

support it, and I yield back the balance of my time.

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

Mr. Speaker, small businesses are truly the bedrock of the American economy. Unsurprisingly, foreign markets are essential to their growth. While more and more of our local businesses are making inroads abroad, they are not without challenges.

International trade has always been a complex undertaking, dependent on global macroeconomic trends as well as country-specific trade policies and resources.

Regardless, it is critical entrepreneurs can compete in this marketplace. Doing so gives them access to more customers, which in turn fuels growth and generates jobs here at home.

H.R. 6133, the STEP Improvement Act of 2020, will go a long way to ensuring the recovery and success of our Nation's small businesses. By reauthorizing and modernizing STEP, this legislation guarantees that States and their entrepreneurs will face fewer obstacles to participation and greater opportunities to expand their businesses through exporting.

This bill is needed now more than ever as the world seeks to recover from the COVID-19 pandemic and subsequent economic fallout.

Once again, I applaud my esteemed colleagues, Representative FINKENAUER and Representative SPANO, for their hard work on this legislation.

I commend the ranking member and his staff for their commitment to advancing this legislation in a bipartisan manner through our committee.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from New York (Ms. VELÁZQUEZ) that the House suspend the rules and pass the bill, H.R. 6133.

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.

MICROLOAN IMPROVEMENT ACT OF 2020

Ms. VELÁZQUEZ. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6079) to amend the Small Business Act to optimize the operations of the microloan program, lower costs for small business concerns and intermediary participants in the program, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 6079

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the “Microloan Improvement Act of 2020”.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Interest rate for certain intermediaries.

Sec. 3. Lines of credit authorized.

Sec. 4. Extended repayment terms.

Sec. 5. Loan limits adjusted.

Sec. 6. Program funding for microloans.

Sec. 7. Technical assistance grant flexibility.

Sec. 8. Credit reporting information.

Sec. 9. Report regarding equitable distribution.

SEC. 2. INTEREST RATE FOR CERTAIN INTERMEDIARIES.

Section 7(m)(3)(F)(iii) of the Small Business Act (15 U.S.C. 636(m)(3)(F)(iii)) is amended by striking “\$7,500” and inserting “\$10,000”.

SEC. 3. LINES OF CREDIT AUTHORIZED.

Section 7(m)(6)(A) of the Small Business Act (15 U.S.C. 636(m)(6)(A)) is amended by inserting “(including lines of credit)” after “fixed rate loans”.

SEC. 4. EXTENDED REPAYMENT TERMS.

Section 7(m)(6) of the Small Business Act (15 U.S.C. 636(m)(6)) is amended by adding at the end the following:

“(F) REPAYMENT TERMS.—

“(i) LIMITATION ON REPAYMENTS TERM.—The repayment term for a loan made under this paragraph shall not be more than—

“(I) in the case of a loan made by an intermediary of \$10,000 or less, 7 years; and

“(II) in the case of a loan made by an intermediary of greater than \$10,000, 10 years.

“(ii) NO ADDITIONAL LIMITATIONS.—The Administrator may not impose any additional limitation on the term for repayment of a loan made by an intermediary under this paragraph.”.

SEC. 5. LOAN LIMITS ADJUSTED.

Section 7(m)(3)(C) of the Small Business Act (15 U.S.C. 636(m)(3)(C)) is amended by striking “and \$6,000,000” and inserting “and \$7,000,000 (in the aggregate)”.

SEC. 6. PROGRAM FUNDING FOR MICROLOANS.

(a) IN GENERAL.—Section 7(m) of the Small Business Act (15 U.S.C. 636(m)) is amended—

(1) in paragraph (7)(B)—

(A) by amending clause (i) to read as follows:

“(i) ALLOCATION.—Subject to the availability of appropriations and for the first 2 quarters of a fiscal year, of the total amount of new loan funds made available for award under this subsection in such fiscal year, the Administrator shall—

“(I) reserve 15 percent of such funds for award to designated underutilized States; and

“(II) make the remaining 85 percent of such funds available for award in any State.”; and

(B) in clause (ii), by striking “to carry out” and all that follows through the period at the end and inserting the following: “under clause (i)(I) remains unexpended, the Administrator may make that portion available for award in any State or designated underutilized State.”; and

(2) in paragraph (11)—

(A) in subparagraph (C)(ii), by striking the period at the end and inserting “; and”; and

(B) by adding at the end the following new subparagraph:

“(D) the term ‘State’ means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, the Northern Mariana Islands, and American Samoa.”.

