

Dreier
Duffy
Duncan (SC)
Duncan (TN)
Ellmers
Emerson
Farenthold
Fattah
Fincher
Fitzpatrick
Flake
Fleischmann
Fleming
Flores
Forbes
Foxy
Franks (AZ)
Frelinghuysen
Gallegly
Gardner
Garrett
Gerlach
Gibbs
Gibson
Gingrey (GA)
Gohmert
Gonzalez
Goodlatte
Gosar
Gowdy
Granger
Graves (GA)
Graves (MO)
Green, Al
Green, Gene
Griffin (AR)
Griffith (VA)
Grimm
Guinta
Guthrie
Hall
Hanna
Harper
Harris
Hartzler
Hastings (WA)
Heck
Hensarling
Herger
Herrera Beutler
Higgins
Hinojosa
Hochul
Holden
Huelskamp
Huizenga (MI)
Hultgren
Hunter
Hurt
Issa
Jackson Lee
(TX)
Jenkins
Johnson (IL)
Johnson (OH)
Johnson, Sam
Jones
Jordan
Kelly
King (IA)
King (NY)

NOES—147

Andrews
Baldwin
Bass (CA)
Bass (NH)
Becerra
Berkley
Berman
Bishop (NY)
Blumenauer
Braley (IA)
Brown (FL)
Butterfield
Capps
Capuano
Carnahan
Carney
Carson (IN)
Castor (FL)
Chu
Cicilline
Clarke (MI)
Clarke (NY)
Clay
Cleaver
Clyburn
Cohen

Kingston
Kinzinger (IL)
Kissell
Kline
Labrador
Lamborn
Lance
Landry
Lankford
Latham
LaTourette
Latta
Lewis (CA)
Lipinski
LoBiondo
Long
Lucas
Luetkemeyer
Lummis
Lungren, Daniel
E.
Lynch
Mack
Manzullo
Marchant
Marino
Matheson
McCarthy (CA)
McCarthy (NY)
McCaul
McClintock
McCotter
McHenry
McIntyre
McKeon
McKinley
McMorris
Rodgers
Meehan
Mica
Miller (FL)
Miller (MI)
Miller, Gary
Mulvaney
Murphy (PA)
Myrick
Neugebauer
Noem
Nugent
Nunes
Nunnelee
Olson
Owens
Palazzo
Pascrell
Paul
Paulsen
Pearce
Pence
Perlmutter
Peterson
Petri
Pitts
Platts
Poe (TX)
Pompeo
Posey
Price (GA)
Quayle
Rahall
Reed

Rehberg
Reichert
Renacci
Reyes
Ribble
Richardson
Richmond
Rigell
Rivera
Robby
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rokita
Rooney
Ros-Lehtinen
Roskam
Ross (AR)
Ross (FL)
Royce
Runyan
Ruppersberger
Ryan (WI)
Scalise
Schilling
Schmidt
Schock
Schweikert
Scott (SC)
Scott, Austin
Sensenbrenner
Sessions
Shimkus
Shuler
Shuster
Simpson
Sires
Smith (NE)
Smith (NJ)
Smith (TX)
Southernland
Stearns
Stivers
Stutzman
Sullivan
Terry
Thompson (MS)
Thompson (PA)
Thornberry
Tiberi
Tipton
Turner
Upton
Visclosky
Walberg
Walden
Webster
West
Westmoreland
Whitfield
Wilson (SC)
Wittman
Wolf
Womack
Woodall
Yoder
Young (AK)
Young (FL)
Young (IN)

Lofgren, Zoe
Lowey
Lujan
Maloney
Markey
Price (NC)
Quigley
Rangel
Rothman (NJ)
Roybal-Allard
Rush
Ryan (OH)
Sánchez, Linda
T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schrader
Schwartz
Scott (VA)
Scott, David
Serrano
Sewell
Payne

Pelosi
Peters
Pingree (ME)
Polis
Price (NC)
Quigley
Rangel
Rothman (NJ)
Roybal-Allard
Rush
Ryan (OH)
Sánchez, Linda
T.
Sanchez, Loretta
Sarbanes
Schakowsky
Schiff
Schrader
Schwartz
Scott (VA)
Scott, David
Serrano
Sewell
Sherman

Slaughter
Smith (WA)
Speier
Stark
Sutton
Thompson (CA)
Tierney
Tonko
Towns
Tsongas
Van Hollen
Velázquez
Walz (MN)
Wasserman
Schultz
Waters
Watt
Waxman
Welch
Wilson (FL)
Woolsey
Wu
Yarmuth

ANSWERED "PRESENT"—1

Amash

NOT VOTING—5

Bachmann
Carter

Giffords
Hinchey

Walsh (IL)

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining.

