

As we have witnessed, these breaches can have extremely devastating and costly impacts on major corporations.

Now, if major entities struggle with the challenges of cybersecurity, what chances do our small businesses have?

H.R. 1649 was written to address this risk by providing cyber training, strategies, and resources to small businesses to better equip themselves against cyberattacks.

I appreciate having the opportunity to co-lead this important piece of legislation that will truly help our small businesses, the backbone of our Nation's economy, have the tools they need to protect themselves and to succeed.

Mr. DELGADO. Mr. Speaker, I have no further speakers. I am prepared to close, and I reserve the balance of my time.

Mr. CHABOT. Mr. Speaker, we have no further speakers, so I would be happy to close at this time if it is acceptable to the gentleman.

Mr. Speaker, we have heard from small business owners, cybersecurity experts, and government officials, and there is no question that improving cybersecurity for America's small businesses should be an urgent priority for small firms.

Over the past few years, the Federal Government has stepped up its efforts to both prevent and mitigate cyberattacks by coordinating and distributing cybersecurity resources directly to small businesses.

This commonsense legislation would continue our efforts to ensure small firms can access needed information from SBCDs to help prevent and respond to cyberattacks.

Mr. Speaker, I urge this bill's adoption. I want to again thank the gentleman from Pennsylvania (Mr. EVANS) for his leadership on this, and I yield back the balance of my time.

Mr. DELGADO. Mr. Speaker, cybercrime is one of the greatest risks to every business in the world. Cybercriminals have realized small entities are more exposed than larger businesses that have dedicated in-house IT personnel overseeing their systems and networks.

Unfortunately, just 14 percent of small businesses have a plan in place for keeping their company secure.

This is why Congress and the SBA must continue to make cybersecurity training and resources a top priority for our Nation's small firms.

Through H.R. 1649, U.S. small businesses will be more prepared and better protected against cyber threats.

This bill has bipartisan support and is essential to enhancing America's cyber infrastructure, by starting with the most vulnerable businesses.

Our committee remains dedicated to advancing more policies to address the cyber challenges of small employers.

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

Ms. JACKSON LEE. Mr. Speaker, as a senior member of the House Committees on the

Judiciary, Homeland Security, and Budget, I rise in strong support of H.R. 1649, the "Small Business Development Center Cyber Training Act of 2019."

H.R. 1649 calls for the establishment of a cyber counseling certification program, or the approval of a similar existing program, to certify the employees of lead business development centers to provide cyber planning assistance to small business concerns.

Cyber strategy refers to the necessary resources and tactics that assist in planning for cybersecurity and defending against cyber risks and cyber attacks.

Technology becomes more advanced every day, and cyber threats follow that same trend, making them increasingly difficult to predict and prevent.

Cyber attacks have cost companies with robust cybersecurity programs millions of dollars, and small businesses are no exception.

Yet, small businesses often lack the resources available to larger companies and corporations, making them especially vulnerable to such attacks.

A recent Ponemon study found that nearly 70 percent of all small businesses experienced a cyberattack in 2017, while nearly half admitted to having no understanding of how to protect their company against a cyber attack.

Additionally, another study by Hiscox found that less than 20 percent of small businesses said they were confident in their cybersecurity readiness, and barely half had a clearly defined cybersecurity strategy at all.

Due to the vulnerability of small business operations, we need extensive measures to identify, analyze, and alleviate threats of cyberattacks.

This bill ensures that there are at least 5 or 10 percent of the total number of employees within a small business development center who are certified in providing cyber planning assistance.

Mr. Speaker, I urge my colleagues to join me in supporting H.R. 1649 to protect the cybersecurity networks and facilitate cybersecurity training within our nation's small businesses.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. DELGADO) that the House suspend the rules and pass the bill, H.R. 1649.

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.

