

Texas (Mr. WILLIAMS) and the gentleman 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 H.R. 5764, the AI for Main Street Act, introduced by Representatives ALFORD and SCHOLTEN.

Artificial intelligence is increasingly being used to streamline operations, reduce costs, and boost productivity for small businesses. For many small businesses across the country, adopting these tools remains out of reach because they lack the staff, the expertise, or the capital to do so.

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Madam Speaker, the AI for Main Street Act helps address this challenge by directing the SBA's Small Business Development Centers, or SBDCs, to assist small businesses in developing AI technologies into their operations.

These centers operate in partnership with universities and community colleges across the country and are trusted advisers to local entrepreneurs.

This approach builds on work already underway. In September 2024, America's SBDCs, in partnership with Google, launched America's SBDC AI U, which provides hands-on AI training, clinics, and technical assistance to small businesses.

This bill builds on that effort by requiring the SBDC network to have a core duty to assist entrepreneurs nationwide in fighting AI in their businesses.

As artificial intelligence becomes a core driver of productivity and competitiveness, Main Street cannot be left behind. I urge my colleagues to support H.R. 5764, the AI for Main Street Act.

Madam Speaker, I reserve the balance of my time.

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

Madam Speaker, I am pleased to support the AI for Main Street Act, which would allow SBDCs to assist small business owners on how to evaluate artificial intelligence. I commend Mr. ALFORD and Ms. SCHOLTEN for working together on this bipartisan legislation.

AI has the potential to boost productivity, enhance customer service, and save costs. While it is becoming increasingly common for small busi-

nesses to use AI to streamline their operations, many still do not know how to access it responsibly. If used incorrectly, AI could have disastrous consequences.

That is why it is incredibly important for SBA and its entrepreneurial ecosystem to help small businesses understand the potential pitfalls and learn how to avoid them.

Madam Speaker, I am pleased to support this bipartisan bill, and I reserve the balance of my time.

Mr. WILLIAMS of Texas. Madam Speaker, I yield such time as he may consume to the gentleman from Missouri (Mr. ALFORD).

Mr. ALFORD. Madam Speaker, I rise today in strong support of our AI for Main Street Act.

I thank Chairman WILLIAMS for his leadership. I also thank my colleagues on the other side of the aisle. Foremost, I recognize both Ranking Member VELÁZQUEZ for her leadership and Congresswoman HILLARY SCHOLTEN for working with me to bring this important bill forward.

A lot of people are talking about AI these days. Will it overtake America? Will it put businessowners and workers out of business? This bill is designed to get ahead of that and to make sure that does not happen. In fact, it will increase businesses in America.

This committee exists for one simple reason, and that is to champion Main Street and the small businesses that line our town squares, that power our farms, support our hospitals, and employ nearly half of the American workforce. Right now, Main Street stands at the doorstep of a major transformation because the AI revolution is not just coming. It is already here.

Whether it is managing inventory, scheduling workers, marketing products, improving cybersecurity, or streamlining paperwork, artificial intelligence is rapidly becoming how business gets done in America.

If small businesses do not have the tools and guidance to adapt to that, if they are fearful of it, they risk getting left behind. They will get left behind by larger competitors with bigger budgets and in-house tech teams. By the way, they are also using AI. That is exactly what this bill addresses.

The AI for Main Street Act directs Small Business Development Centers, SBDCs, to provide counseling, training, and outreach to help small businesses safely evaluate and adopt artificial intelligence tools.

These centers already serve as trusted boots-on-the-ground advisers in communities across the country, such as the University of Missouri-Columbia and Sedalia and other places where these SBDCs are providing real help, real boots on the ground.

Madam Speaker, entrepreneurs rely on them for practical guidance and real-world help that works for their businesses. This bill builds on existing efforts like America's SBDC AI U program and ensures that AI support is

consistent, accessible, and nationwide. It is not just in major metro areas but in rural towns, manufacturing hubs, and agricultural communities like those I represent in Missouri's Fourth Congressional District.

Just as importantly, this bill emphasizes responsible adoption. We want small business owners to understand not only what AI can do but how to use it securely, safely, ethically, and effectively.

This is not about replacing people. It is about empowering people. It is about giving a family-owned business the same opportunity to compete and grow and innovate as a Fortune 500 company.

I am proud of this legislation and how it advanced out of committee with strong bipartisan support. I appreciate the strong backing from our colleagues on both sides of the aisle who recognize that innovation and small business growth should never be partisan issues.

At the end of the day, when Main Street succeeds, America succeeds. The AI for Main Street Act helps ensure that our entrepreneurs are not spectators in the next wave of innovation but our small business owners are leaders in this revolution.