□ 1845

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the Chair will postpone further proceedings today on motions to suspend the rules on which a recorded vote or the yeas and nays are ordered, or on which the vote incurs objection under clause 6 of rule XX.

Record votes on postponed questions will be taken later.

SMALL BUSINESS PROGRAM EXTENSION AND REFORM ACT OF 2011

Mr. HANNA. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2608) to provide for an additional temporary extension of programs under the Small Business Act and the Small Business Investment Act of 1958, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2608

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 "Small Business Program Extension and Reform Act of 2011".

SEC. 2. ADDITIONAL TEMPORARY EXTENSION OF AUTHORIZATION OF PROGRAMS UNDER THE SMALL BUSINESS ACT AND THE SMALL BUSINESS INVESTMENT ACT OF 1958.

(a) IN GENERAL.—Section 1 of the Act entitled "An Act to extend temporarily certain

authorities of the Small Business Administration", approved October 10, 2006 (Public Law 109-316; 120 Stat. 1742), as most recently amended by section 2 of the Small Business Additional Temporary Extension Act of 2011 (Public Law 112-17; 125 Stat. 221), is amended by striking "July 31, 2011" each place it appears and inserting "December 31, 2011".

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect on July 30, 2011.

SEC. 3. REPEALS AND OTHER TERMINATIONS.

(a) GENERAL PROVISIONS.—

(1) EFFECTIVE DATE.—A repeal or other termination of a provision of law made by this section shall take effect on the date of enactment of this Act.

(2) RULE.—Nothing in this section shall affect any grant or assistance provided, contract or cooperative agreement entered into, or loan made or guaranteed before the date of enactment of this Act under a provision of law repealed or otherwise terminated by this section and any such grant, assistance, contract, cooperative agreement, or loan shall be subject to the applicable repealed or otherwise terminated provision, as in effect on the day before the date of enactment of this Act.

(3) APPLICABILITY OF TEMPORARY EXTENSIONS.—A repeal or other termination of a provision of law made by this section shall have effect notwithstanding any temporary extension of programs, authority, or provisions under the Act entitled "An Act to extend temporarily certain authorities of the Small Business Administration", approved October 10, 2006 (Public Law 109-316; 120 Stat. 1742).

(b) POLLUTION CONTROL LOANS.—Paragraph (12) of section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended—

(1) by striking "(A) The Administration" and inserting "The Administration"; and

(2) by striking "research and development" and all that follows and inserting "research and development."

(c) SMALL BUSINESS INSTITUTE.—Subparagraph (E) of section 8(b)(1) of the Small Business Act (15 U.S.C. 637(b)(1)) is repealed.

(d) DRUG-FREE WORKPLACE GRANTS.—Paragraph (3) of section 21(c) of the Small Business Act (15 U.S.C. 648(c)) is amended—

(1) in subparagraph (R) by adding "and" at the end;

(2) in subparagraph (S) by striking "and" and inserting a period; and

(3) by striking subparagraph (T).

(e) CENTRAL EUROPEAN SMALL BUSINESS ENTERPRISE DEVELOPMENT COMMISSION.—Section 25 of the Small Business Act (15 U.S.C. 652) is repealed.

(f) PAUL D. COVERDELL DRUG-FREE WORKPLACE PROGRAM.—Section 27 of the Small Business Act (15 U.S.C. 654) is repealed.

(g) PILOT TECHNOLOGY ACCESS PROGRAM.—Section 28 of the Small Business Act (15 U.S.C. 655) is repealed.

(h) NATIONAL VETERANS BUSINESS DEVELOPMENT CORPORATION.—

(1) IN GENERAL.—Section 33 of the Small Business Act (15 U.S.C. 657c) is repealed.

(2) CORPORATION.—Beginning on the date of enactment of this Act, the National Veterans Business Development Corporation and any successor thereto may not represent that the corporation is federally chartered or in any other manner authorized by the Federal Government.

(i) LEASE GUARANTEES AND POLLUTION CONTROL.—Part A of title IV of the Small Business Investment Act of 1958 (15 U.S.C. 692 et seq.) is repealed.

(j) ALTERNATIVE LOSS RESERVE.—Paragraph (7) of section 508(c) of the Small Business Investment Act of 1958 (15 U.S.C. 697e(c)) is repealed.

(K) SMALL BUSINESS TELECOMMUTING PILOT PROGRAM.—Subsection (d) of section 1203 of the Energy Independence and Security Act of 2007 (15 U.S.C. 657h) is repealed.

