

The SPEAKER pro tempore. The question is on ordering the previous question.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

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

The SPEAKER pro tempore. Pursuant to section 3 of House Resolution 965, the yeas and nays are ordered.

Pursuant to clause 8 of rule XX, further proceedings on this question are postponed.

#### COMMUNICATION FROM THE CLERK OF THE HOUSE

The SPEAKER pro tempore laid before the House the following communication from the Clerk of the House of Representatives:

OFFICE OF THE CLERK,  
HOUSE OF REPRESENTATIVES,  
Washington, DC, December 3, 2020.

Hon. NANCY PELOSI,  
The Speaker, House of Representatives,  
Washington, DC.

DEAR MADAM SPEAKER: Pursuant to the permission granted in Clause 2(h) of Rule II of the Rules of the U.S. House of Representatives, the Clerk received the following message from the Secretary of the Senate on December 3, 2020, at 11:44 a.m.:

That the Senate agrees to the House amendment to the bill S. 910.

That the Senate agrees to the House amendment to the bill S. 1069.

That the Senate passed S. 434.

That the Senate passed S. 496.

That the Senate passed S. 578.

That the Senate passed with an amendment H.R. 1044.

That the Senate passed without amendment H.R. 3349.

That the Senate passed without amendment H.R. 3465.

With best wishes, I am,

Sincerely,

CHERYL L. JOHNSON,  
Clerk.

#### 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 the yeas and nays are ordered.

The House will resume proceedings on postponed questions at a later time.

#### COMMUNITY ADVANTAGE LOAN PROGRAM

Ms. VELÁZQUEZ. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 7903) to amend the Small Business Act to establish the Community Advantage Loan Program, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 7903

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

#### SECTION 1. COMMUNITY ADVANTAGE LOAN PROGRAM.

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

“(37) COMMUNITY ADVANTAGE LOAN PROGRAM.—

“(A) PURPOSES.—The purposes of the Community Advantage Loan Program are—

“(i) to create a mission-oriented loan guarantee program that builds on the demonstrated success of the Community Advantage Pilot Program of the Administration, as established in 2011, to reach more underserved small business concerns;

“(ii) to increase lending to small business concerns in underserved and rural markets, including veterans and members of the military community, small business concerns owned and controlled by socially and economically disadvantaged individuals, women, and startups;

“(iii) to ensure that the program under this subsection (in this paragraph referred to as the ‘7(a) loan program’) is more inclusive and more broadly meets congressional intent to reach borrowers who are unable to get credit elsewhere on reasonable terms and conditions;

“(iv) to help underserved small business concerns become bankable by utilizing the small-dollar financing and business support experience of mission-oriented lenders;

“(v) to allow certain mission-oriented lenders, primarily nonprofit financial intermediaries focused on economic development in underserved markets, to access guarantees for loans under this subsection (in this paragraph referred to as ‘7(a) loans’) of not more than \$250,000 and provide management and technical assistance to small business concerns as needed;

“(vi) to provide certainty for the lending partners that make loans under this subsection and to attract new lenders; and

“(vii) to encourage collaboration between mission-oriented and conventional lenders under this subsection in order to support underserved small business concerns.

“(B) DEFINITIONS.—In this paragraph—

“(i) the term ‘covered institution’ means—

“(I) a development company, as defined in section 103 of the Small Business Investment Act of 1958 (15 U.S.C. 662), participating in the 504 Loan Guaranty program established under title V of such Act (15 U.S.C. 695 et seq.);

“(II) a nonprofit intermediary, as defined in subsection (m)(12), participating in the microloan program under subsection (m);

“(III) a non-Federally regulated entity certified as a community development financial institution by the Community Development Financial Institutions Fund established under section 104(a) of the Riegle Community Development and Regulatory Improvement Act of 1994 (12 U.S.C. 4703(a)); and

“(IV) an eligible intermediary, as defined in subsection (l)(1), as in effect on the day before the date of enactment of this paragraph, that participated in the Intermediary Lending Pilot Program established under subsection (l)(2);

“(ii) the term ‘existing business’ means a small business concern that has been in existence for not less than 2 years on the date on which a loan is made to the small business concern under the program;

