

opportunities for local entrepreneurship and economic growth.

H.R. 3496 fixes this oversight and ensures that the Commonwealth of the Northern Mariana Islands is included within the geographic scope of the SBA microloan program, increasing the number of States and territories eligible to receive microloan program funding from 55 to 56.

Expanding eligibility for the microloan program will help spur entrepreneurship, strengthen local economies, and ensure that small businesses in all States and territories have a fair opportunity to grow.

Madam Speaker, I urge my colleagues to support H.R. 3496, and I reserve the balance of my time.

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

Madam Speaker, I rise in support of H.R. 3496, the Northern Mariana Islands Small Business Access Act.

This is a straightforward but important bill that expands access to SBA's microloan program to small businesses in the Commonwealth of the Northern Mariana Islands.

These small businesses face unique challenges, as geographic isolation leads to higher costs for goods and services. Their economy is heavily reliant on tourism, which can ebb and flow with the economy and natural disasters.

Having access to affordable credit gives small businesses the ability to weather the storms and economic uncertainty and fully prepare for the next opportunity.

The extension of the microloan program to CNMI will be critical to support business growth, create jobs, and stimulate the local economy.

I have long supported efforts to ensure the territories have full access to SBA products and services. In previous Congresses, I worked with then-Representative Sablan to establish an SBDC center in CNMI, and I also worked to ensure that CNMI had access to the microloan program as part of a more comprehensive bill.

Unfortunately, the bill to improve the microloan program was not enacted into law. I am glad to be working across the aisle again to make sure territories receive full access to SBA services.

Madam Speaker, I urge Members to support this important bill, and I reserve the balance of my time.

Mr. WILLIAMS of Texas. Madam Speaker, I yield such time as she may consume to the gentlewoman from the Commonwealth of the Northern Mariana Islands (Ms. KING-HINDS), my good friend.

Ms. KING-HINDS. Madam Speaker, I rise today in strong support of my bill, H.R. 3496, as amended, the Northern Mariana Islands Small Business Access Act.

This bill would include my district, the Northern Mariana Islands, in the Small Business Administration's

microloan program. The microloan program issues loans of \$50,000 or less at low interest rates to help small businesses that may be unable to access capital elsewhere, grow their businesses, or create jobs.

Since the program became operational in 1992, it has issued over 69,000 loans, totaling over \$900 million, and supported over 250,000 American jobs. Despite the program's impressive impact for Americans across the country, the Northern Mariana Islands is the only State or territory not explicitly included under the law. This bill would simply add the CNMI to be eligible for the program alongside every other territory.

The CNMI is currently facing an economic crisis following the collapse of our primary industry, which is tourism. Local small businesses are struggling to get approved for affordable loans, in part because of this economic uncertainty. Gaining access to this program could help local entrepreneurs make the investments they need to help put our economy on a more solid footing.

Madam Speaker, I thank my co-lead on the bill, Representative CONAWAY, for his steadfast support, as well as Representatives CISNEROS and GOODLANDER for also cosponsoring this legislation. I also thank Chairman WILLIAMS and Ranking Member VELÁZQUEZ for their support and help in bringing this bill to the floor.

Again, my bill simply adds my district to the microloan program that is already available to all other Americans. I urge all of my colleagues to support this bipartisan, commonsense, no-cost bill.

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

Mr. WILLIAMS of Texas. Madam Speaker, I have no further speakers, and I urge my colleagues to support H.R. 3496 to bring access to capital for small businesses in the Northern Mariana Islands. 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. 3496, 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.

MAIN STREET PARITY ACT

Mr. WILLIAMS of Texas. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 5763) to amend the Small Business Investment Act of 1958 to modify the criteria for loans for plant acquisition, construction, conversion or expansion, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5763

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 "Main Street Parity Act".

SEC. 2. MODIFICATION TO CRITERIA FOR LOANS FOR PLANT ACQUISITION, CONSTRUCTION, CONVERSION OR EXPANSION.

