sources—to disclose the names and total compensation of the organization's five most highly compensated officers.

As introduced, the bill would have set the threshold at \$5 million from Federal sources instead of the \$25 million threshold in the bill we are considering today; focused exclusively on "contracts" rather than all recipients of Federal funds; required a contract certification regarding the percentage of revenues received from the Federal Government; and placed the salary information on the Federal Procurement Data System, which is only for information on Government acquisitions.

The mandatory disclosure of this type of information—on a public Web site—would have had no useful purpose for contracting officials.

Information regarding salaries of top company officials can be useful under certain cost-type contracts where the Government reimburses a firm for its reasonable and allowable costs plus a fee. Under current acquisition regulations governing such contracts, this information is already available to Government contracting officials. In fact, procurement regulations place a ceiling on executive compensation costs which can be reimbursed under such cost-type contracts.

Moreover, this information is also available to contracting officials—to the extent it is relevant—during the negotiations leading up to the award of a fixed-priced contract.

As introduced, H.R. 3928 would have accomplished nothing other than to discourage the participation of privately held firms in the Government market—which would decrease competition and, ultimately, increase Government costs.

I am pleased to say I have been able to work with Chairman WAXMAN and the bill's sponsor, Mr. MURPHY of Connecticut, to bring to the floor today a bill which has matured into an "open government" bill.

The bill now expands the Federal Funding Accountability and Transparency Act of 2006, authored by Mr. BLUNT and me last Congress, to include compensation disclosure for all entities receiving more than \$25 million a year in Government funds from such sources as contracts, grants, loans, cooperative agreements and other forms of financial assistance—as long as these Federal funds make up 80 percent or more of their income.

But again I must say, this bill, while much improved, is not a "contracting reform" bill and will do little to improve the ability of the Federal Government to get the best value goods and services it needs at fair and reasonable prices.

But, transparency in Government is fundamental—as I've always said, "Sunshine is the best disinfectant." So I thank Chairman WAXMAN and Mr. MURPHY and the staff for their willingness to work with us to make this an "open government" bill.

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

Mr. TOWNS. Mr. Speaker, I yield 5 minutes to Congressman MURPHY who is the author of the bill who has done a fantastic job. I think the people in this country should be very proud of him and his work.

Mr. MURPHY of Connecticut. Mr. Speaker, I rise today to speak in support of this very important common-sense legislation, the Government Funding Transparency Act 2008. I would like to thank, of course, Chairman TOWNS for his work on the subcommittee, Chairman WAXMAN for his early and active support on this legislation, and especially to the ranking member, former chairman, Mr. DAVIS, who we were able to work directly together with over the past days and weeks to make this, as he states, I think a much stronger bill and one that answers many of the concerns that were raised by Mr. DAVIS, his office, and members of the minority of the committee.

Mr. Speaker, as described, the Government Funding Transparency Act will require that companies who receive more than 80 percent of their income in annual gross revenue from the Federal Government and more than \$25 million worth of Federal work in any given fiscal year disclose the salaries of their most highly compensated employees.

This disclosure would be, as Representative DAVIS noted, posted on an existing OMB Web site, www.USAspending.gov, which was au-

thorized as part of the Federal Funding, Accountability, and Transparency Act, a bipartisan measure passed by the 109th Congress.

As pointed out in a recent GAO report, buying services accounted for 60 percent of the total 2006 procurement dollars. And expenditures on security services, due to our engagement in the wars in Iraq and Afghanistan, have forced those service expenditures to increase substantially.

In addition, according to that same Web site, we have seen an increasing number of contracts that weren't competed at all. In fact, in 2000, the amount of contracts not competed was \$48 billion, just north of there; and in 2007, 7 years later, that number had ballooned to \$112 billion.

And yet with such a substantial increase in government funding going to companies through no-bid processes, these companies are virtually subsidiaries of the United States government taking in 80 to 90, perhaps 100 percent of their revenues from U.S. taxpayers. We don't know enough about these tax companies. We don't know their management practices, their financial statements, or their employment policies. They are often highly and tightly held secrets not subject to public scrutiny.