“(iii) the term ‘new business’ means a small business concern that has been in existence for not more than 2 years on the date on which a loan is made to the small business concern under the program;

“(iv) the term ‘program’ means the Community Advantage Loan Program established under subparagraph (C);

“(v) the term ‘Reservist’ means a member of a reserve component of the Armed Forces named in section 10101 of title 10, United States Code;

“(vi) the term ‘rural area’ means any county that the Bureau of the Census has defined

as mostly rural or completely rural in the most recent decennial census;

“(vii) the term ‘service-connected’ has the meaning given the term in section 101(16) of title 38, United States Code;

“(viii) the term ‘small business concern in an underserved market’ means a small business concern—

“(I) that is located in—

“(aa) a low- to moderate-income community;

“(bb) a HUBZone;

“(cc) a community that has been designated as an empowerment zone or an enterprise community under section 1391 of the Internal Revenue Code of 1986;

“(dd) a community that has been designated as a promise zone by the Secretary of Housing and Urban Development;

“(ee) a community that has been designated as a qualified opportunity zone under section 1400Z-1 of the Internal Revenue Code of 1986;

“(ff) a rural area; or

“(gg) any area for which a disaster declaration or determination described in subparagraphs (A), (B), (C), or (E) of subsection (b)(2) has been made that has not terminated or expired more than 2 years before the date (or later, as determined by the Administrator) on which a loan is made to such concern under the program;

“(II) for which more than 50 percent of the employees reside in a low- or moderate-income community;

“(III) that is a startup or new business;

“(IV) owned and controlled by socially and economically disadvantaged individuals, including Black Americans, Hispanic Americans, Native Americans, Asian Pacific Americans, and other minorities;

“(V) owned and controlled by women;

“(VI) owned and controlled by veterans;

“(VII) owned and controlled by service-disabled veterans;

“(VIII) not less than 51 percent owned and controlled by one or more—

“(aa) members of the Armed Forces participating in the Transition Assistance Program of the Department of Defense;

“(bb) Reservists;

“(cc) spouses of veterans, members of the Armed Forces, or Reservists; or

“(dd) surviving spouses of veterans who died on active duty or as a result of a service-connected disability; or

“(IX) that is eligible to receive a veterans advantage loan;

“(ix) the term ‘small business concern owned and controlled by socially and economically disadvantaged individuals’ has the meaning given the term in section 8(d)(3)(C);

“(x) the term ‘startup’ means a business that has not yet opened; and

“(xi) the term ‘veterans advantage loan’ means a loan made to a small business concern under this subsection that is eligible for a waiver of the guarantee fee under paragraph (18) or the yearly fee under paragraph (23) because the small business concern is a concern described in subclause (VI), (VII), or (VIII) of clause (viii).

“(C) ESTABLISHMENT.—There is established a Community Advantage Loan Program under which the Administration may guarantee loans made by covered institutions under this subsection, including loans made to small business concerns in underserved markets.

“(D) PROGRAM LEVELS.—In each of fiscal years 2021 through 2025, not more than 10 percent of the number of loans guaranteed under this subsection may be guaranteed under the program.

“(E) NEW LENDERS.—

“(i) FISCAL YEARS 2021 AND 2022.—In each of fiscal years 2021 and 2022—

“(I) not more than 150 covered institutions shall participate in the program; and

“(II) the Administrator shall allow for new applicants and give priority to applications submitted by any covered institution that is located in an area with insufficient lending under the program.

“(ii) FISCAL YEARS 2023, 2024, AND 2025.—

“(I) IN GENERAL.—In each of fiscal years 2023, 2024, and 2025—

“(aa) except as provided in subclause (II), not more than 175 covered institutions shall participate in the program; and

“(bb) the Administrator shall allow for new applicants and give priority to applications submitted by any covered institution that is located in an area with insufficient lending under the program.

“(II) EXCEPTION FOR FISCAL YEAR 2025.—In fiscal year 2025, not more than 200 covered institutions may participate in the program if—

“(aa) after reviewing the report under subparagraph (M)(iii), the Administrator determines that not more than 200 covered institutions may participate in the program;

“(bb) the Administrator notifies Congress in writing of the determination of the Administrator under item (aa); and

“(cc) not later than July 30, 2024, the Administrator notifies the public of the determination of the Administrator under item (aa).

