

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Illinois (Mr. SCHNEIDER) that the House suspend the rules and pass the bill, H.R. 3661, 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.

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**SERVICE-DISABLED VETERANS SMALL BUSINESS CONTINUATION ACT**

Mr. SCHNEIDER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 499) to amend the Small Business Act to clarify the treatment of certain surviving spouses under the definition of small business concern owned and controlled by service-disabled veterans.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 499

*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 “Service-Disabled Veterans Small Business Continuation Act”.

**SEC. 2. TECHNICAL AMENDMENT REGARDING TREATMENT OF CERTAIN SURVIVING SPOUSES UNDER THE DEFINITION OF SMALL BUSINESS CONCERN OWNED AND CONTROLLED BY SERVICE-DISABLED VETERANS.**

Effective on the date specified in subsection (e) of section 1832 of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114-328; 130 Stat. 2660), section 3(q)(2) of the Small Business Act (15 U.S.C. 632(q)) is amended—

(1) in subparagraph (C)(i)(II), by striking “rated as 100 percent” and all that follows through “service-connected disability”; and

(2) by amending subparagraph (C)(ii)(III) to read as follows:

“(III) the date that—

“(aa) in the case of a surviving spouse of a veteran with a service-connected disability rated as 100 percent disabling or who dies as a result of a service-connected disability, is 10 years after the date of the death of the veteran; or

“(bb) in the case of a surviving spouse of a veteran with a service-connected disability rated as less than 100 percent disabling who does not die as a result of a service-connected disability, is 3 years after the date of the death of the veteran.”.

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

The Chair recognizes the gentleman from Illinois.

**GENERAL LEAVE**

Mr. SCHNEIDER. 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 Illinois?

There was no objection.

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

Mr. Speaker, I rise today in support of H.R. 499, the Service-Disabled Veterans Small Business Continuation Act, which protects small businesses owned by disabled veterans by providing a transitional period to keep service-disabled veteran-owned small business status in the event of the business owner’s death. This bill codifies our intention to bridge the differences between the SBA and VA by establishing uniformity.

We know that running a small business often involves many members of a family. By extending surviving spousal rights to the SDVOSB definition, we are honoring the sacrifice a deceased veteran previously made for our country. We are also providing stability for the business and its employees to ensure that they can remain competitive, rather than being effectively penalized by the death of the service-disabled veteran business owner.

I thank Ranking Member CHABOT and Mr. DELGADO for working together to ensure that when a disabled veteran business owner passes, the law does not impose insult to injury by penalizing the surviving spouse.

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

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

Mr. Speaker, I rise in support of H.R. 499, the Service-Disabled Veteran Small Business Continuation Act.

First, I would like to thank Chairman TAKANO and Ranking Member ROE of the House Veterans’ Affairs Committee for their leadership and collaboration on this issue. I would also like to thank the gentleman from New York, a member of our Small Business Committee, Mr. DELGADO, for his willingness to work with me and be a leader on this legislation.

I, like all Members of this body, hear from many constituents on a wide range of issues. One issue that is particularly important to me and the folks in my district is to ensure that veterans and their families are treated fairly by the government that they have served so bravely.

Many of our men and women in uniform come home after serving and decide to use their considerable talents to become small business owners. Unfortunately, the laws and regulations around starting a business can be difficult to navigate—almost prohibitive—when they shouldn’t be. Further exacerbating the problem is when one part of the law says one thing, yet another part of the law says something entirely different.

How can we expect our veterans to come home and become successful entrepreneurs when our laws are often

unclear? That is why this bill, H.R. 499, is so important. While Congress has already codified in title 38 a common-sense policy allowing the surviving spouse of the service-disabled veteran small business owner to retain the company’s SDVOSB status for a certain length of time, the Small Business Act has no such policy and this lack of parity creates legal uncertainty in the application of the law and confusion for veterans and their families.

