

a minimum, the review should be done as expeditiously as possible upon the completion of the North Atlantic Treaty Organization's strategic concept announcement and consider the costs and benefits of a range of force structure and basing alternatives.

2. Develop a consistent process to determine specific facility requirements associated with the various options.

We are sending copies of this report to other congressional committees and interested parties. We are also sending copies to the Secretaries of Defense and the Army. In addition, this report will be available at no charge on our Web site at <http://www.gao.gov>. If you or your staff have any questions about this report, please contact me. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report are listed in enclosure II.

JOHN PENDLETON,

*Director,*

*Defense Capabilities and Management.*

The ACTING PRESIDENT pro tempore. The Senator from Maryland.

#### SMALL BUSINESS LENDING

Mr. CARDIN. Mr. President, I take this time, first, to thank Senator LANDRIEU for her persistence in bringing forward legislation that is going to help small businesses. We are on the verge, I hope this week, to finally pass in the Senate legislation that will help the small businesses in our country—H.R. 5297 that is now before us. Hopefully we are going to be able to get this legislation through the Senate.

What this bill does is create jobs. I am proud to serve on the Small Business Committee. We have been working long and hard, and many of the provisions we have supported in our committee on a strong bipartisan basis are included in the legislation that is now before us.

This bill is about helping small businesses so we can create more jobs for our communities. I think my colleagues will all agree and acknowledge that more jobs are created through small companies than through large companies. If we are going to be able to grow our economy, we have to be able to help our small businesses.

It is also known that innovation is more likely to come from the opportunities from small companies. So we need to pay attention to and help our small companies help our economy grow. The bill that is before us incorporates many of the provisions that have been voted on in a bipartisan way by the Small Business Committee. But let me tell you this: I traveled the State of Maryland during our August break when we are back in our States. I had a chance to visit all parts of the State of Maryland and visited many small business owners. The No. 1 issue they continued to raise with me is the ability to be able to borrow money, to get credit for their businesses to expand.

We spent a lot of time trying to help the Wall Street bankers, but, quite frankly, it has not gotten to the small

business owners. They are not able to get the type of loan at an affordable cost so that they can expand their businesses. This bill will help. This bill provides strength to the SBA.

I think all of us agree, the Small Business Administration has the tools to help small companies. But we need to give them the tools that can work in the current economy. So this legislation extends the 7(a) loans under the SBA from \$2 million to \$5 million, the 504 loans from \$1.5 million to \$5.5 million, and the micro loans. They may not seem like a lot of money, \$35,000 to \$50,000, but that could be the key piece of the puzzle necessary for a company to start or expand and create more jobs in our communities.

The legislation also extends the SBA guarantees to 90 percent and waives the costs so we can make it affordable. The legislation sets up an intermediary lending program so that we encourage banks to make more loans to small businesses. In all, it is estimated that it will generate \$5 billion of credit for small businesses, creating 300,000 jobs. That is quite a step forward, quite an important step forward to help our communities.

In addition, the legislation includes help to our States. In the State of Maryland, we have our own program. Governor O'Malley has a program that is aggressively helping small companies in Maryland. The problem is, as you know, State budgets are strapped. This bill provides \$1.5 billion more for the programs our States are operating in order to expand those programs. That will be leveraged to far more than \$1.5 billion of new credit to small companies. It will provide substantial help in Maryland and all of the States of our Nation.

The bill also deals with the continuing problem of contracting. If you are a small company, you are trying to get a contract with the Federal Government—you do not have a lot of contract officers in your business, you are trying to be very efficient, you need help so you can get a fair shake in bidding for a Federal contract.

Unfortunately, today there have been abuses known as bundling where agencies have bundled together a lot of small contracts into a large contract, making it very difficult for a small company to get any part of that Federal contract. In addition, there is prime contractor abuse in not paying the subcontractors on time, which are generally more likely to be the smaller companies.

This legislation incorporates the work of our committee to make it easier for Federal procurement officers to enter into contracts with small businesses. The proposal is estimated to create another 100,000 jobs in our communities.