#### CLARIFYING THE SMALL BUSINESS RUNWAY EXTENSION ACT

Mr. DELGADO. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 2345) to amend the Small Business Act to clarify the intention of Congress that the Administrator of the Small Business Administration is subject to certain requirements with respect to establishing size standards for small business concerns, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 2345

*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 "Clarifying the Small Business Runway Extension Act".*

#### SEC. 2. SENSE OF CONGRESS.

*It is the sense of Congress that—*

*(1) the Small Business Runway Extension Act of 2018 (Public Law 115-324) applies to calculations of the size of a business concern made by the Administrator of the Small Business Administration;*

*(2) Federal agencies rely upon such calculations to award contracts, including government-wide acquisition contracts, to small business concerns; and*

*(3) the Small Business Runway Extension Act of 2018 has been effective since the date it was signed into law, on December 17, 2018.*

#### SEC. 3. CLARIFYING AMENDMENT TO THE SMALL BUSINESS RUNWAY EXTENSION ACT OF 2018.

*Section 3(a)(2)(C) of the Small Business Act (15 U.S.C. 632(a)(2)(C)) is amended by inserting "(including the Administration when acting pursuant to subparagraph (A))" after "no Federal department or agency".*

#### SEC. 4. FINALIZATION OF SMALL BUSINESS RUNWAY EXTENSION ACT OF 2018 RULES.

*The Administrator of the Small Business Administration shall issue a final rule implementing the Small Business Runway Extension Act of 2018 (Public Law 115-324) not later than December 17, 2019.*

#### SEC. 5. AMENDMENT TO SIZE STANDARDS FOR CERTAIN SMALL BUSINESS CONCERNs.

*(a) SIZE STANDARDS FOR SMALL BUSINESS CONCERNs PROVIDING SERVICES.—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 "not less than".*

*(b) SIZE STANDARDS FOR OTHER BUSINESS CONCERNs.—Section 3(a)(2)(C)(ii)(III) of the Small Business Act (15 U.S.C. 632(a)(2)(C)(ii)(III)) is amended by striking "not less than 3 years" and inserting "5 years".*

#### SEC. 6. TRANSITION PLAN FOR THE SMALL BUSINESS RUNWAY EXTENSION ACT OF 2018.

*(a) PLAN REQUIRED.—Not later than 90 days after the date of the enactment of this Act, the Administrator of the Small Business Administration shall implement a transition plan to assist business concerns and Federal agencies with compliance with the requirements of the Small Business Runway Extension Act of 2018 (Public Law 115-324).*

*(b) 3-YEAR CALCULATION FOR SIZE STANDARDS.—*

*(1) IN GENERAL.—The transition plan described under subsection (a) shall include a requirement that, during the period beginning on December 17, 2018, and ending on the date that is 6 months after the date on which the Administrator issues final rules implementing the Small Business Runway Extension Act of 2018 (Public Law 115-324), allows the use of a 3-year calculation for a size standard to be applied to a business concern if the use of such 3-year calculation allows such concern to be considered a small business concern under section 3(a)(1) of the Small Business Act (15 U.S.C. 632(a)(1)).*

*(2) 3-YEAR CALCULATION DEFINED.—In this subsection, the term "3-year calculation" means—*

*(A) with respect to a business concern providing services described under clause (ii)(II) of such section, a determination of the size of such concern on the basis of the annual average gross receipts of such concern over a period of 3 years; and*

*(B) with respect to a business concern described under clause (ii)(III) of such section, a determination of the size of such concern on the basis of data over a period of 3 years.*

#### SEC. 7. REQUIREMENT TO UPDATE SAM.

*Not later than 90 days after the date of the enactment of this Act, the System for Award*

*Management (or any successor system) shall be updated to comply with the requirements of this Act.*

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

The Chair recognizes the gentleman from New York.

#### GENERAL LEAVE

Mr. DELGADO. 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 measure under consideration.

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

There was no objection.

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

Mr. Speaker, I rise in support of H.R. 2345, the Clarifying the Small Business Runway Extension Act of 2019.

The Federal Government recognizes two categories of businesses: small and other-than small. Since there is no Federal definition for “other-than small,” this category can encompass firms that barely exceed the SBA’s small business size standards, up to the multibillion-dollar household names.

To ease the transition from “small” to “other-than small” to give growing businesses a real chance at competing against some of the biggest companies in the world, we enacted the Small Business Runway Extension Act last year.

By increasing the average-receipts-based calculation for SBA size standards, transitioning firms will have more time to grow and develop their competitiveness and infrastructure.