So it is not surprising, as Chairman WAXMAN mentioned in October 2007 when the full Oversight and Government Reform Committee brought the CEO of Blackwater before us, one of the largest government contractors, taking in nearly 90 percent of their revenue contracts from Federal contracts, the CEO of that company, Eric Prince, refused to disclose to Congress the amount of profit that company makes or the amount of salary that he took in; yet despite the fact that 90 percent of that salary, 90 percent of the company's revenues, come from the United States' taxpayers.

It's our money. We deserve to know how it's being used. Regardless of your position on this war or any other war, we deserve to know whether or not public funds are being used to unjustly enrich government contractors.

But this principle, as Representative DAVIS and others pointed out, shouldn't just be applied to these types of private security or service contracts. It should be required of all entities that make the vast amount of their earnings, over 80 percent, from U.S. taxpayer dollars. And I would especially like to thank Representative DAVIS and Representative FOXX for their advocacy for this principle.

Importantly, it's important to note that this bill will actually only affect a limited number of companies, only those entities that subsist almost entirely on Federal money and only those that are not publicly traded, since public companies who do the lion's share, frankly, of Federal contracting, already disclose executive compensation information.

Mr. Speaker, profit is clearly a powerful motive, and this legislation does

nothing to remove this incentive from our Federal contracting structure. But when it comes to private companies like Blackwater and others that would not exist if it wasn't for United States taxpayer dollars, the taxpayers and this Congress should have the information necessary to decide whether we've gone too far in padding the personal pockets of those who feed at the government trough.

As the late Supreme Court Justice Brandeis said, sunlight is the best disinfectant. I believe this legislation will apply a little bit more sunlight to the Federal funding process.

Again, I thank the chairman and the ranking member for their assistance on this legislation. And I know that this body will agree that as stewards of the people's treasure, we must do everything in our power to make sure it's being spent justly and responsibly. Again, I thank the chairman.

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

Mr. TOWNS. Mr. Speaker, I yield 1 minute to Congressman WELCH.

Mr. WELCH of Vermont. As a cosponsor, I strongly support this legislation.

It was pretty shocking what we heard when this came up. Mr. Eric Prince of Blackwater was in before our committee, and the question was, how did your contracting go from \$75 million to over \$1 billion. And then in the course of it, what was your salary. He admitted to about \$1 million in salary but then also disclosed there's about a 10 percent profit, which would mean, just by doing plain math, \$100 million just in the bottom-line profit to the sole owner. We don't know exactly whether that's the case, but that's certainly the way it looks.

Mr. MURPHY's legislation will let the taxpayers know how much they are spending that goes to the bottom-line profit of an individual in this war when our soldiers are working so hard in such danger and getting so little pay for it.

GENERAL LEAVE

Mr. TOWNS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks.

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

There was no objection.

Mr. TOWNS. Mr. Speaker, H.R. 3928, the Government Funding Transparency Act of 2008, will provide more information about executive pay at large organizations that get almost all of their revenue from Federal taxpayers' dollars. It closes a loophole in the current law.

Right now, the salaries of most people who are paid from Federal funds are public information. The salaries of every Member of Congress is public information. However, large private companies that draw most of their revenue from Federal funds have no such requirements. As a result, nobody knows

if the taxpayers are funding enormous executive pay packages.

This bill is intended to apply the same standards of transparency to these large companies that apply to other people and groups that benefit from Federal expenditures. For example, each year the Federal Government spends hundreds of billions of dollars on contracts. In 2006 alone, the Federal Government spent over \$400 billion.

This increase in spending has enriched Federal contractors by way of record-breaking profits and escalating executive compensation. Yet, although the government spends billions of dollars on private contractors, the American taxpayers and Congress know very little about the financial and compensation policies of these firms.

This bill is very narrowly targeted. It requires disclosure of executive pay only from private companies that bring in more than \$25 million a year in Federal funds and only if those Federal funds are more than 80 percent of the company's revenue.

The executives of companies falling into that category are basically being paid by the taxpayers, and the taxpayers have a right to know where their money is going. I don't have a problem with people making money. That's okay. That is not what this bill is about. It is about getting the information needed to see if taxpayers' dollars are being well spent. That is important.

