

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

The Chair recognizes the gentleman from Ohio.

## GENERAL LEAVE

Mr. CHABOT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and include extraneous material on the bill under consideration.

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

There was no objection.

Mr. CHABOT. Mr. Speaker, I yield myself such time as I may consume.

I rise today in support of H.R. 6316, the Small Business Advocacy Improvements Act of 2018, which clarifies the role of the Office of Advocacy of the United States Small Business Administration.

The Office of Advocacy is charged with representing small businesses before Federal agencies whose policies and activities may affect small businesses. It also examines the role of small business in the American economy and the contributions small businesses can make in improving competition. This office plays a vital role in ensuring that small businesses are heard when the Federal Government makes policy decisions that will impact them.

Currently, the law is silent regarding the Office of Advocacy's ability to study the role of small business in international economies, which is an important avenue for small businesses as they seek opportunities to expand overseas. This bill would clarify that the Office of Advocacy should include international economies as part of its research functions.

The law is also silent regarding the Office of Advocacy's authority to represent small businesses before foreign governments and international entities. It is important for small businesses to have their views and interests on regulatory and trade initiatives represented in the international space.

This bill clarifies the Office of Advocacy's ability to represent small business views and interests before foreign governments and other international entities for the purpose of contributing to regulatory and trade initiatives.

I want to thank Mr. COMER and Ms. ADAMS for working on this issue and producing a simple solution to clarify the Office of Advocacy's role.

Mr. Speaker, I urge my colleagues to support this straightforward legislation, and I reserve the balance of my time.

Ms. VELÁZQUEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 6316, the Small Business Advocacy Improvements Act.

There are nearly 30 million small businesses in the United States, representing more than 99 percent of all businesses. These small firms employ nearly 50 percent of all private sector employees in the U.S. The SBA's Office of Advocacy represents an important tool for these businesses because it is their voice that the office embodies in all matters of government.

Clarifying the authority of advocacy to examine international economic data and represent small business interests in international discussions, particularly in trade negotiations, raises the ability of small American firms to participate in a global market.

Mr. Speaker, that is why I urge my colleagues to vote "yes," and I reserve the balance of my time.

Mr. CHABOT. Mr. Speaker, I yield such time as he may consume to the gentleman from Kentucky (Mr. COMER), and I thank him for his leadership on this bill.

Mr. COMER. Mr. Speaker, I rise today in support of H.R. 6316, the Small Business Advocacy Improvements Act of 2018.

I am proud to be the sponsor of this bipartisan legislation. The Office of Advocacy at the United States Small Business Administration plays a vital role in ensuring Federal agencies take into account how their policies impact small businesses.

While the Office of Advocacy has done excellent work on behalf of our Nation's small businesses, the current law is silent on whether it can research and advocate on behalf of small business on international matters. This is a problem that we can easily fix.

Given the Office of Advocacy's knowledge and research on how regulations impact small businesses, it is appropriate for the office to advocate and research small business interests on international matters. This bill advances the Office of Advocacy's mission to advocate for America's small businesses and clarifies its authority on international small business issues.

Mr. Speaker, I urge my colleagues to support this important bipartisan bill.

Ms. VELÁZQUEZ. Mr. Speaker, I yield myself such time as I may consume.

There is no question that we need to support our small businesses across the country, no matter their location or industry, when they are attempting to break into international commerce. Today's bill leverages the unique position and knowledge of the SBA's Office of Advocacy to amplify the voice of small firms in international settings.

I commend Congressman COMER and Congresswoman ADAMS in taking the important step to break down international barriers for small entrepreneurs entering into the world of trade.

Mr. Speaker, I urge Members to support this bill, and I yield back the balance of my time.

Mr. CHABOT. Mr. Speaker, I yield myself the balance of my time.

Mr. Speaker, I would like to, again, thank Mr. COMER and Ms. ADAMS for their leadership on this measure.

The Office of Advocacy is a critical Federal agency charged with representing America's 30 million small firms across the Federal Government. They have done outstanding work on behalf of our Nation's small businesses. But as we have discussed, current law is silent on whether it can research and advocate on behalf of small business on international matters. This bipartisan legislation offers a simple solution to allow the Office of Advocacy to expand their role in international matters.

Mr. Speaker, I urge my colleagues to support this bipartisan legislation, and I yield back the balance of my time.

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The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. CHABOT) that the House suspend the rules and pass the bill, H.R. 6316.

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

A motion to reconsider was laid on the table.

#### SMALL BUSINESS RUNWAY EXTENSION ACT OF 2018

Mr. CHABOT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6330) to amend the Small Business Act to modify the method for prescribing size standards for business concerns.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 6330

*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 Runway Extension Act of 2018".

#### SEC. 2. MODIFICATION TO METHOD FOR PRESCRIBING SIZE STANDARDS FOR BUSINESS CONCERNS.

Section 3(a)(2)(C)(ii)(II) of the Small Business Act (15 U.S.C. 632(a)(2)(C)(ii)(II)) is amended by striking "3 years" and inserting "5 years".

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

The Chair recognizes the gentleman from Ohio.

## GENERAL LEAVE

Mr. CHABOT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which 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 Ohio?

There was no objection.

Mr. CHABOT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I thank Mr. KNIGHT and Ms. CLARKE for this leading bipartisan legislation, which takes a critical step toward addressing the challenge that small contractors face when entering the middle market.

The primary objective of the SBA's small business programs is to encourage the growth and vibrancy of the Federal supplier base, boost competition, protect against supplier consolidation, and spur innovation. These noble goals are thwarted when small businesses find themselves competing in the open market prematurely before they have the tools they need to succeed.