However, since the Runway Extension Act became law, its interpretation and implementation have been thwarted by the agency responsible for its implementation. This conflict between law and regulation has created much confusion in the Federal contracting community.

The bill before us today clearly and unequivocally states Congress’ intention regarding the Runway Extension Act of 2018. It sets forth a specific date by which SBA must complete their rulemaking process while also creating a transition plan for small firms caught up in this tug of war.

Mr. Speaker, I commend Representatives STAUBER and GOLDEN for collaborating to find a resolution to this issue, and I urge my colleagues to support the bill.

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

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

Mr. Speaker, I rise in support of H.R. 2345, the Clarifying the Small Business Runway Extension Act.

This important bipartisan legislation holds the SBA accountable for implementing the will of Congress.

In the previous Congress, this committee undertook a deep-dive examina-

tion of the effects of entering the middle market on small contractors, and the Runway Extension Act of 2018 was the direct result of these actions.

It was clear, under no uncertain terms, that the intent of the bill was to apply to the SBA’s own calculation of its receipts-based size standards to small firms. However, the SBA took an opposing view, which resulted in a conflict between law and regulation.

□ 1715

H.R. 2345 is critical in that it mitigates this confusion and restates the original intent of the Small Business Runway Extension Act of 2018 to make clear that the law does, in fact, apply to the Small Business Administration.

Additionally, H.R. 2345 responds to concerns raised by small businesses and stakeholders after the bill’s passage, such as its effect on declining-revenue businesses and the need to provide the executive branch and small businesses time to adjust to the new rule. The transition plan offered by this bill will make significant strides in easing the path for small businesses and Federal agencies alike.

I thank the gentleman from Minnesota (Mr. STAUBER) and the gentleman from Maine (Mr. GOLDEN) for their leadership.

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

Mr. DELGADO. Mr. Speaker, I yield 5 minutes to the gentleman from Maine (Mr. GOLDEN).

Mr. GOLDEN. Mr. Speaker, I appreciate the opportunity to speak about the Clarifying the Small Business Runway Extension Act, a bill that I am proud to lead alongside the gentleman from Minnesota (Mr. STAUBER).

Mr. Speaker, Americans expect our government to work efficiently and to follow through. They believe, and I agree with them, that when Congress passes a law, Federal agencies should implement it.

Our goal with this bill is quite simple: to make sure that the Small Business Administration respects the will of Congress as expressed in the Small Business Runway Extension Act of 2018, a law that was enacted in December 2018.

The bipartisan law was designed to ease the transition for businesses between SBA’s small and other-than-small categories for the purposes of determining Federal contracting preferences.

Prior to the law, SBA evaluated eligibility by looking at 3 years of a business’ gross receipts. In the law, SBA was instructed to extend that period to 5 years. The idea is that year-to-year changes in a small business’ receipts will now be less likely to create a sudden loss of eligibility for this important contracting preference for small businesses.

As I have heard many times from small business owners in Maine, certainty is key to growth, and that is

what the 5-year calculation is designed to provide.

Unfortunately, SBA has dragged its feet implementing the law, claiming that the fact that the law lacked an explicit effective date meant that SBA did not have to implement it immediately. Aside from being a questionable reading of the law, SBA’s delay has created a lost opportunity to improve the ability of SBA-eligible small businesses to transition and grow in a predictable and sustainable way.

As chair and ranking member of the Subcommittee on Contracting and Infrastructure of the House Committee on Small Business, Congressman STAUBER and I heard firsthand from experts and small business owners at a March hearing about the uncertainty that has been created by this delay in SBA’s implementation of the 5-year change.

While we followed up on that hearing with a letter to SBA in April, we have yet to resolve this issue, so we are turning to a legislative solution. Our Nation’s small businesses should be able to access the contracting opportunities that they deserve.

The bill will require SBA to issue implementing regulations no later than December of this year while creating a transition period for businesses to grow and compete.

Mr. Speaker, I recognize Mr. STAUBER, as well as Chair VELÁZQUEZ and Ranking Member CHABOT, for their bipartisan work on this issue.

