

more predictability and stability can help reduce the barriers that keep small businesses from bidding on and winning government projects. That is what this bill will do.

Mr. Speaker, again, I thank Mr. LATIMER and Mr. ALFORD for their work to bring this to the floor today and to increase transparency and accountability for our small business government contractors. I urge my colleagues to support it, as well, and I yield back the balance of my time.

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

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. WILLIAMS) that the House suspend the rules and pass the bill, H.R. 789, 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.

7(a) LOAN AGENT OVERSIGHT ACT

Mr. WILLIAMS of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1804) to amend the Small Business Act to require a report on 7(a) agents, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1804

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 “7(a) Loan Agent Oversight Act”.

SEC. 2. REPORT ON 7(a) AGENTS.

Section 47 of the Small Business Act (15 U.S.C. 657t) is amended by adding at the end the following new subsection:

“(j) ANNUAL REPORT.—

“(1) IN GENERAL.—The Director shall submit to Congress, in addition to the report required under subsection (h)(2), an annual report including, for the calendar year covered by the report—

“(A) the number of 7(a) agents assisting applicants for loans under section 7(a), disaggregated by the type of 7(a) agents consistent with information reported on the Fee Disclosure and Compensation Agreement, or any subsequent agreement forms that collect such information;

“(B) the number of fraudulent loans made for which an applicant used services of a 7(a) agent;

“(C) the purchase rate by the Administrator of loans for which an applicant used services of a 7(a) agent;

“(D) the number and aggregate dollar value of referral fees paid to 7(a) agents, disaggregated by whether the applicant or 7(a) lender paid such fees;

“(E) without identifying individual 7(a) agents by name, a consolidated analysis of the risk created by the individual 7(a) agents responsible for not less than 1 percent of—

“(i) the dollar value of loans made with the assistance of 7(a) agents; and

“(ii) the number of loans made with the assistance of 7(a) agents;

“(F) an analysis of interest rates on loans for which an applicant or 7(a) lender used services of an agent; and

“(G) a description of how the Administrator communicates with 7(a) agents.

“(2) DEFINITIONS.—In this subsection:

“(A) 7(a) AGENT.—The term ‘7(a) agent’ means a person who provides covered services on behalf of a lender or applicant.

“(B) COVERED SERVICES.—The term ‘covered services’ means—

“(i) assistance with completing an application for a loan under section 7(a) (including preparing a business plan, cash flow projections, financial statements, and related documents); or

“(ii) consulting, broker, or referral services with respect to a loan under section 7(a).”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. WILLIAMS) and the gentleman from Kentucky (Mr. MCGARVEY) each will control 20 minutes.

The Chair recognizes the gentleman from Texas.

GENERAL LEAVE

Mr. WILLIAMS of Texas. 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 bill.

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

There was no objection.

Mr. WILLIAMS of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of H.R. 1804, the 7(a) Loan Agent Oversight Act, introduced by Representatives MEUSER and MCIVER.

H.R. 1804 is an important piece of legislation that brings an additional layer of transparency in the fight against fraud in the Small Business Administration’s flagship 7(a) loan program.

This bill would require the SBA Office of Credit Risk Management to submit annual reports to Congress on the 7(a) loan program. The reports would include the number and dollar value of fraudulent loans associated with loan agents. The SBA already collects this information, and an annual reporting requirement would allow for more effective oversight.

Similar versions of this bill have passed on the House floor with bipartisan support in both the 117th and 118th Congresses. I look forward to seeing the Senate take swift action on this bill, which supports President Trump’s agenda to root out fraud and abuse.

Mr. Speaker, I urge my colleagues to support H.R. 1804, and I reserve the balance of my time.

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

Mr. Speaker, I rise in support of H.R. 1804, the 7(a) Loan Agent Oversight Act.

The 7(a) loan program is the SBA’s largest traditional lending program, providing access to capital for small businesses that cannot find it elsewhere. In fiscal year 2024, SBA approved more than 70,000 loans, totaling more than \$31 billion.

Loan agents are an integral part of the 7(a) lending program, helping to facilitate access to capital for small businesses by connecting borrowers with SBA lenders or by offering other products. As of 2020, these agents helped facilitate 11 percent of the loans administered.