“(F) GRANDFATHERING OF EXISTING LENDERS.—Any covered institution that participated in the Community Advantage Pilot Program of the Administration and is in good standing on the day before the date of enactment of this paragraph—

“(i) shall retain designation in the program; and

“(ii) shall not be required to submit an application to participate in the program.

“(G) REQUIREMENT TO MAKE LOANS TO UNDERSERVED MARKETS.—Not less than 75 percent of loans made by a covered institution under the program shall consist of loans made to small business concerns in underserved markets.

“(H) MAXIMUM LOAN AMOUNT.—

“(i) IN GENERAL.—Except as provided in clause (ii), the maximum loan amount for a loan guaranteed under the program is \$250,000.

“(ii) EXCEPTION.—

“(I) IN GENERAL.—The Administration may, in the discretion of the Administration, approve a guarantee of a loan under the program that is more than \$250,000 and not more than \$350,000.

“(II) NOTIFICATION.—Not later than 2 days after approving the guarantee of a loan under subclause (I), the Administration shall provide notification of the approval to the covered institution making the loan.

“(I) INTEREST RATES.—

“(i) IN GENERAL.—Except as provided in clause (ii), the maximum allowable interest rate prescribed by the Administration on any financing made on a deferred basis pursuant to the program shall not exceed the maximum allowable interest rate in effect on September 1, 2018.

“(ii) MODIFICATION.—The Administration shall not modify the maximum allowable interest rate described in clause (i) unless the Administration provides the public with an opportunity to comment for a period of not less than 180 days before implementing the modified interest rate.

“(J) TRAINING AND TECHNICAL ASSISTANCE.—The Administration—

“(i) shall in person and online, provide up-front and ongoing training and technical assistance for covered institutions making loans under the program in order to support prudent lending standards and improve the

interface between the covered institutions and the Administration;

“(ii) shall ensure that the training and technical assistance described in clause (i) is provided for free or at a low-cost; and

“(iii) may enter into a contract to provide the training or technical assistance described in clause (i) with an organization with expertise in lending under this subsection, mission-oriented lending, and lending to underserved markets.

“(K) DELEGATED AUTHORITY.—A covered institution is not eligible to receive delegated authority from the Administration under the program until the covered institution makes not less than 7 loans under the program.

“(L) REGULATIONS.—

“(i) IN GENERAL.—Not later than 180 days after the date of enactment of this paragraph and in accordance with the notice and comment procedures under section 553 of title 5, United States Code, the Administrator shall promulgate regulations to carry out the program, which shall—

“(I) outline the requirements for participation by covered institutions in the program;

“(II) define performance metrics for covered institutions participating in the program for the first time, which are required to be met in order to continue participating in the program;

“(III) determine the credit score of a small business concern under which the Administration is required to underwrite a loan provided to the small business concern under the program and the loan may not be made using the delegated authority of a covered institution;

“(IV) require each covered institution that sells loans made under the program on the secondary market to establish a loan loss reserve fund, which—

“(aa) with respect to covered institutions in good standing, including the covered institutions described in subparagraph (F), shall be maintained at a level equal to 3 percent of the outstanding guaranteed portion of the loans; and

“(bb) with respect to any other covered institution, shall be maintained at a level equal to 5 percent of the outstanding guaranteed portion of the loans; and

“(V) allow the Administrator to require additional amounts to be deposited into a loan loss reserve fund established by a covered institution under subclause (IV) based on the risk characteristics or performance of the covered institution and the loan portfolio of the covered institution.

“(ii) PILOT PROGRAM.—

“(I) REVERSION.—Beginning on the date of enactment of this paragraph and ending on the day before the date on which the regulations promulgated by the Administrator under clause (i) take effect, the Administrator may only carry out the Community Advantage Pilot Program of the Administration based on applicable program guidelines, requirements, and other policy in effect on September 1, 2018, except that the definition of underserved market shall include—

“(aa) a community and an area described in items (ee) and (ff), respectively, of subparagraph (B)(viii)(I); and

“(bb) small business concerns described in clauses (IV) and (V) of subparagraph (B)(viii).