I particularly thank Congressman STAUBER. I think the opportunity to work together in our subcommittee has been a great one. I appreciate his bipartisan focus and his desire to push through a real solution for small businesses. I had a great time, as well, out in Minnesota, having field hearings about small business issues. I can’t wait to have him up in Maine in the near future.

Mr. Speaker, I encourage my colleagues to support this bill. Let’s make sure there is no doubt about Congress’ intent in this area.

Mr. CHABOT. Mr. Speaker, I yield such time as he may consume to the gentleman from Minnesota (Mr. STAUBER), the ranking member of the Subcommittee on Contracting and Infrastructure.

Mr. STAUBER. Mr. Speaker, I thank Ranking Member CHABOT for yielding.

Mr. Speaker, my bill, H.R. 2345, the Clarifying the Small Business Runway Extension Act, is a bill that does exactly what it says: makes clear the intent of the Small Business Runway Extension Act of 2018. The Small Business Runway Extension Act of 2018 was simple, straightforward, and unambiguous. It simply extended the Small Business Administration’s receipts-based size calculation from a 3-year average to 5 years. Recognizing the significance of this bill for small businesses, the Small Business Runway Extension Act of 2018 easily passed through both the House and Senate and became law on December 17, 2018.

Within 4 days of the law's passage, the SBA stalled its implementation, issuing an information notice that effectively contradicted the Small Business Runway Extension Act of 2018 by maintaining the 3-year calculation until the agency could go through the rulemaking process. Coincidentally, or perhaps because of the pressure exerted by Congress and the public, the SBA issued its proposed rule for the Small Business Runway Extension Act of 2018 mere days before Chairman GOLDEN and I held a hearing in the Subcommittee on Contracting and Infrastructure to hold the SBA accountable for its delay. Unfortunately, the proposed rule still maintains the current 3-year standard in SBA regulations.

During this hearing, we highlighted how this conflict in law versus SBA regulation imposes significant, real-world challenges for small businesses that may be teetering on the edge between small and other-than-small business status. The need for clarity was a constant and recurring theme, and this bill provides that clarity.

First, H.R. 2345 makes clear that the Small Business Runway Extension Act of 2018 does, in fact, apply to the SBA and, therefore, should have become effective on the date it was signed into law. Thus, businesses relying on the 5-year average to remain in their small business status were correct in their assessment and may continue to hold this status.

Second, the bill requires the Small Business Administration to develop a transition plan for small businesses and Federal agencies as they shift to the 5-year rule. The transition plan shall include a buffer period in which firms that benefit from the old 3-year calculation may continue to rely on that formula for a set amount of time as they prepare for the eventual shift to the 5-year average calculation.

In short, H.R. 2345 restates the intent of Congress as written in the Small Business Runway Extension Act of 2018 and adopts solutions that will create a smooth transition for all parties involved. This will allow more businesses to retain access to SBA benefits, including loans and contracts, that have allowed our small businesses to grow, thrive, and greatly contribute to our economy.

Mr. Speaker, I thank Chairman GOLDEN for his leadership on this act. It was and is a privilege to work with him on the Small Business Committee.

Mr. Speaker, I urge my colleagues to support H.R. 2345, the Clarifying the Small Business Runway Extension Act.

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

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

Mr. Speaker, I would like to reiterate that H.R. 2345 is important not only to help small contractors once they graduate, but it also holds the SBA accountable to the will of the people through an act of Congress.

Small businesses have told us they need a runway to grow and they need

that runway now. We need to ensure that this is done, that the SBA takes swift action. H.R. 2345 gets us there.

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

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

Mr. Speaker, I thank Representative STAUBER and Representative GOLDEN for working together on this important bill to ensure that congressional intent is not thwarted when it comes to the adequate and prompt implementation of the Small Business Runway Extension Act of 2018. That law was intended to make it easier for small Federal contractors to transition into the open marketplace.

The SBA has interpreted that the Small Business Runway Extension Act of 2018 applies to every other agency adopting its own size standard but not the SBA itself. Many small businesses and legal experts disagreed with the SBA's position, as did our committee.

This bipartisan bill reiterates that the law has been effective since its enactment and requires the SBA to issue a final rule for its implementation before the end of this year.

Mr. Speaker, I urge my colleagues to support the bill, and 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. DELGADO) that the House suspend the rules and pass the bill, H.R. 2345, 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.