H.R. 499 provides clarity in the law by ensuring continuity across the government in the way we treat our veteran entrepreneurs and their families. The bill amends the Small Business Act to align with title 38, guaranteeing that the surviving spouses of service-disabled veteran small business owners can keep the valuable SDVOSB small business designation for their companies for a certain period of time, even after the veteran owner passes away.

Correcting this misalignment in the law is the least we can do to provide our Nation’s heroes and their families with some measure of comfort and peace of mind, especially when dealing with this type of family tragedy.

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

Mr. SCHNEIDER. Mr. Speaker, I yield such time as he may consume to the gentleman from New York (Mr. DELGADO).

Mr. DELGADO. Mr. Speaker, I thank my friend and colleague Representative SCHNEIDER from Illinois for yielding.

Mr. Speaker, I rise today in support of the first bill I introduced as a Member of Congress, the bipartisan Service-Disabled Veterans Small Business Continuation Act.

This legislation which I introduced with Members from both sides of the aisle, Ranking Member CHABOT, Congressman JACK BERGMAN, and Representative CORREA, responds to the critical need to ensure that spouses of service-disabled veterans can start or continue operating a small business after the veteran’s passing.

The spouses, families, and loved ones of our servicemembers carry enormous burdens. Not only do they make sacrifices to support their loved ones in the military, they are integral to the transition back to civilian life.

The Service-Disabled Veterans Small Business Continuation Act seeks to address one of the many burdens carried by the spouses of our military veterans. Rightfully so, both the Small Business Administration, and the VA give contracting preferences to small businesses owned by service-disabled veterans. However, currently, when the veteran dies, only a small handful of spouses can retain that contracting preference. That is because this contracting preference is only given to the spouses of veterans with a 100 percent disability.

Spouses of service-disabled veterans should be able to retain this preference

regardless of the veteran's disability rating. This bill makes an important correction ensuring that all spouses of service-disabled veterans retain Federal contracting preference as a service-disabled veteran-owned small business no matter the severity of that veteran's injury.

This will give surviving spouses the opportunity to remain competitive in the Federal contracting market and help ensure that businesses are not upended after the death of their veteran spouse.

I want to thank my colleagues on both sides of the aisle for their cooperation on this issue and commitment to the families and spouses of our veterans. Caring for our Nation's heroes should never be a partisan issue. I urge the House to support this legislation.

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

Mr. Speaker, this commonsense bill fixes an oversight by Congress to align the way the Federal Government treats the surviving spouse of a service-disabled veteran-owned small business. The bill simply aligns title 15, the Small Business Act, with title 38, ensuring continuity across the government for this important policy.

This bill will provide our Nation's heroes and their families with peace of mind. I urge this bill's adoption, and I yield back the balance of my time.

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

Mr. Speaker, both the Department of Veterans Affairs and the Small Business Administration value the sacrifices of America's veterans and, in particular, we note today, service-disabled veterans who remain committed to their country by starting small firms.

In that vein, the VA and the SBA have contracting preferences for service-disabled veteran-owned small businesses. Despite the success of these programs, neither adequately address what happens when the service-disabled veteran owner dies. The death of a loved one by itself, an already devastating event, is compounded by needing to attend to the duties of running his or her small business and it is often debilitating.

The sudden death of a veteran whose small business relies upon a contracting preference takes a toll on the spouse of the deceased veteran, the business operations, and the business employees.

H.R. 499 establishes much-needed certainty by rectifying inherently critical oversight. Setting forth the rules by which a surviving spouse can retain the service-disabled veteran-owned small business status honors the dedication of the veteran, the surviving spouse, and their business.

The government has a responsibility to ensure those who give so much to their country have the opportunity for their small business passions to survive and prosper, even upon death.

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 Illinois (Mr. SCHNEIDER) that the House suspend the rules and pass the bill, H.R. 499.

The question was taken.

The SPEAKER pro tempore. In the opinion of the Chair, two-thirds being in the affirmative, the ayes have it.

Mr. SCHNEIDER. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The SPEAKER pro tempore. Pursuant to clause 8 of rule XX, further proceedings on this motion will be postponed.