This is what we need to do. These are not partisan issues. These are bipartisan. I do not know of anyone who disagrees with our efforts to try to help small businesses with more credit or

make it easier for them to deal with the Federal Government.

One other major part that will create jobs in our communities is to make it easier for small companies to be exporting goods to other countries. We all talk about keeping jobs in America. Let's not outsource. Let's keep the jobs right here in America. Well, again, if you are a small company, and you are trying to get through the bureaucracy of exporting, it can become very difficult. This legislation makes it easier for our small companies to be able to participate in international trade, keeping jobs here in America, creating more jobs, helping our economy, reducing the balance of payment problems we have with other countries. It is a win-win situation for the U.S. economy.

In addition, this legislation provides tax relief for small companies. Tax relief. We all talk about that. You get higher deductions for startup costs so small companies can get help from the Federal Government as far as tax relief.

It provides tax equity for small companies in the deductions of their health insurance costs, and allows for the continued writeoff of capital expenditures that were included in the Recovery Act. So there are a lot of tools to help small companies grow. But here is the good news: It is done without adding any money to the deficit of the country. It is totally paid for. We all understand we have to energize the growth of jobs in our economy, but we cannot do it at the cost of raising the deficit. This bill provides the tools but makes sure that we do not add to the deficit of the country, again, strengthening the underlying economy so that we get true job growth.

I thank all who have been responsible to help bring this bill together. I think it is an important step forward in creating new jobs and helping our economy grow and helping small companies help our country. I am proud to support this legislation and hope we can move it quickly this week and get the tools out there helping our small companies grow, creating more jobs for the people in our communities.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Washington State.

Mrs. MURRAY. Mr. President, over the last several months I have been pushing very hard for this legislation that would help small business owners in my home State of Washington access the capital they need to expand and create jobs.

I stand here today to urge all of our colleagues to put politics aside and finally allow this critical legislation to pass. I spent the last month crisscrossing my home State of Washington talking to families and small business owners about ways that we can create jobs and grow the economy. What I heard again and again from so many of these small business owners is that one

of the major factors that prevented them from growing is their inability to access credit. Banks were not lending their money to the small businesses that were doing better than they have ever done before.

I recently spoke with a small business owner named Alton McDonald who owns a grocery store in Tacoma. He told me he wants to hire new employees. His business is primed to grow. But when he went to the bank to get a loan he was turned down.

I spoke with a small business owner named Peter Aaron, who owns the Elliott Bay Bookstore in Seattle which has been a local institution for decades. He is doing his best to keep his head above water in these tough economic times. But he told me that finding a lender to lend him the money he needs to stay in his business is an ongoing challenge. Right now he is struggling to get the financing he needs to put books on his shelves for the holiday season so that when people come in to buy there is something for them to buy.

I had the opportunity to speak with Timothy Robinson. He owns a small manufacturing company in Snohomish County. His small business today employs about 14 people and he is doing well. But he told me that despite his best efforts, he simply cannot get access to the credit he needs to expand. If he could get a bank to give him a loan, Timothy told me he could add 30 people right away, 30 new jobs in Snohomish County.

What I heard from these small business owners and dozens more over the last several weeks was clear: If small businesses were given access to credit, they would be able to expand their operations and add new jobs—as simple as that. Small businesses such as the ones I visited in Washington State can be the engines that drive our economic recovery. But that engine needs fuel in the form of credit to run, and that fuel is not flowing right now.

In communities across my home State of Washington, it has been community banks that have taken the lead in providing that fuel for small business growth. They understand the communities they work in, and they work closely with local small business owners to make sure that their needs are met. But the sad fact is that for far too long our community banks been ignored in our economic recovery. Since this recession began, we have seen banks fail one after another, lending drying up to our small businesses, and job growth suffering. Meanwhile, Wall Street institutions such as AIG and Goldman Sachs were deemed too big to fail. The collapse of our community banks has apparently been too small to notice.

That is why last year I introduced the Main Street Lending Restoration Act, which would direct \$30 billion to help jumpstart small business lending.