“(II) TERMINATION.—Beginning on the date on which the regulations promulgated by the Administrator under clause (i) take effect, the Administrator may not carry out the Community Advantage Pilot Program of the Administration.

“(M) REPORTING.—

“(i) WEEKLY REPORTS.—

“(I) IN GENERAL.—The Administration shall report on the website of the Administration,

as part of the weekly reports on lending approvals under this subsection—

“(aa) on and after the date of enactment of this paragraph until the date on which the regulations promulgated under subparagraph (L)(i) take effect, the number and dollar amount of loans guaranteed under the Community Advantage Pilot Program of the Administration; and

“(bb) on and after the date on which the Administration begins to approve loans under the program, the number and dollar amount of loans guaranteed under the program.

“(II) SEPARATE ACCOUNTING.—The number and dollar amount of loans reported in a weekly report under subclause (I) for loans guaranteed under the Community Advantage Pilot Program of the Administration and under the program shall include a breakdown by the categories of race, ethnicity, and gender of the owners of the small business concerns.

“(ii) ANNUAL REPORTS.—

“(I) IN GENERAL.—For each of the first 5 fiscal years in which the program is in effect, the Administration shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives, and make publicly available on the internet, information about loans provided under the program and under the Community Advantage Pilot Program of the Administration.

“(II) CONTENTS.—Each report submitted and made publicly available under subclause (I) shall include—

“(aa) the number and dollar amounts of loans provided to small business concerns under the program and under the Community Advantage Pilot Program of the Administration, including a breakdown by—

“(AA) the gender of the owners of the small business concern;

“(BB) the race and ethnicity of the owners of the small business concern, disaggregated in a manner that captures all the racial groups specified in the American Community Survey conducted by the Bureau of the Census;

“(CC) whether the small business concern is located in an urban or rural area; and

“(DD) whether the small business concern is a startup, an existing business, or a new business, as provided in the weekly reports on lending approvals under this subsection;

“(bb) the proportion of loans described in item (aa) compared to—

“(AA) other 7(a) loans of any amount;

“(BB) other 7(a) loans of similar amounts;

“(CC) express loans provided under paragraph (31) of similar amounts; and

“(DD) other 7(a) loans of similar amounts provided to small business concerns in underserved markets;

“(cc) a comparison of the number and dollar amounts of loans provided to small business concerns under the program, under the Community Advantage Pilot Program of the Administration, and under each category of loans described in item (bb), broken down by—

“(AA) loans of not more than \$50,000;

“(BB) loans of more than \$50,000 and not more than \$150,000;

“(CC) loans of more than \$150,000 and not more than \$250,000; and

“(DD) loans of more than \$250,000 and not more than \$350,000;

“(dd) the number and dollar amounts of loans provided to small business concerns under the program and under the Community Advantage Pilot Program of the Administration by State, and the jobs created or retained within each State;

“(ee) with respect to loans provided to small business concerns under the program

and under the Community Advantage Pilot Program of the Administration—

“(AA) the performance of the loans provided by each type of covered institution;

“(BB) the performance of the loans broken down by loan size;

“(CC) the performance of the loans broken down by whether the credit score of the borrower is above, below, or equal to 140;

“(DD) the predictive purchase rate of the loans;

“(EE) the early default rate of the loans;

“(FF) the 12-month default rate of the loans;

“(GG) the cumulative default rate for the loans for the 5-year period preceding the report;

“(HH) the charge-off rates of the loans;

“(II) the charge-off rates as a percent of the unpaid principal balance as in table 9 of the annual budget submitted by the Administration; and

“(JJ) the purchase rates as a percent of the unpaid principal balance as in table 8 of the annual budget submitted by the Administration;

“(ff) a list of covered institutions participating in the program and the Community Advantage Pilot Program of the Administration, including—

“(AA) the name, location, and contact information, such as the website and telephone number, of each covered institution; and

“(BB) a breakdown by the number and dollar amount of the loans approved for small business concerns; and

“(gg) the benchmarks established by the working group under subparagraph (N)(i).