## RECESS

The SPEAKER pro tempore. Pursuant to clause 12(a) of rule I, the Chair declares the House in recess until approximately 6:30 p.m. today.

Accordingly (at 5 o'clock and 25 minutes p.m.), the House stood in recess.

□ 1830

## AFTER RECESS

The recess having expired, the House was called to order by the Speaker pro tempore (Ms. TITUS) at 6 o'clock and 30 minutes p.m.

## ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. Proceedings will resume on questions previously postponed. Votes will be taken in the following order:

Motions to suspend the rules and

Pass H.R. 2744;

Agree to H. Res. 432; and

Pass H.R. 2037.

The first electronic vote will be conducted as a 15-minute vote. Pursuant

to clause 9 of rule XX, remaining electronic votes will be conducted as 5-minute votes.

## USAID BRANDING MODERNIZATION ACT

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, the unfinished business is the vote on the motion to suspend the rules and pass the bill (H.R. 2744) to authorize the Administrator of the United States Agency for International Development to prescribe the manner in which programs of the agency are identified overseas, and for other purposes, on which the yeas and nays were ordered.

The Clerk read the title of the bill.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from New York (Mr. ENGEL) that the House suspend the rules and pass the bill.

The vote was taken by electronic device, and there were—yeas 414, nays 1, not voting 17, as follows:

[Roll No. 475]

YEAS—414

Adams	Clay	Flores
Aderholt	Cleaver	Fortenberry
Aguilar	Cline	Foster
Allen	Cloud	Foxx (NC)
Allred	Cohen	Frankel
Amash	Cole	Fudge
Amodei	Collins (GA)	Fulcher
Armstrong	Collins (NY)	Gabbard
Arrington	Comer	Gaetz
Axne	Conaway	Gallagher
Babin	Connolly	Gallego
Bacon	Cook	Garamendi
Baird	Cooper	García (IL)
Balderson	Correa	García (TX)
Banks	Costa	Gianforte
Barr	Courtney	Gibbs
Barragán	Cox (CA)	Gohmert
Bass	Craig	Golden
Beatty	Crawford	Gomez
Bera	Crenshaw	Gonzalez (OH)
Bergman	Crist	Gooden
Beyer	Crow	Gosar
Bilirakis	Cuellar	Gottheimer
Bishop (UT)	Cummings	Graves (GA)
Blumenauer	Cunningham	Graves (LA)
Bonamici	Curtis	Graves (MO)
Bost	Davids (KS)	Green (TN)
Boyle, Brendan F.	Davidson (OH)	Green, Al (TX)
Brindisi	Davis (CA)	Grijalva
Brooks (AL)	Davis, Danny K.	Grothman
Brooks (IN)	Davis, Rodney	Guest
Brown (MD)	Dean	Guthrie
Brownley (CA)	Defazio	Haaland
Buchanan	DeGette	Hagedorn
Buck	DeLauro	Harder (CA)
Bucshon	DelBene	Harris
Budd	Delgado	Hartzler
Burchett	Demings	Hastings
Burgess	DeSaulnier	Hayes
Bustos	DesJarlais	Heck
Butterfield	Deutch	Hern, Kevin
Byrne	Diaz-Balart	Herrera Beutler
Calvert	Dingell	Hice (GA)
Carbajal	Doggett	Higgins (NY)
Cárdenas	Doyle, Michael F.	Hill (AR)
Carson (IN)	Duffy	Hill (CA)
Carter (GA)	Duncan	Himes
Carter (TX)	Dunn	Holding
Cartwright	Emmer	Hollingsworth
Case	Engel	Horn, Kendra S.
Casten (IL)	Escobar	Horsford
Castor (FL)	Eshoo	Houlihan
Castro (TX)	Espaillat	Hoyer
Chabot	Estes	Hudson
Cheney	Evans	Huffman
Chu, Judy	Ferguson	Huizenga
Cicilline	Finkenauer	Hunter
Cisneros	Fitzpatrick	Hurd (TX)
Clark (MA)	Fleischmann	Jackson Lee
Clarke (NY)	Fletcher	Jayapal
		Johnson (GA)