(a) IN GENERAL.—Section 502(3)(C) of the Small Business Investment Act of 1958 (15 U.S.C. 696(3)(C)) is amended—

- (1) by striking clauses (ii) and (iii);
- (2) in clause (i), by inserting "or" at the end; and
- (3) by redesignating clause (iv) as clause (ii).

(b) CONFORMING AMENDMENT.—Section 502(3)(B)(ii) of the Small Business Investment Act of 1958 (15 U.S.C. 696(3)(B)(ii)) is amended by striking "clauses (i), (ii), or (iii) of subparagraph (C)" and inserting "clause (i) of subparagraph (C)".

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

The Chair recognizes the gentleman from Texas.

GENERAL LEAVE

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

Madam Speaker, I rise today in strong support of my bill, H.R. 5763, the Main Street Parity Act.

I also thank the gentlewoman from California (Ms. SIMON), my friend, for joining me in co-leading this bipartisan effort.

The SBA's 504 loan program is an important tool that helps small businesses obtain affordable financing for the acquisition of fixed assets, such as land, buildings, and heavy machinery.

To obtain a 504 loan, a small business owner must contribute 10 percent of the total project cost as a form of downpayment. However, if a small business is seeking financing to build something like a surgery center or a nursing home, the SBA imposes additional equity requirements because these properties are deemed limited purpose.

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This initial equity injection was required because limited purpose properties were believed to be at a higher risk of default. Years of data show that this assumption is incorrect. In fact, many businesses facing these increased costs were at lower risk of default than

the broader 504 portfolio. It is time to bring parity to Main Street and remove the unnecessary lender barriers based on outdated assumptions.

Madam Speaker, I urge my colleagues to vote “yes” on H.R. 5763, and I reserve the balance of my time.

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

Madam Speaker, I rise in support of H.R. 5763, the Main Street Parity Act.

One of the key functions of the SBA is to ensure that small businesses in communities across the country have access to the capital they need to grow and scale their operations.

The SBA has long served this need through its loan guarantee program, including the 504/CDC program. The 504/CDC program supports small businesses in accessing capital for the development of major fixed assets like land, buildings, equipment, and machinery. As part of the program, loans are guaranteed for so-called special use properties like amusement parks, car washes, bowling alleys, and gas stations.

When the special use designation was created in 1996, Congress required businesses developing these properties to pay a special purpose penalty. The penalty requires these businesses to provide at least 15 to 20 percent equity instead of the minimum 10 percent for standard 504/CDC loans.

While the additional equity requirement served an important safeguard for the program when first enacted, we have seen over time that the extra risk is not as great as anticipated.

In the past 30 years, technological developments and time have shown that many of these properties can be successfully repurposed for alternative uses, increasing the market pool of potential buyers.

Further, the charge-off rates for special purpose and standard loans are similar, demonstrating that these loans pose no greater risk than regular 504 loans. Because of its limited risk, the special use penalty is no longer necessary.

H.R. 5763 reduces the minimum equity requirement for special purpose properties to at least 10 percent, in line with the requirement for standard 504/CDC loans. Most importantly, it maintains discretionary authority to require higher equity if deemed necessary. This bill is supported by the National Association of Development Companies.

Madam Speaker, I applaud Chairman WILLIAMS’ and Representative SIMON’s bipartisan work on this issue, and I ask all my colleagues to support it.

Madam Speaker, I reserve the balance of my time.

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

Ms. VELÁZQUEZ. Madam Speaker, I yield 3 minutes to the gentlewoman from California (Ms. SIMON).

Ms. SIMON. Madam Speaker, I thank Representative VELÁZQUEZ for her sup-

port, particularly for freshman members from the Democratic side on the Small Business Committee and to Representative WILLIAMS for his collaboration on this bill.