“(III) TIMING.—An annual report required under this clause shall—

“(aa) be submitted and made publicly available not later than October 15 of each year; and

“(bb) cover the lending activity for the fiscal year that ended on September 30 of that same year.

“(iii) GAO REPORT.—Not later than 3 years after the date of enactment of this paragraph, the Comptroller General of the United States shall submit to the Administrator, the Committee on Small Business and Entrepreneurship of the Senate, and the Committee on Small Business of the House of Representatives a report—

“(I) assessing—

“(aa) the extent to which the program fulfills the requirements of this paragraph; and

“(bb) the performance of covered institutions participating in the program; and

“(II) providing recommendations on the administration of the program and the findings under items (aa) and (bb) of subclause (I).

“(N) WORKING GROUP.—

“(i) IN GENERAL.—Not later than 90 days after the date of enactment of this paragraph, the Administrator shall establish a Community Advantage Working Group, which shall—

“(I) include—

“(aa) a geographically diverse representation of members from among covered institutions participating in the program; and

“(bb) representatives from the Office of Capital Access of the Administration, including the Office of Credit Risk Management, the Office of Financial Assistance, and the Office of Economic Opportunity;

“(II) develop recommendations on how the Administration can effectively manage, support, and promote the program and the mission of the program;

“(III) establish metrics of success and benchmarks that reflect the mission and population served by covered institutions under the program, which the Administration shall use to evaluate the performance of those covered institutions; and

“(IV) institute regular and sustainable systems of communication between the Administration and covered institutions participating in the program.

“(ii) REPORT.—Not later than 180 days after the date of enactment of this paragraph, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report that includes—

“(I) the recommendations of the Community Advantage Working Group established under clause (i); and

“(II) a recommended plan and timeline for implementation of those recommendations.

“(O) TERMINATION.—The authority to carry out the program under this paragraph shall terminate on September 30, 2025.”.

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 include 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, before I begin, I would like to take a moment to recognize my good friend and colleague, Ranking Member CHABOT. Mr. CHABOT has led this committee with me for years. Together, we have worked in a bipartisan manner to pass legislation that will help entrepreneurs across the country launch and grow their small businesses.

STEVE has been an absolute pleasure to work with. Not only is he results-oriented, but he is strongly committed to bipartisanship and finding common ground. While we do not always agree, Ranking Member CHABOT has always respected our views and the need to work together to do the right thing for America's small businesses.

The bills we are bringing to the floor today represent our committee's long tradition of collaboration.

Turning to the legislation now, I rise in support of the bill before us today, H.R. 7903, which would codify the SBA's Community Advantage Loan Program.

Initially launched in 2011 as a pilot program, Community Advantage provides 7(a) loan guarantees to nonprofit lenders to make loans up to \$250,000 to small businesses in underserved markets.

As we all know, businesses in underserved areas have historically struggled to access capital through conventional credit markets. This is particularly true for minority-owned small businesses.

According to the Minority Business Development Agency, the loan denial

rates for minority-owned firms were about three times higher compared to those of nonminority-owned firms with gross receipts under \$500,000.

To that end, the Community Advantage program partners with SBA's certified development companies, SBA microlenders, and community development financial institutions, or CDFIs, all of which have deep relationships in the neighborhoods and can expand access to capital in these areas.

The Community Advantage program reaches significantly more women and minorities than traditional 7(a) loan programs, which will be critical to helping these groups that were hit especially hard by the COVID-19 pandemic.

To fill gaps in lending, it is imperative that we empower the community lenders with the strongest relationships in these areas. We can accomplish this by passing the bill before us today to bring stability and long-needed recognition to a program that has successfully delivered over \$770 million in capital since its inception.

I thank Ms. CHU and Mr. SPANO for working in a bipartisan manner on this important legislation.

Mr. Speaker, I recommend a “yes” vote to all of 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.

I rise in support of H.R. 7903, as amended. This is a bill to improve and authorize the SBA's Community Advantage Loan Program for 5 years.