(I) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) SMALL BUSINESS INVESTMENT ACT OF 1958.—Section 411(i) of the Small Business Investment Act of 1958 (15 U.S.C. 694b(i)) is amended to read as follows:

“(i) Without limiting the authority conferred upon the Administrator and the Administration by section 201 of this Act, the Administrator and the Administration shall have, in the performance of and with respect to the functions, powers, and duties conferred by this part, all the authority and be subject to the same conditions prescribed in section 5(b) of the Small Business Act with respect to loans, including the authority to execute subleases, assignments of lease and new leases with any person, firm, organization, or other entity, in order to aid in the liquidation of obligations of the Administration hereunder.”

(2) TITLE 10.—Section 1142(b)(13) of title 10, United States Code, is amended by striking “and the National Veterans Business Development Corporation”.

(3) TITLE 38.—Subsection (h) of section 3452 of title 38, United States Code, is amended by striking “any of the” and all that follows and inserting “any small business development center described in section 21 of the Small Business Act (15 U.S.C. 648), insofar as such center offers, sponsors, or cosponsors an entrepreneurship course, as that term is defined in section 3675(c)(2).”

(4) VETERANS ENTREPRENEURSHIP AND SMALL BUSINESS DEVELOPMENT ACT OF 1999.—Section 203(c)(5) of the Veterans Entrepreneurship and Small Business Development Act of 1999 (15 U.S.C. 657b note) is amended by striking “In cooperation with the National Veterans Business Development Corporation, develop” and inserting “Develop”.
SEC. 4. TERMINATION OF EMERGING LEADERS PROGRAM.

Notwithstanding any other provision of law, the Administrator of the Small Business Administration may not carry out or otherwise support the program referred to as “Emerging Leaders” in the document of the Small Business Administration titled “FY 2012 Congressional Budget Justification and FY 2010 Annual Performance Report” (or any predecessor or successor document) and may not carry out or otherwise support any successor to that program with similar goals.

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

The Chair recognizes the gentleman from New York.

GENERAL LEAVE

Mr. HANNA. Mr. Speaker, I ask unanimous consent that all Members shall have 5 consecutive days to revise and extend their remarks and include extraneous materials on the bill under consideration.

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

There was no objection.

Mr. HANNA. I yield myself such time as I may consume.

Mr. Speaker, there are a few components to the legislation we have before us.

First, the bill provides for a straightforward extension of certain SBA pro-

grams through December 31, 2011. This is a necessary measure since the current extension, which the House passed in May, expires at the end of this month. As we continue to do work with our Democratic colleagues and with our colleagues in the other body towards a full and complete reauthorization of the SBA and its programs, this extension will ensure that these programs are still available to provide assistance to entrepreneurs who need to create jobs.

Secondly, the bill before us terminates several duplicative and outdated programs that are either used very infrequently or not at all. It has been said that, once a program is initiated, it is almost impossible to eliminate. Today, we will prove that notion wrong. The program eliminations contained in this bill represent a good first step toward cleaning up the SBA's program portfolio, thereby refocusing the agency's energy on their core mission of facilitating small business lending, offering entrepreneurial advice to small business owners, and ensuring that they receive their fair share of Federal contracts.

For example, one of the programs selected for termination is the Central European Enterprise Development Program. This initiative has not been funded since 1995, and one of the countries involved, Czechoslovakia, no longer exists. For an even more striking example, the Pollution Control Bond Guarantee program, initiated in 1976 to provide SBA-backed bonds for the purchase of pollution and control equipment to retrofit existing factories, has not offered a single bond guarantee since the early eighties.

Simply having these programs on the books at the SBA detracts manpower and resources away from the SBA's core programs, and it is time to get them out of the way. Not only does this bill clean up the SBA; it also saves money.

□ 1850

The bill eliminates two drug-free workplace programs. These programs were allocated \$2 million for fiscal year 2011. While not a huge sum of money when considering the overall fiscal budget, each and every penny we save is a penny we don't have to borrow.

For additional cost savings, the legislation also prohibits the SBA from using any of its discretionary funding on its Emerging Leaders Program. While the program started in fiscal year 2009 without any congressional approval or authorization of appropriations, the SBA has requested \$3 million for this program for 2012. The program is duplicative of existing entrepreneurial development programs and does not have a good matrix for evaluating the program's success.

The SBA ought to be focusing on well-evaluated, congressionally authorized programs that have been fully vetted and supported by Members of Congress.