Ms. VELÁZQUEZ. Madam Speaker, I commend the sponsors for working together on this important legislation to provide small businesses with the training they need.

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

Mr. WILLIAMS of Texas. Madam Speaker, H.R. 5764 will directly give small businesses the AI resources and tools for SBDCs across this country. I urge my colleagues to support this commonsense legislation.

Madam Speaker, 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. 5764, as amended.

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. 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.

504 PROGRAM RISK OVERSIGHT ACT

Mr. WILLIAMS of Texas. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 5788) to amend title V of the Small Business Investment Act of 1958 to require an annual portfolio risk analysis of loans guaranteed under such title, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5788

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 Program Risk Oversight Act”.

SEC. 2. PORTFOLIO RISK ANALYSIS OF LOANS GUARANTEED UNDER THE 504 PROGRAM.

Title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.) is amended by adding at the end the following:

“SEC. 511. PORTFOLIO RISK ANALYSIS.

“(a) IN GENERAL.—The Administrator shall annually conduct a risk analysis of the portfolio of the Administration with respect to all loans guaranteed under this title.

“(b) REPORT TO CONGRESS.—Not later than December 1, 2025, and annually thereafter, the Administrator shall submit to Congress a report containing the results of each portfolio risk analysis conducted under subsection (a) during the fiscal year preceding the submission of the report, which shall include—

“(1) an analysis of the overall program risk of loans guaranteed under this title;

“(2) an analysis of the program risk, set forth separately by industry concentration;

“(3) without identifying individual development companies by name, a consolidated analysis of the risk created by development companies making loans under this title that are responsible for not less than 1 percent of gross loan approvals under this title, set forth separately by—

“(A) the dollar value of the loans made by such development companies;

“(B) the number of loans made by such development companies; and

“(C) an analysis of the program risk for such loans with a dollar value—

“(i) less than or equal to \$500,000;

“(ii) greater than \$500,000 and less than or equal to \$1,000,000;

“(iii) greater than \$1,000,000 and less than or equal to \$2,000,000; and

“(iv) greater than \$2,000,000 and less than or equal to \$5,500,000;

“(4) an analysis of the program risk for loan guarantees made under this title for loans that were originated—

“(A) less than one year before the date of submission of the report;

“(B) at least one year, but not more than two years before such date; and

“(C) more than two years before such date;

“(5) an analysis of the program risk for loan guarantees made under this title for loans that were originated—

“(A) to a borrower that uses such loan to open a business;

“(B) to a borrower not described in subparagraph (A) that is a business concern that has been in operation for less than or equal to two years before the date of origination; and

“(C) to a borrower that is a business concern that has been in operation for more than two years on the date of origination;

“(6) an analysis of the program risk for loan guarantees made under this title for loans that were originated for limited or special purpose properties;

“(7) steps taken by the Administrator to mitigate the risks identified in paragraphs (1), (2), (3), (4), (5), and (6);

“(8) the number of development companies, the number of loans made, and the gross dollar amount of the loans made under this title;

“(9) the number and total dollar amount of purchases by the Administrator of the principal and interest of loans guaranteed under this title that are in default, the total dollar

amount of collections recovered on such purchases, and the number and total dollar amount of charge-offs for such purchases;

“(10) the number and type of enforcement actions with respect to a loan made by a development company under this title recommended by the Administrator; and

“(11) the number and dollar amount of any civil monetary penalty assessed pursuant to an enforcement action described in paragraph (10).

“(c) AVAILABILITY OF REPORT.—The Administrator shall make available to the public on a website of the Administration the report required under subsection (b) not later than 7 days after the Administrator submits such report to Congress.

“(d) LIMITED OR SPECIAL PURPOSE PROPERTY DEFINED.—In this section, the term ‘limited or special purpose property’ has the meaning given by the Administrator in the guidance titled ‘Lender and Development Company Loan Programs’ (SOP 50 10 8; as in effect on June 1, 2025).”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Texas (Mr. WILLIAMS) and the gentleman 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 H.R. 5788, the 504 Program Risk Oversight Act introduced by Representatives Tran and Patronis.

This bipartisan piece of legislation would give Congress greater accountability and oversight of the SBA’s 504 Loan Program by requiring the SBA to provide Congress and the public with annual, data-driven risk assessments of the 504 loan portfolio.

The 504 program is an incredibly important tool that helps small businesses obtain long-term, fixed-rate financing like the acquisition of fixed assets such as land, buildings, and heavy machinery.