Mr. Speaker, before I get into the business of the day, I would like to mention that, with the passage of these four bills today, our committee has produced 35 individual bipartisan pieces of legislation that have passed the House just this Congress. We have had similar numbers the previous two Congresses, as well. That is an uncommon occurrence in a time of divided government.

The reason we have been so successful in improving the programs that benefit America's more than 30 million small businesses is the leadership and the bipartisanship of our chairwoman, NYDIA VELÁZQUEZ.

Now, this is my swan song, so to speak, here as the ranking member of the committee, as I am term-limited and, therefore, unable to continue serving in that role. I have had the pleasure of being on the Small Business Committee—I am on the Foreign Affairs Committee and Judiciary Committee, as well—for 12 terms now, representing Ohio's First Congressional District. I have also been fortunate to have been the ranking member two of those terms and the chair of the committee two of those terms, as well. Again, that is why I am term-limited.

In each of those terms that I have spent in a leadership position on the committee, my counterpart was Chairwoman or Ranking Member VELÁZQUEZ. She has remained a valued

friend and a reliable partner to do the things that we needed to do to help the Nation's small businesses. I sincerely thank her for the partnership that we have forged over the years.

We share a common bond of wanting to do everything in our power to help America's small businesses, and we have consistently been able to put partisan politics aside and work together to support that goal. So, again, I thank her for her willingness to work with my staff and me over those years, and I hope and trust that they will be able to continue that relationship with my replacement, and I think that will happen.

Finally, I mentioned staff before. I want to thank the longtime Democratic Small Business Committee staffers Melissa Jung, Justin Pelletier, Naveen Parmar, and Ellen Harrington for their extraordinary commitment to bipartisanship over the years, regardless of who was chair or who was the ranking member. Again, on that committee, we have worked together for many years now.

Now, to the business at hand. When traditional and conventional lending is out of reach for the Nation's smallest businesses, they have the opportunity to turn to a number of the SBA's government guaranteed lending programs.

For approximately 10 years, the SBA has been operating a Community Advantage pilot program that combines access to capital and technical assistance. The legislation before us today makes structural changes and improvements in the program and authorizes it for 5 years.

With oversight and reporting requirements in place, this program will continue to provide access to capital and consistency to the Nation's job creators who truly need assistance.

I thank the gentleman from Florida (Mr. SPANO) and the gentlewoman from California (Ms. JUDY CHU) for working in a bipartisan manner on behalf of the Nation's smallest firms. They have both worked together on this and previous legislation, both of them, in the spirit of bipartisanship on that committee.

Mr. Speaker, I urge all of my colleagues to support H.R. 7903, which was favorably reported out of the committee via voice vote, and I reserve the balance of my time.

Ms. VELÁZQUEZ. Mr. Speaker, I yield such time as she may consume to the gentlewoman from California (Ms. JUDY CHU), the sponsor of the bill and the chair of the Subcommittee on Investigations, Oversight and Regulations.

Ms. JUDY CHU of California. Mr. Speaker, I rise today in strong support of my bill, H.R. 7903, which would authorize the Community Advantage Loan Program for 5 years. To help our struggling economy, we need a bipartisan bill that gets money to those who need it.

This bill, which I am proud to have introduced with my colleague, Con-

gressman ROSS SPANO, does just that by providing statutory authorization to the Community Advantage program, already a proven and successful pilot program.

Thanks to Community Advantage, underserved small businesses, which typically have the hardest time accessing loans, can gain access to affordable financing and technical assistance from mission-based, primarily non-profit lenders through SBA's 7(a) loan guarantee. That means more money in more communities to keep our businesses operating. This is something we need now more than ever.

The Community Advantage program was first established almost 10 years ago as a pilot at the Small Business Administration with the goal of delivering capital to the hard-to-reach businesses that need under \$250,000 in financing to grow. Since 2011, the program has facilitated over \$850 million in loans averaging \$140,000 each. Compare that to the average 7(a) loan of \$530,000, and it is clear Community Advantage is meeting a small business need that is unfilled by the traditional 7(a) program.