#### SUCCESSFUL ENTREPRENEURSHIP FOR RESERVISTS AND VETERANS ACT

Mr. SCHNEIDER. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 3734) to require the Comptroller General of the United States to report on access to credit for small business concerns owned and controlled by covered individuals, to require the Administrator of the Small Business Administration to report on the veterans interagency task force, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 3734

*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 "Successful Entrepreneurship for Reservists and Veterans Act" or the "SERV Act".

#### SEC. 2. REPORTING REQUIREMENT FOR VETERANS INTERAGENCY TASK FORCE.

Section 32(c) of the Small Business Act (15 U.S.C. 657b(c)) is amended by adding at the end the following:

"(4) REPORT.—Along with the budget justification documents for the Small Business Administration submitted to Congress in connection with the budget for a fiscal year submitted under 1105 of title 31, United States Code, the Administrator shall submit a report—

"(A) discussing the appointments made to and activities of the task force; and

"(B) identifying and outlining a plan for outreach and promotion of the programs and services for veterans, including Veteran Business Outreach Centers, Boots to Business, Boots to Business Reboot, Service-Disabled Entrepreneurship Development Training Program, Veteran Institute for Procurement, Women Veteran Entrepreneurship Training Program, and Veteran Women Igniting the Spirit of Entrepreneurship.".

#### SEC. 3. GAO REPORT ON ACCESS TO CREDIT.

(a) REPORT ON ACCESS TO CREDIT.—

(1) IN GENERAL.—Not later than 1 year after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report on the ability of small business concerns owned and controlled by covered individuals to access credit to—

(A) the Committee on Veterans' Affairs and the Committee on Small Business and Entrepreneurship of the Senate; and

(B) the Committee on Veterans' Affairs and the Committee on Small Business of the House of Representatives.

(2) CONTENTS.—The report submitted under paragraph (1) shall include, to the extent practicable, an analysis of—

(A) the sources of credit used by small business concerns owned and controlled by covered individuals and the average percentage of the credit obtained from each source by such concerns;

(B) the default rate for small business concerns owned and controlled by covered individuals, disaggregated by each source of credit described in subparagraph (A), as compared to the default rate for the source of credit for small business concerns generally;

(C) the Federal lending programs available to provide credit to small business concerns owned and controlled by covered individuals;

(D) gaps, if any, in the availability of credit for small business concerns owned and controlled by covered individuals that are not being filled by the Federal Government or private sources;

(E) obstacles faced by covered individuals in trying to access credit;

(F) the extent to which deployment and other military responsibilities affect the credit history of veterans and Reservists; and

(G) the extent to which covered individuals are aware of Federal programs targeted towards helping covered individuals access credit.

(b) DEFINITIONS.—In this Act:

(1) COVERED INDIVIDUAL.—The term "covered individual" means—

(A) a veteran;

(B) a service-disabled veteran;

(C) a Reservist;

(D) the spouse of an individual described in subparagraph (A), (B), or (C); or

(E) the spouse of a member of the Armed Forces.

(2) RESERVIST.—The term "Reservist" means a member of a reserve component of the Armed Forces, as described in section 10101 of title 10, United States Code.

(3) SMALL BUSINESS ACT DEFINITIONS.—The terms "service-disabled veteran", "small business concern", and "veteran" have the meanings given those terms, respectively, under section 3 of the Small Business Act (15 U.S.C. 632).

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

The Chair recognizes the gentleman from Illinois.

#### GENERAL LEAVE

Mr. SCHNEIDER. Mr. Speaker, I ask unanimous consent that all Members 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 Illinois?

There was no objection.

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

Mr. Speaker, I rise today in support of H.R. 3734, the Successful Entrepreneurship for Reservists, or SERV Act.

The SBA offers several programs to help aspiring and existing veteran entrepreneurs launch and grow their small businesses. But as valuable as they are, more must be done to promote these programs to guarantee that our veterans are aware of them and utilizing them.