I would like to thank the gentlelady from New York, our committee's ranking member, Ms. VELÁZQUEZ, for her efforts to craft this legislation. It is a breath of fresh air to work in a truly bipartisan manner on important issues facing our Nation, and I appreciate her leadership on this issue.

With that, I urge my colleagues to support H.R. 2608 as amended.

I reserve the balance of my time.

Ms. VELÁZQUEZ. I yield myself such time as I may consume.

Small businesses who employ more than half of all private sector employees remain absolutely critical to the U.S. economy. With the unemployment rate at 9.2 percent, we need them more than ever to create new jobs. Central to these efforts are the tools and resources of the Small Business Administration which enable entrepreneurs to secure low-cost capital, fairer contracts, and technical assistance.

However, over time, I feel the agency's programs have become redundant and unnecessary. Many have not been funded in decades, while others are simply antiquated policy remnants from a bygone era.

It is a disservice to both small businesses and taxpayers to keep these obsolete initiatives on the books. By cleaning up the statute, as this legislation does, we can be assured that efforts to assist small businesses both now and in the future will be both efficient and up to date.

Importantly, many of these cuts were at the behest of our colleagues in the Senate. Given this, it is my hope that the Senate takes up this legislation and passes it expeditiously.

Chairman GRAVES is also to be commended for his comity and bipartisan approach to vetting these charges. Doing so has produced a bill that does not adversely affect small businesses.

Similarly, a new but equally concerning trend has been the growth of unauthorized programs. The costs of this program have grown dramatically to equal more than \$50 million and constitutes nearly 10 percent of the SBA's noncredit programs budget. By passing the legislation before us, Congress can take a small but meaningful step that will begin to close this loophole.

The reforms in this bill come against a backdrop of extending certain authorities for the SBA itself. However, whether or not this legislation becomes law has no bearing on whether the agency can serve small businesses. Given the passage of the full-year continuing appropriations bill and a prior SBA extension passed 2 months ago, the agency will remain fully operational irrespective of the passage of this bill.

Ensuring that small firms have continued access to a strong and stable SBA is more important than ever. The agency's resources enable would-be entrepreneurs to start up while helping existing ventures expand. By doing so, we will allow small business owners to do what they do best and create the

jobs we need to move the economy forward.

I urge my colleagues to support this legislation.

I yield back the balance of my time.

Mr. HANNA. Mr. Speaker, in closing, let me state that small businesses can and will lead our economic recovery. It's time that those of us in Congress provide them with the certainty they need to create jobs and grow our economy. The legislation we have before us today gives small firms the confidence to know that the SBA programs they rely on will be there for them when they need them. It also shows them that this House is serious about cutting spending, lowering debt, and restoring confidence to our entrepreneurs.

I look forward to continuing to work with the chairman and the ranking member and all our colleagues on the Small Business Committee to enact policies that benefit American entrepreneurs.

I urge my colleagues to support this good bill.

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. HANNA) that the House suspend the rules and pass the bill, H.R. 2608, 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.

IMPACT OF INSURED DEPOSITORY INSTITUTION FAILURES

Mr. WESTMORELAND. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2056) to instruct the Inspector General of the Federal Deposit Insurance Corporation to study the impact of insured depository institution failures, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2056

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

SECTION 1. INSPECTOR GENERAL STUDY.

(a) STUDY.—The Inspector General of the Federal Deposit Insurance Corporation (FDIC) shall conduct a comprehensive study on the impact of the failure of insured depository institutions.

(b) DEFINITIONS.—For purposes of this Act—

(1) the term “insured depository institution” has the meaning given such term in section 3(c) of the Federal Deposit Insurance Act (12 U.S.C. 1813(c));

(2) the term “private equity company” has the meaning given the terms “hedge fund” and “private equity fund” in section 13(h)(2) of the Bank Holding Company Act of 1956 (12 U.S.C. 1851(h)(2)); and

(3) the term “paper-loss” means any write down on a performing asset held by an insured depository institution that causes such institution to raise more capital in order to cover the write down.