It has also made a big impact in my district, where businesses have received nearly \$10 million in Community Advantage loans. That includes businesses like Unincorporated Coffee Roasters in Altadena, California, which received a Community Advantage loan last summer. This business had been in operation for under 2 years, but their Community Advantage loan allowed them to expand into the space next door and open a second company to roast their own coffee beans for the wholesale market.

□ 1515

They have even added jobs and continued to grow during the pandemic. That is what can happen when we make small business loans just a little less difficult to access. And it is an experience shared by businesses across the country.

Last year, I chaired a hearing in the Subcommittee on Investigations, Oversight and Regulations to examine the Community Advantage program. We heard from borrowers and lenders about the ways that Community Advantage has closed the credit gap for underserved businesses.

Because of their focus on economic and community development, the mission-based lenders that facilitate Community Advantage loans can leverage their strong relationships within the community to provide accessibility, guidance, and assistance to the businesses that too often find themselves on the margins without the ability to access capital from traditional banks. As a result, Community Advantage is able to reach far more businesses owned by people of color, women, and veterans than traditional 7(a) loans.

This is a proven model, and we can see further evidence in the response to the COVID-19 pandemic. When the Pay-

check Protection Program, or PPP, first launched at the start of April, traditional lenders prioritized their largest and longstanding clients, making it difficult for underserved businesses to even submit an application for assistance.

To address this problem, Congress established a set-aside lending authority for community financial institutions like certified development companies, microloan intermediaries, and community development financial institutions, many of which are already certified Community Advantage lenders. The result was a success, as these non-traditional lenders were able to reach the underserved businesses and, together, deliver over 141,000 PPP loans totaling more than \$8.5 billion.

Now it is time to build on that success. This legislation before us today includes measures, with bipartisan agreement, to make the program even stronger. It will expand the definition of "underserved businesses" to explicitly include those owned by people of color and those located in declared disaster areas, and it will increase the percentage of loans that lenders must make in underserved markets from 60 to 75 percent of their portfolios. It will also allow SBA to make loans up to \$350,000 on a case-by-case basis.

With these improvements and the long-term certainty afforded by statutory authorization, this bill will make the Community Advantage program an even more powerful tool for closing the credit gap and delivering affordable capital to more small businesses.

With a long and arduous economic recovery before us, this bill will help countless small businesses rebuild, and it will help them to start anew as we recover from the coronavirus pandemic.

Mr. Speaker, I thank Congressman SPANO for his partnership and Chairwoman VELÁZQUEZ and Ranking Member CHABOT for their strong support. I also thank the Community Advantage lenders and borrowers whose success and testimony over the years have powerfully made the case for Congress to pass this legislation to authorize the program.

Mr. Speaker, I urge my colleagues to vote "yes" on H.R. 7903.

Mr. CHABOT. Mr. Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. SPANO).

Mr. Speaker, I thank the gentleman for his service in this body. He has introduced and supported a number of pieces of legislation and has worked very hard in his leadership position as ranking member of the Oversight, Investigations and Regulations Subcommittee. I thank him for his service here.

Mr. SPANO. Mr. Speaker, I thank the gentleman from Ohio (Mr. CHABOT) for those kind comments. I appreciate that very much.

I rise today in support of a bill I am proud to sponsor, H.R. 7903, legislation to improve and authorize the SBA's Community Advantage Loan Program.

Small businesses are the driver of our communities, and now, more than ever, it is imperative for Congress to support them.

In my home State of Florida, there are over 2.5 million small businesses employing over 3.5 million Floridians.

As a former small business owner myself and as someone who will be a small business owner again very, very soon, I understand the sacrifice many small business owners make to keep their doors open and to meet their payrolls. I know the challenges that they face and the grit that it takes for them to persevere and the impact that they have on our communities.

Among these challenges for many small businesses is acquiring the capital that is necessary to finance their operations.

Many of the tools available at the SBA strive to increase access to capital for small businesses that are unable to receive it through conventional and traditional lending markets. One of these tools to support small businesses is the SBA's Community Advantage Loan Program, which was launched as a pilot program to assist small businesses in historically underserved and rural areas. It targets assistance to veteran-owned businesses, women-owned businesses, startups, and underserved minority communities, all key job creators. The combination of financial and technical assistance has made the program a proven game changer for many small businesses.