Given the increasing size of Federal contract awards made today, one or two big awards won by a small contractor could easily force them out of the category of small business. Since many do not have the infrastructure or competitiveness to go head to head against firms many times their size, they often fail or become consumed into a larger competitor's supply chain. These results contravene the mission and purpose of the small business programs, further widening the divide between large and small contractors.

Competitiveness takes time, hard work, and significant resources to build. However, difficult as it is to build competitiveness, it is just as easily lost. H.R. 6330 provides a solution to this problem, allowing small businesses extra time to potentially retain their "small" size status while they continue to develop their competitive edge.

Mr. Speaker, I urge my colleagues to support H.R. 6330, and I reserve the balance of my time.

Ms. VELAZQUEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 6330, the Small Business Runway Extension Act of 2018.

Over the years, Congress has created numerous Federal programs, set-asides, tax preferences, and SBA loan programs to help small businesses succeed. However, the advantages conferred by this program have led to heated debate over who is truly a small business and what an acceptable small business size standard is.

The answer is an important one, as it can be underinclusive, thereby pushing a firm outside the standard, or it can be overinclusive, allowing large firms to compete in these programs. The end result is the same: small firms deprived of Federal contracting opportunities.

This bill addresses the pressure placed on those businesses not able to compete against large entities from being prematurely placed outside their size standard by providing a more inclusive review of 5 years of their gross receipts.

Mr. Speaker, I urge Members to support this very important legislation, and I reserve the balance of my time.

Mr. CHABOT. Mr. Speaker, I yield such time as he may consume to the

gentleman from California (Mr. KNIGHT) and thank him for his leadership in this important measure.

Mr. KNIGHT. Mr. Speaker, I thank my chairman for his support on this and many other issues that we see in our Small Business Committee.

Mr. Speaker, I urge my colleagues to support H.R. 6330, the Small Business Runway Extension Act of 2018.

This bill is simple. It is common-sense. It is a measure designed to promote the sustainability, growth, and development of small Federal contractors into the open marketplace.

Under existing law, the Small Business Administration calculates the size of a company by taking the average of the past 3 years of gross receipts. A company's average must be within established industry parameters set by the SBA in order to be considered a small business and be eligible to receive access to SBA's small business programs, resources, and assistance.

My bill is very simple. It extends that time period out to 5 years. This additional time allows all small businesses an opportunity to mature before graduating out of the SBA's small business programs.

Over the course of this Congress, we have conducted hearings, held roundtables, and heard stories of the overwhelming mid-market challenges forcing many successful small contractors to close their doors or stall their growth. Prospects for a newly graduated firm successfully integrating into the open marketplace are rapidly declining due to the widening gap between small and large contractors.

Small firms are opting out—either voluntarily or, in many cases, involuntarily—from joining the Federal marketplace because of this rift. This outcome depletes our industrial base, reduces competition, and inhibits economic growth.

Mr. Speaker, do we really want our small businesses to look at their ability to expand and their ability to be a larger and more prosperous business and say: I can't do this because I am going to move out of the SBA, so what I should do is maybe close my doors or just restrict our growth.

That is not what America is all about. That is not what we want out of our small businesses. We want them to expand. We want them to bring new and innovative things to the marketplace. And we want them to expand and have jobs for our kids and for the next generation.

Mr. Speaker, I think that this is a reasonable look at what we are trying to do, and I urge support of H.R. 6330.

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

Mr. CHABOT. Mr. Speaker, I yield myself such time as I may consume to close.

Mr. Speaker, this legislation gives small businesses more time to adjust to not being a small business anymore. We want our small businesses to thrive and grow and break through to the

mid-tier and big business strata. Oftentimes, that is difficult.

H.R. 6330 gives these firms just a little more time to adapt to their new business environment, so they can compete more efficiently and continue to grow and create more jobs for more Americans.

I again thank Mr. KNIGHT for his leadership on this.

Mr. Speaker, I urge my colleagues to support this bipartisan piece of legislation, and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. CHABOT) that the House suspend the rules and pass the bill, H.R. 6330.

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

A motion to reconsider was laid on the table.

#### INCENTIVIZING FAIRNESS IN SUBCONTRACTING ACT

Mr. CHABOT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6367) to amend the Small Business Act to specify what credit is given for certain subcontractors and to provide a dispute process for non-payment to subcontractors, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 6367

*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 "Incentivizing Fairness in Subcontracting Act".*

#### SEC. 2. SMALL BUSINESS LOWER-TIER SUBCONTRACTING.

*Section 8(d) of the Small Business Act (15 U.S.C. 637(d)) is amended—*

*(1) by amending paragraph (16) to read as follows:*

*“(16) CREDIT FOR CERTAIN SMALL BUSINESS CONCERN SUBCONTRACTORS.—*

*“(A) IN GENERAL.—For purposes of determining whether or not a prime contractor has attained the percentage goals specified in paragraph (6)—*

*“(i) if the subcontracting goals pertain only to a single contract with the Federal agency, the prime contractor may elect to receive credit for small business concerns performing as first tier subcontractors or subcontractors at any tier pursuant to the subcontracting plans required under paragraph (6)(D) in an amount equal to the dollar value of work awarded to such small business concerns; and*

*“(ii) if the subcontracting goals pertain to more than one contract with one or more Federal agencies, or to one contract with more than one Federal agency, the prime contractor may only count first tier subcontractors that are small business concerns.*

*“(B) COLLECTION AND REVIEW OF DATA ON SUBCONTRACTING PLANS.—The head of each contracting agency shall ensure that—*

*“(i) the agency collects and reports data on the extent to which contractors of the agency meet the goals and objectives set forth in subcontracting plans submitted pursuant to this subsection; and*

*“(ii) the agency periodically reviews data collected and reported pursuant to subparagraph*