(b) RULEMAKING.—Not later than 180 days after the date of the enactment of this Act, the Administrator of the Small Business Administration shall issue regulations to define

the term “designated underutilized State”, as used in section 7(m)(7)(B) of the Small Business Act (15 U.S.C. 636(m)(7)(B)), as added by this section.

SEC. 7. TECHNICAL ASSISTANCE GRANT FLEXIBILITY.

Section 7(m)(4) of the Small Business Act (15 U.S.C. 636(m)(4)) is amended—

(1) in subparagraph (A), by striking “subparagraph (C)” each place that term appears and inserting “subparagraphs (C) and (G)”; and

(2) in subparagraph (C)(i)—

(A) by striking “subparagraph (A)” and inserting “subparagraphs (A) and (G)”; and

(B) by striking the dollar figure and inserting “\$10,000”;

(3) in subparagraph (D), by striking “subparagraph (A), or (C)” and inserting “subparagraph (A), (C), or (G)”; and

(4) by adding at the end the following:

“(G) GRANT AMOUNTS BASED ON APPROPRIATIONS.—In any fiscal year in which the amount appropriated to make grants under subparagraph (A) is sufficient to provide to each intermediary that receives a loan under paragraph (1)(B)(i) a grant of not less than 25 percent of the total outstanding balance of loans made to the intermediary under this subsection, the Administrator shall make a grant under subparagraph (A) to each intermediary of not less than 25 percent and not more than 30 percent of that total outstanding balance.”.

SEC. 8. CREDIT REPORTING INFORMATION.

The Administrator of the Small Business Administration shall issue rules establishing a process under which an intermediary that makes a loan to a borrower under section 7(m) of the Small Business Act (15 U.S.C. 636(m)) shall be required to provide the major credit reporting agencies with information about the borrower relevant to credit reporting, such as the borrower's payment activity on the loan.

SEC. 9. REPORT REGARDING EQUITABLE DISTRIBUTION.

Section 7(m)(8) of the Small Business Act (15 U.S.C. 636(m)(8)) is amended—

(1) by striking “In approving” and inserting the following:

“(A) IN GENERAL.—In approving”; and

(2) by adding at the end the following:

“(B) ANNUAL REPORT.—The Administrator shall include in the report submitted under paragraph (10), and make publicly available on the website of the Administration, information on how the Administration has met the requirements of subparagraph (A).”.

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

The Chair recognizes the gentlewoman from New York.

GENERAL LEAVE

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

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

There was no objection.

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

Mr. Speaker, I rise in support of the bill before us today, H.R. 6079, the Microloan Improvement Act of 2020, a bill that makes important improvements to the SBA's microloan program.

Many entrepreneurs lack the experience as business owners, which is needed to demonstrate their creditworthiness to conventional lenders. We have heard time and again the heart-wrenching stories from entrepreneurs about the challenges they face, not just securing capital, but also operating their businesses.

While the SBA has numerous programs designed to meet each of these challenges, the microloan program is unique in that it provides entrepreneurs with both the affordable capital needed to start up and the technical assistance needed to boost their ability to succeed and repay.

This program is a key resource for startup, newly established, and growing small businesses. It has provided millions of dollars in financing and technical assistance to small businesses and entrepreneurs since its inception.

By providing loans to nonprofit intermediaries, which in turn lend funds to the smallest of small businesses, the program helps borrowers streamline their operations, grow to profitability, and create new jobs.

The microloan program was a critical piece of the puzzle to grow the Nation's entrepreneurs before the pandemic. It is now more important than ever to strengthen and modernize the program as we face a sustained economic recession in the middle of a global pandemic.

Earlier this Congress, the Subcommittee on Economic Growth, Tax and Capital Access, under the leadership of Mr. ANDY KIM, held a hearing on the microloan program where we heard from a panel of intermediaries who reported that some of the program's rules, largely unchanged since 1991, are outdated and restricting them from meeting today's demand for startup financing and providing more technical assistance.

In response, Mr. KIM worked hard with Mr. BURCHETT to craft the Microloan Improvement Act of 2020, a series of reasonable proposals designed to update the program's rules and ultimately help microloan intermediaries extend more affordable capital to first-time entrepreneurs.