It is why I spoke directly to Secretary Geithner about this several

times. It is why I have been pushing my colleagues hard to make small business lending a priority. It is why, when President Obama came to Seattle last month, I introduced him directly to several small local business owners and we specifically talked about this issue. I believe strongly that we need to focus more on community banks if we are really going to make progress and bring true recovery to Main Street businesses.

I am proud to stand here today in support of the small business lending legislation now before us. This bill takes the most powerful idea from my Main Street Lending Restoration Act. It sets aside \$30 billion to help local community banks—those under \$10 billion in assets—get the capital they need to begin lending money to small businesses again. It would reward banks that are helping small businesses grow by reducing interest rates on capital they receive under this program. It would help support small business initiatives that are administered by States across the country struggling today because of budget cutbacks. It does all this while saving taxpayers an estimated \$1 billion.

When I met with small business owners across my State, I spent a lot of time talking with them about this bill. I talked about how it would help them create jobs and grow their businesses. Every single small business owner with whom I spoke thought this was a very important idea. Many of them had a question for me—a question to which I wish I had a better answer. Their question: Who would oppose this bill? Who would oppose a bill that seems to be such a commonsense solution to a most pressing problem, a bill that would create jobs and help small businesses grow, boost our economy at a time when it is so desperately needed? Who would stand up and say no? I was asked that constantly. Unfortunately, I suspect it comes down to some old-fashioned political games. I fear too many of our Republican colleagues are afraid that a victory for small businesses is a victory for the Democratic Party. They don't want that to happen this close to an election. I think that is truly a shame because I believe the challenges small business owners face today transcend partisan politics.

The truth is that this is a non-partisan bill. It is a bill that puts credit back into the hands of small business owners. It is a bill that puts people back to work. It is a win for small business. It isn't a win for a political party. It is a win for the economy, our workers, and our country. I urge my colleagues to put partisan politics aside, listen to the voices of their constituents, listen to small business owners, and support this critical legislation.

I yield the floor.

The PRESIDING OFFICER (Mr. BURRIS). The Senator from Montana is recognized.

Mr. BAUCUS. Mr. President, are we still in morning business?

The PRESIDING OFFICER. We are.

Mr. BAUCUS. Mr. President, on behalf of the leader, I yield back our time so we can get to the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

#### CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

#### SMALL BUSINESS LENDING FUND ACT OF 2010

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of H.R. 5297, which the clerk will report.

The legislative clerk read as follows:

A bill (H.R. 5297) to create the Small Business Lending Fund Program to direct the Secretary of the Treasury to make capital investments in eligible institutions in order to increase the availability of credit for small businesses, to amend the Internal Revenue Code of 1986 to provide tax incentives for small business job creation, and for other purposes.

Pending:

Reid (for Baucus-Landrieu) amendment No. 4594, in the nature of a substitute.

Reid (for Nelson (FL)) modified amendment No. 4595 (to amendment No. 4594), to exempt certain amounts subject to other information reporting from the information reporting provisions of the Patient Protection and Affordable Care Act.

Reid (for Johanns) modified amendment No. 4596 (to amendment No. 4595), to repeal the expansion of information reporting requirements for payments of \$600 or more to corporations.

Reid amendment No. 4597 (to the language proposed to be stricken by amendment No. 4594), to change the enactment date.

Reid amendment No. 4598 (to amendment No. 4597), of a perfecting nature.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, the Book of Ecclesiastes says: "A worker's sleep is sweet." Because of the great recession that started in 2008, millions of Americans have lost sleep. Why? Because they lost their work. That is why, throughout this Congress, we have been working to create jobs. That is why today, with this small business jobs bill, we are continuing to work to create jobs.

One of the first things this Congress did was to pass the Recovery Act in February of 2009. The Recovery Act cut taxes for Americans by \$326 billion. That is right. The Recovery Act cut taxes for Americans by \$326 billion. In their latest report on the Recovery Act, the nonpartisan Congressional Budget Office once again reports that the Recovery Act is working.

That office, CBO, says in the second quarter of this calendar year; that is, in 2010, the Recovery Act "raised real . . . gross domestic product by between 1.7 percent and 4.5 percent"—raised gross domestic product by between those amounts. CBO also says—and I am quoting from them—the Recovery