Unfortunately, some dishonest loan agents can contribute to fraud, casting a stain on the SBA’s largest lending program and, ultimately, hurting borrowers and lenders alike.

As SBA increases its reliance on loan agents, it is essential that the agency have proper oversight of their involvement to minimize fraud. This will ensure that competent and honest agents can help screen borrowers, prepare forms, and better reach communities that need this capital most.

That is why this bill is so essential. The 7(a) Loan Agent Oversight Act would require SBA to establish a registration system that collects data on 7(a) loan agents to better track and evaluate the performance of loans for each individual agent.

Mr. Speaker, I thank Mr. MEUSER and Mrs. MCIVER for their bipartisan collaboration on this bill, and I reserve the balance of my time.

Mr. WILLIAMS of Texas. Mr. Speaker, I yield such time as he may consume to the gentleman from the great State of Pennsylvania (Mr. MEUSER).

Mr. MEUSER. Mr. Speaker, I thank our chairman, Chairman WILLIAMS, for his continued leadership.

Mr. Speaker, I rise today along with my colleague, Democratic Member Mrs. MCIVER, in support of my bill, H.R. 1804, the 7(a) Loan Agent Oversight Act, which provides the Small Business Administration with the oversight capabilities to monitor its flagship loan program responsibly. This bipartisan legislation requires the SBA Office of Credit Risk Management to report on fraudulent loans made by a loan agent as well as the overall default rate on loans issued by those agents.

Loan agents are often the middlemen between the SBA, a 7(a) lender, and a small business. This legislation is necessary due to the increased role of loan agents in facilitating 7(a) loans to American small businesses.

The SBA inspector general reported that nearly one out of every seven loans involved a loan agent. Unfortunately, the inspector general also noted that there has been over \$335 million in documented loan agent fraud. This, of course, needs to be corrected and changed, Mr. Speaker.

Additionally, my legislation requires the SBA to submit their findings to Congress, which allows us to conduct proper oversight of the 7(a) loan program, ensuring it remains a successful public-private partnership that helps small businesses thrive.

Though Administrator Loeffler is bringing a lot to this office and has reined in the Biden administration’s weakening, frankly, of underwriting

standards in the 7(a) program, this bill advances good governance policies that will protect taxpayer dollars and uphold the program's record of success well beyond the next 4 years.

Mr. Speaker, I urge the passage of my bill.

Mr. MCGARVEY. Mr. Speaker, I yield 3 minutes to the gentlewoman from New Jersey (Mrs. McIVER).

Mrs. McIVER. Mr. Speaker, I rise today in support of H.R. 1804, commonsense and bipartisan legislation, which I am proud to co-lead with my colleague, Congressman MEUSER, to bring better oversight and real accountability to one of the Small Business Administration's most important loan programs, 7(a).

Mr. Speaker, small business owners aren't asking for easy. They are asking for a fair shake and a real shot. That is what the 7(a) loan program is supposed to do: help turn grit and a good idea into a successful business.

This program is the reason that someone with a solid plan or a good business but without a big investor or family money can still open up shop.

When small business owners step up with a vision, a diner on the corner, a new chapter for the family plumbing business, or a pet supply store, it is on the government to make sure the tools we have to support them actually work. Right now, they don't.

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There hasn't been sufficient oversight of this program, and that means we haven't been doing all that we can to protect small business owners from fraud.

Over the last decade, there has been more than \$335 million in documented loan agent fraud. That is why this bill matters.

It tackles this problem in two ways.

First, it creates accountability for loan agents by making sure that the people who connect businesses to resources don't operate in the dark.

Second, by requiring information on loan performance, default rates, and risk analysis, it gives Congress the data we need to do our jobs, making sure the 7(a) program works as intended, and protects small business owners.

It is on us to make sure that the programs we use to support small businesses actually work and work honestly.

Ensuring 7(a) loans work is important because the program is a lifeline. It is a way to make sure that when people go to apply for a loan, they are walking into a fair process, not a rigged one.