Mr. Speaker, I thank the gentlewoman from California (Ms. JUDY CHU) for her bipartisan leadership in providing strategic improvements to this program and to move it from a pilot program to an authorized program for the next 5 years.

The improvements included in H.R. 7903 will ensure the program serves businesses truly in need of SBA services. Specifically, H.R. 7903 defines the program with congressional intent. It outlines how Community Advantage lenders must operate within the program and details loan terms and other requirements.

Mr. Speaker, I also thank the chairwoman and the ranking member for advancing this important legislation that will strengthen and improve the Community Advantage Loan Program.

Mr. Speaker, I urge my colleagues to support the bill.

Mr. CHABOT. Mr. Speaker, this is a good bill that deserves our support. The SBA's Community Advantage program provides both financial and technical assistance to our Nation's smallest firms. It is a great program that has proven results.

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

Ms. VELÁZQUEZ. Mr. Speaker, in almost a decade, Community Advantage lenders have delivered over \$770 million in affordable capital to underserved small businesses across America, assisting women- and minority-owned businesses that have historically struggled to secure affordable capital through traditional means, yet new lenders are hesitant to participate because of its pilot status and frequently changing rules.

Today's bill will remedy these problems and ultimately grow the CA program to deliver more capital to entrepreneurs who need access to affordable capital the most, especially those severely impacted by the COVID-19 pandemic.

Mr. Speaker, I applaud the work by the gentlewoman from California (Ms. JUDY CHU) and the gentleman from Florida (Mr. SPANO) for their efforts in crafting a bipartisan bill to codify the Community Advantage 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. 7903, 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.

#### CONFERENCE REPORT ON H.R. 6395, WILLIAM M. (MAC) THORNBERRY NATIONAL DEFENSE AUTHORIZATION ACT FOR 2021

Ms. KENDRA S. HORN of Oklahoma submitted the following conference report and statement on the bill (H.R. 6395) to authorize appropriations for fiscal year 2021 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes.

(For conference report and statement, see proceedings of the House of December 3, 2020, published in Book II.)

#### MAKING IN ORDER AT ANY TIME CONSIDERATION OF CONFERENCE REPORT ON H.R. 6395, WILLIAM M. (MAC) THORNBERRY NATIONAL DEFENSE AUTHORIZATION ACT FOR 2021

Mr. MCGOVERN. Mr. Speaker, I ask unanimous consent that it be in order

at any time to consider a conference report to accompany H.R. 6395; that all points of order against the conference report and against its consideration be waived; that the conference report be considered as read; and that the previous question be considered as ordered on the conference report to its adoption without intervening motion except: one, 1 hour of debate; and, two, one motion to recommit if applicable.

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

There was no objection.

#### 504 MODERNIZATION AND SMALL MANUFACTURER ENHANCEMENT ACT OF 2020

Ms. VELÁZQUEZ. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 8211) to amend the Small Business Investment Act of 1958 to improve the loan guaranty program, enhance the ability of small manufacturers to access affordable capital, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 8211

*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 "504 Modernization and Small Manufacturer Enhancement Act of 2020".

#### SEC. 2. ADDITIONS TO POLICY GOALS FOR THE DEVELOPMENT COMPANY PROGRAM.

Section 501(d)(3) of the Small Business Investment Act of 1958 (15 U.S.C. 695(d)(3)) is amended—

(1) by redesignating subparagraphs (A) through (L) as subparagraphs (B) through (M), respectively;

(2) by inserting before subparagraph (B) (as so redesignated) the following:

"(A) workforce development through work-based or work-integrated training, which shall be satisfied by demonstrating that a small business concern that is a subject of the project has—

"(i) a documented in-house training program, the duration of which is not shorter than 12 weeks; or

"(ii) entered into a contract with an entity—

"(I) to provide trained applicants for any open position of employment at the small business concern; and

"(II) that ensures that any applicant provided to the small business concern under subclause (I) has undergone not fewer than 12 weeks of training that is relevant to the open position described in that subclause,";

(3) by amending subparagraph (D) (as so redesignated) to read as follows:

"(D) expansion of minority-owned, employee-owned, or women-owned business development,";