(c) MATTERS TO BE STUDIED.—In conducting the study under this section, the Inspector General shall address the following:

(1) LOSS-SHARING AGREEMENTS.—The effect of loss-sharing agreements (LSAs), including—

(A) the impact of loss-sharing on the insured depository institutions that survive and the borrowers of insured depository institutions that fail, including—

(i) the impact on the rate of loan modifications and adjustments;

(ii) whether more types of loans (such as commercial (including land development and 1- to 4-family residential and commercial construction loans), residential, or small business loans) could be modified with fewer LSAs, or if LSAs could be phased out altogether;

(iii) the FDIC's policies and procedures for monitoring LSAs, including those designed to ensure institutions are not imprudently selling assets at a depressed value;

(iv) the impact on the availability of credit; and

(v) the impact on loans with participation agreements outstanding with other insured depository institutions;

(B) the FDIC's policies and procedures for terminating LSAs and mitigating the risk of acquiring institutions having substantial assets remaining in their portfolio when the LSAs are due to expire;

(C) the extent to which LSAs provide incentives for loan modifications and other means of increasing the probability of commercial assets being considered “performing”;

(D) the nature and extent of differences for modifying residential assets and working out commercial real estate under LSAs; and

(E) methods of ensuring the orderly end of expiring LSAs to prevent any adverse impact on borrowing, real estate industry and the Depositors Insurance Fund.

(2) PAPER LOSSES.—The significance of paper losses, including—

(A) the number of insured depository institutions that have been placed into receivership or conservatorship due to paper losses;

(B) the impact on paper losses of raising more capital;

(C) the effect of changes in the application of the fair value of real estate accounting rules and other accounting standards;

(D) whether field examiners are using proper appraisal procedures with respect to paper losses; and

(E) methods of stopping the vicious downward spiral of losses and write downs.

(3) APPRAISALS.—

(A) The number of insured depository institutions placed into receivership or conservatorship due to asset write-downs and the policies and procedures for evaluating the adequacy of an insured depository institution's allowance for loan and lease losses.

(B) The policies and procedures examiners use for evaluating the appraised values of property securing real estate loans and the extent to which those policies and procedures are followed.

(C) FDIC field examiner implementation of guidance issued December 2, 2010, titled “Agencies Issue Final Appraisal and Evaluation Guidelines”.

(4) CAPITAL.—

(A) The factors that examiners use to assess the adequacy of capital at insured depository institutions, including the extent to which the quality and risk profile of the insured institution's loan portfolio is considered in the examiners' assessment.

(B) The number of applications received by the FDIC from private capital investors to acquire insured depository institutions in receivership, the factors used by the FDIC in evaluating the applications, and the number

of applications that have been approved or not approved, including the reasons pertaining thereto.

(C) The policies and procedures associated with the evaluation of potential private investments in insured depository institutions and the extent to which those policies and procedures are followed.

(5) WORKOUTS.—The success of FDIC field examiners in implementing FDIC guidelines titled “Policy Statement on Prudent Commercial Real Estate Loan Workouts” (October 31, 2009) regarding workouts of commercial real estate, including—

(A) whether field examiners are using the correct appraisals; and

(B) whether there is any difference in implementation between residential workouts and commercial (including land development and 1- to 4-family residential and commercial construction loans) workouts.

(6) ORDERS.—The application and impact of consent orders and cease and desist orders, including—

(A) whether such orders have been applied uniformly and fairly across all insured depository institutions;

(B) the reasons for failing to apply such orders uniformly and fairly when such failure occurs;

(C) the impact of such orders on the ability of insured depository institutions to raise capital;

(D) the impact of such orders on the ability of insured depository institutions to extend or modify credit to existing and new borrowers; and

(E) whether individual insured depository institutions have improved enough to have such orders removed.

(7) FDIC POLICY.—The application and impact of FDIC policies, including—

(A) the impact of FDIC policies on the investment in insured depository institutions, especially in States where more than 10 such institutions have failed since 2008;

(B) whether the FDIC fairly and consistently applies capital standards when an insured depository institution is successful in raising private capital; and

(C) whether the FDIC steers potential investors away from insured depository institutions that may be in danger of being placed in receivership or conservatorship.

(8) PRIVATE EQUITY COMPANIES.—The FDIC's handling of potential investment from private equity companies in insured depository institutions, including—

(A) the number of insured depository institutions that have been approved to receive private equity investment by the FDIC;

(B) the number of insured depository institutions that have been rejected from receiving private equity investment by the FDIC; and

(C) the reasons for rejection of private equity investment when such rejection occurs.

(d) REPORT.—Not later than one year after the date of the enactment of this Act, the Inspector General shall submit to Congress a report—

(1) on the results of the study conducted pursuant to this section; and

(2) any recommendations based on such study.

(e) COORDINATION BETWEEN FDIC IG, TREASURY IG, AND FEDERAL RESERVE IG.—In carrying out this section, the Inspector General of the FDIC shall consult with the Inspectors General of the Treasury and of the Federal Reserve System, and such Inspectors General shall provide any documents or other material requested by the Inspector General of the FDIC in order to carry out this section.