Whether it is the mom in Newark who wants to open up a store or the first-generation American in Bloomsburg, Pennsylvania, who wants to bring a taste of home to town, small businesses create good jobs. They give back. They reinvest, and they show us what is possible in our communities.

H.R. 1804, our 7(a) Loan Agent Oversight Act, is a smart, targeted fix and

will help make sure that small business owners' dreams stay attainable.

Mr. Speaker, once again, I thank my colleague for co-leading this bill with me, and I also thank our ranking member and our chairman for their support. I urge my colleagues to support this bill.

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

Mr. MCGARVEY. Mr. Speaker, I thank my colleagues, Mr. MEUSER and Mrs. McIVER, for working together in a bipartisan way on behalf of strengthening the SBA's flagship 7(a) loan program.

For too long, a few bad actors have damaged one of the most successful small business capital access programs in the Federal Government. By giving the SBA the tools and authority it needs, we can root out bad behavior and minimize fraud without punishing loan agents that are acting in good faith on behalf of their clients and helping small businesses access the capital they need to grow.

I urge my colleagues to vote "yes" on H.R. 1804, and I yield back the balance of my time.

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

The SPEAKER pro tempore (Mr. SESSIONS.) The question is on the motion offered by the gentleman from Texas (Mr. WILLIAMS) that the House suspend the rules and pass the bill, H.R. 1804.

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. WILLIAMS of Texas. 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.

THINKDIFFERENTLY ABOUT DISABILITY EMPLOYMENT ACT

Mr. WILLIAMS of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 1634) to provide for a memorandum of understanding between the Small Business Administration and the National Council on Disability to increase employment opportunities for individuals with disabilities, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 1634

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 "ThinkDIFFERENTLY About Disability Employment Act".

SEC. 1. MEMORANDUM OF UNDERSTANDING TO INCREASE EMPLOYMENT OPPORTUNITIES FOR INDIVIDUALS WITH DISABILITIES.

(a) IN GENERAL.—The Administrator of the Small Business Administration, in consulta-

tion with the Chair of the National Council on Disability, shall—

(1) provide assistance to individuals with disabilities who desire to become entrepreneurs or to be self-employed;

(2) help individuals with disabilities find employment at small business concerns (as defined under section 3 of the Small Business Act (15 U.S.C. 632)); and

(3) assist small business concerns with hiring individuals with disabilities and with accessibility issues applicable to individuals with disabilities.

(b) MEMORANDUM OF UNDERSTANDING OR AGREEMENT.—The Administrator, in consultation with the Chair, shall carry out and coordinate the activities described in subsection (a) by entering into one or more memoranda of understanding or other appropriate agreements.

(c) OUTREACH AND EDUCATION.—In carrying out the activities described in subsection (a), the Administrator, in consultation with the Chair, shall conduct outreach and education about such activities.

(d) REPORT.—Not later than two years after the date of the enactment of this Act, the Administrator, in consultation with the Chair, shall submit to Congress a report on activities carried out pursuant to any memorandum or agreement described in subsection (b) that includes the following:

(1) A description of how the Administrator, in consultation with the Chair, carried out such activities.

(2) An analysis of opportunities to expand the technical capabilities of the Small Business Administration in carrying out such activities.

(3) A description of achievements under any such memorandum or agreement.

(4) A description of the plans of the Administrator, in consultation with the Chair, to continue activities to expand employment opportunities for individuals with disabilities.

SEC. 2. NO ADDITIONAL FUNDS AUTHORIZED.

No additional funds are authorized to carry out the requirements of this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. WILLIAMS) and the gentleman from Kentucky (Mr. MCGARVEY) each will control 20 minutes.

The Chair recognizes the gentleman from Texas.

GENERAL LEAVE

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

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

There was no objection.

Mr. WILLIAMS of Texas. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in full support of H.R. 1634, the ThinkDIFFERENTLY About Disability Employment Act, introduced by Representatives STAUBER and SIMON.

Mr. Speaker, I thank my colleagues for their collaboration on this important legislation which aims to break down barriers and provide greater opportunities for individuals with disabilities nationwide.

Far too many individuals with disabilities continue to face systematic