Madam Speaker, I am extremely proud to lead the Main Street Parity Act with Chair WILLIAMS. As members of the Small Business Committee, one of the most bipartisan committees in the 119th Congress, we hear the same messages repeated every single day: Small businesses don’t need special treatment. In fact, they are just asking for a fair shot in this economy.

The SBA’s 504 loan program is designed to provide that fair shot through basic good policy and affordable, long-term financing. The financing helps small businesses buy buildings, buy property, expand operations, and employ Main Street neighbors throughout our community.

Under the current law, not all small businesses are treated the same. Owners of so-called small purpose properties are required to put up significantly more cash up front, often 5 to 10 percent more than standard property owners. These include places like bowling alleys, car washes, marinas, funeral homes, and recreation centers. These are the kinds of small businesses that serve local families, create jobs, and keep our communities vibrant.

For many entrepreneurs, the higher equity requirement is the difference between jumping in headfirst and creating new economic opportunities for their communities and families or walking away entirely.

This way of doing business just doesn’t reflect our current economic or technological realities. This bill offers a new opportunity for Americans across the country to step forward.

The Main Street Parity Act is common sense. It is a clear fix that brings these loans in line with the 504 standardization programs by setting an equity requirement at 10 percent.

Madam Speaker, I encourage Members from both sides of the aisle to put small business owners and their employees first by supporting this bill.

Mr. WILLIAMS of Texas. Madam Speaker, I am prepared to close, and I reserve the balance of my time.

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

Madam Speaker, I, again, thank Chairman WILLIAMS and Representative SIMON for their bipartisan work on this bill. I encourage all my colleagues to vote “yes,” and I yield back the balance of my time.

Mr. WILLIAMS of Texas. Madam Speaker, H.R. 5763 allows small businesses on Main Street to have equal access to SBA 504 loans. 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 gentleman from Texas (Mr. WILLIAMS) that the House suspend the rules and pass the bill, H.R. 5763.

The question was taken.

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

Mr. WILLIAMS of Texas. Madam 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.

AI FOR MAIN STREET ACT

Mr. WILLIAMS of Texas. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 5764) to amend the Small Business Act to require small business development centers to assist small business concerns with the use of artificial intelligence, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5764

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 “AI for Main Street Act”.

SEC. 2. GUIDANCE ON THE USE OF ARTIFICIAL INTELLIGENCE FOR SMALL BUSINESS CONCERNS.

(a) IN GENERAL.—Section 21(c)(3) of the Small Business Act (15 U.S.C. 648(c)(3)) is amended—

(1) in subparagraph (T), by striking “and” at the end;

(2) in the first subparagraph (U) (relating to encouraging and assisting the provision of succession planning), by striking the period at the end and inserting a semicolon;

(3) by redesignating the second subparagraph (U) (relating to providing training in conjunction with the United States Patent and Trademark Office) as subparagraph (V);

(4) in subparagraph (V), as so redesignated, by striking the period at the end and inserting “; and”; and

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

“(W) assisting small business concerns in evaluating artificial intelligence concerning operations, including by—

“(i) providing information, guidance, and training to small business concerns on the use of artificial intelligence, including—

“(I) best practices for using artificial intelligence;

“(II) using artificial intelligence to plan for unexpected circumstances, protect data and intellectual property, improve cybersecurity, facilitate regulatory compliance, and improve customer trust; and

“(III) incorporating artificial intelligence into business operations; and

“(ii) conducting outreach to the extent practical to small business concerns regarding the use of artificial intelligence.”.

(b) CONFORMING AMENDMENT.—Section 3 of the Small Business Act (15 U.S.C. 632) is amended by adding at the end the following new subsection:

“(gg) ARTIFICIAL INTELLIGENCE.—In this Act, the term ‘artificial intelligence’ has the meaning given such term in section 5002 of the National Artificial Intelligence Initiative Act of 2020 (15 U.S.C. 9401).”.

SEC. 3. COMPLIANCE WITH CUTGO.

No additional amounts are authorized to carry out this Act or the amendments made by this Act.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from