Just a few of the central changes in the bill include eliminating an outdated and onerous rule that has restricted the ability of high-volume intermediaries to meet demand in their respective States, lowering interest rates for eligible intermediaries, and extending repayment terms in a tiered manner to provide greater flexibility to businesses.

These changes are long overdue, and I am pleased that we are taking a vote on them today.

Finally, I want to thank Mr. KIM and Mr. BURCHETT for their hard work and applaud their efforts to make bipartisan improvements to this valuable program.

I recommend a "yes" to all my colleagues in the House, and I reserve the balance of my time.

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

Mr. Speaker, in order to assist small-dollar borrowers, the SBA offers the microloan program, where small businesses can receive loans of up to \$50,000 or less from nonprofit intermediaries.

Beyond the financing support, the microloan program also requires these nonprofit intermediaries to deliver technical assistance and counseling to small business borrowers.

This two-pronged approach has proven again and again to provide lower-dollar borrowers a leg up in starting or sustaining their small businesses. The program registered record highs in fiscal year 2019, with over 5,500 loans approved for over \$80 million.

I want to thank the gentleman from New Jersey (Mr. KIM) and the gentleman from Tennessee (Mr. BURCHETT) for working in a bipartisan manner to introduce H.R. 6079, the Microloan Improvement Act of 2020.

This bill builds on the strengths of the program by introducing flexibility and more features for small-dollar borrowers to utilize as they move through the microloan lending process.

H.R. 6079 gives microloan intermediaries the ability to offer lines of credit within the microloan program and increases the outstanding limit each microloan intermediary may carry from \$6 million to \$7 million.

Additionally, H.R. 6079 replaces the outdated and burdensome one-fifty-fifth rule that prevents microloan intermediaries from accessing the program in the first two fiscal quarters of each year with a reserve fund that ensures both large and small States have the ability to utilize the program.

Finally, H.R. 6079 introduces a flexible grant process that has the potential to reward extra assistance to each microloan intermediary if overflow exists.

I fully support this commonsense legislation, and I urge my colleagues to vote "yes."

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

Ms. VELÁZQUEZ. Mr. Speaker, I have no further speakers, and I reserve the balance of my time.

Mr. CHABOT. Mr. Speaker, I have no speakers, and I yield myself the balance of my time for the purpose of closing.

Mr. Speaker, I urge my colleagues to support this bipartisan legislation. Microloans offered by the SBA serve our Nation's smallest of small businesses.

The increased flexibility this legislation permits will allow lenders and borrowers to fully utilize the benefits of this program to the maximum extent possible.

It is a good bill, and I would urge my colleagues to support it.

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

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Ms. VELÁZQUEZ. Mr. Speaker, in its nearly 30 years, the SBA microloan

program has enjoyed a track record of success in delivering affordable startup capital, particularly for women and minority-owned entrepreneurs. The SBA microloan program has helped to launch many successful businesses.

As the chair of the Small Business Committee, I have had the privilege to hear about countless success stories, and I have fought tirelessly over the years to ensure all American entrepreneurs have access to the SBA resources they need to launch and grow their businesses.

In my time on this committee, I have been proud to watch the microloan program grow from a small pilot program to a robust lending program with strong stakeholder and congressional support. In many ways, the growth and success of the program mirror that of the many small businesses that got their start with an SBA microloan.

Despite this success, and like any other Federal program, it must be periodically reviewed and modernized. This bill does just that and ensures the microloan program will remain flexible for intermediaries and borrowers, helping to ease access to the program for even more aspiring entrepreneurs.

I want to applaud the work by the gentleman from New Jersey and the gentleman from Tennessee for their bipartisan work on the microloan program.

Mr. Speaker, I encourage all my colleagues to vote "yes," and I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentlewoman from New York (Ms. VELÁZQUEZ) that the House suspend the rules and pass the bill, H.R. 6079.

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.

NORTHERN MARIANA ISLANDS SMALL BUSINESS DEVELOPMENT ACT

Ms. VELÁZQUEZ. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6021) to amend the Small Business Act to ensure that the Commonwealth of the Northern Mariana Islands is eligible for certain Small Business Administration programs, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 6021

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 "Northern Mariana Islands Small Business Development Act".

SEC. 2. ELIGIBILITY OF THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS FOR CERTAIN SMALL BUSINESS AD- MINISTRATION PROGRAMS.

The Small Business Act is amended—
(1) in section 21(a) (15 U.S.C. 648(a))—