If a company whose revenue is primarily from government funds can pay its executives millions of dollars, it raises questions about whether the government is getting a good bargain. It suggests the government could spend its money more efficiently through more competition or more different requirements. Enormous taxpayer-funded pay packages should be a trigger for more oversight of the programs involved.

The sponsor of this bill, Mr. MURPHY from Connecticut, has put in a lot of work on this bill because he recognizes the importance of greater transparency and the need of safeguarding tax bill dollars from waste, fraud, and abuse.

Mr. Speaker, this bill is an important step towards our goal of improving accountability and transparency in Federal spending. We should know whether taxpayers are footing the bill for high salaries paid to executives. I fully support its passage, and I urge my colleagues to do the same.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. TOWNS) that the House suspend the rules and pass the bill, H.R. 3928, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

The title was amended so as to read: "A bill to amend the Federal Funding

Accountability and Transparency Act of 2006 to require certain recipients of Federal funds to disclose the names and total compensation of their most highly compensated officers, and for other purpose."

A motion to reconsider was laid on the table.

PROVIDING FOR CONSIDERATION OF H.R. 5819, SBIR/STTR REAUTHORIZATION ACT

Mr. WELCH of Vermont. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 1125 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 1125

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the State of the Union for consideration of the bill (H.R. 5819) to amend the Small Business Act to improve the Small Business Innovation Research (SBIR) program and the Small Business Technology Transfer (STTR) program, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived except those arising under clause 9 or 10 of rule XXI. General debate shall be confined to the bill and shall not exceed one hour, with 40 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Small Business and 20 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Science and Technology. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute recommended by the Committee on Small Business now printed in the bill. The committee amendment in the nature of a substitute shall be considered as read. All points of order against the committee amendment in the nature of a substitute are waived except those arising under clause 10 of rule XXI. Notwithstanding clause 11 of rule XVIII, no amendment to the committee amendment in the nature of a substitute shall be in order except those printed in the report of the Committee on Rules accompanying this resolution. Each such amendment may be offered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. All points of order against such amendments are waived except those arising under clause 9 or 10 of rule XXI. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the committee amendment in the nature of a substitute. The previous question shall be considered as ordered on the bill and amend-

ments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

SEC. 2. During consideration in the House of H.R. 5819 pursuant to this resolution, notwithstanding the operation of the previous question, the Chair may postpone further consideration of the bill to such time as may be designated by the Speaker.

The SPEAKER pro tempore. The gentleman from Vermont is recognized for 1 hour.

Mr. WELCH of Vermont. Thank you, Mr. Speaker.

For the purpose of debate only, I yield the customary 30 minutes to the gentleman from Washington (Mr. HASTINGS). All time yielded during the consideration of this rule is for debate only.

I yield myself such time as I may consume, and I also ask unanimous consent that all Members be given 5 legislative days in which to revise and extend their remarks.

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

There was no objection.

□ 1245

Mr. WELCH of Vermont. Mr. Speaker, House Resolution 1125 provides for the consideration of H.R. 5819, the Small Business Innovation Research Program and the Small Business Technology Transfer Program Reauthorization Act, under a structured rule.

The rule provides for 1 hour of general debate, with 40 minutes controlled by the Committee on Small Business and 20 minutes controlled by the Committee on Science and Technology. The rule makes in order 17 amendments printed in the Rules Committee report. The amendments are each debatable for 10 minutes. The rule also provides one motion to recommit with or without instructions.

Since its inception in 1982, SBIR has assisted small businesses to compete for Federal research and development awards. It does that by reserving a percentage of the Federal R&D funds for qualifying small firms which would not otherwise be able to compete in the Nation's R&D arena with larger companies.

SBIR is a unique collaboration that allows Federal agencies to fund projects to meet specific agency needs while expanding opportunities for small businesses, including women and minority-owned businesses. SBIR has enhanced the role of innovative small businesses and higher education research institutions in federally funded research and development while fostering competition and productivity in economic growth.

SBIR, Mr. Speaker, targets the entrepreneurial sector because that's where the innovators thrive. The risk and expense of conducting serious R&D efforts are often beyond the means of small businesses, so SBIR funds are a critical start-up in development stages, encourage the commercialization of technology, product or service, which