In fiscal year 2025, the program supported \$7.8 billion in loans to small businesses nationwide. Specifically, H.R. 5788 would require the SBA to provide Congress with annual reports on the health of the 504 loan portfolio.

This would include an analysis of any risk to the program broken down by multiple data points, including industry concentration, loan age, and gross dollar amount.

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These reports would be made available to the public within 7 days of being provided to Congress. The transparency measures in this bill are par-

ticularly important in light of the House passage of my bill, H.R. 3174, the Made in America Manufacturing Finance Act, which raised the loan limit for American manufacturers under the SBA’s 7(a) and 504 loan programs to \$10 million. I hope it will quickly move through the Senate and to President Trump’s desk.

Madam Speaker, H.R. 5788 marks a critical step toward identifying and mitigating risks early, strengthening the long-term viability and affordability of the 504 loan program and ensuring continued support for American entrepreneurs.

Madam Speaker, I urge my colleagues to vote “yes” on H.R. 5788, 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 the bill before us today, H.R. 5788, the 504 Program Risk Oversight Act.

Madam Speaker, transparency is key to ensuring the proper operation and functioning of the SBA lending programs, including the 504/CDC program. This bill will give the Committee on Small Business the necessary information to carry out our oversight authority.

Federal law requires the SBA Office of Credit Risk Management to conduct an annual portfolio risk analysis of the SBA flagship 7(a) loan program and provide Congress with a detailed report of their results. This report has been crucial in Committee on Small Business Democrats’ investigation into the rising default levels in the 7(a) program and has helped us to respond accordingly.

Unfortunately, no statutory reporting requirement exists for the 504/CDC loan program. H.R. 5788 will fix that by adding a requirement that the SBA conduct an annual risk analysis of the 504/CDC program and provide Congress with their results. Tailored to the 504/CDC program’s unique features, the report will provide Congress with many of the same data points it currently provides on the 7(a) program, but the bill also requires several new data points to improve our stewardship of the program.

While loan defaults aren’t currently a concern for the 504 program, this bill will provide Congress with valuable information needed to monitor the program’s operation, guard against future risk, and ensure that the program’s zero-subsidy requirement is maintained.

Madam Speaker, I applaud Representatives TRAN and PATRONIS for their work on this bill, which is supported by the National Association of Development Companies. I ask my colleagues to support it, and I reserve the balance of my time.

Mr. WILLIAMS of Texas. Madam Speaker, I yield such time as he may consume to the gentleman from Florida (Mr. PATRONIS).

Mr. PATRONIS. Madam Speaker, I thank the lead of this bill, the gentleman from California (Mr. TRAN), for his work on this bill.

I appreciate the opportunity to serve as co-lead on this legislation. The SBA's 504 program helps small businesses to grow, create jobs, and invest in their communities. Since this program uses taxpayer-backed loans, it is important that we properly review and manage risk.

Madam Speaker, H.R. 5788 makes a simple fix. It requires risk assessments for the 504 loan program, just like we already do with other major SBA loan programs. This helps to close the gap and improves oversight.

Transparency matters. When we clearly understand how a program is working, we can protect taxpayer dollars and make sure the program stays strong.

This bill helps us to ensure that we are responsible with taxpayer money while continuing to support small businesses.

Madam Speaker, I urge my colleagues to support H.R. 5788.

Ms. VELAZQUEZ. Madam Speaker, I yield 3 minutes to the gentleman from California (Mr. TRAN), the lead sponsor of the bill.

Mr. TRAN. Madam Speaker, I rise today in strong support of H.R. 5788, the 504 Program Risk Oversight Act, bipartisan legislation that strengthens one of SBA's most successful financing programs.

For decades, the SBA's 504 loan program has been a cornerstone of economic development in communities across America. Through public and private partnership with certified development companies, the 504 program helps small businesses to grow, create jobs, and invest in their communities.

Since its inception in 1986, the program has provided approximately \$400 billion in total project financing and created over 3.3 million jobs. In California alone, that translates to \$95 billion in total capital and the creation of over 715,000 good-paying jobs.

For entrepreneurs in California's 45th District and across the Nation, the 504 loan program's unique model provides them with access to long-term, fixed-rate financing to help them to expand operations, purchase property, and make lasting investments in their local economy.

In Orange County and Los Angeles County alone, the 504 program has injected more than \$27 billion into local businesses and helped to create over 175,000 jobs over the last 25 years.

My bipartisan bill, the 504 Program Risk Oversight Act, builds on that success by ensuring that all partners—the SBA, Congress, and industry—have access to clear, consistent, and transparent data about the health of the program.

Currently, SBA is not required to conduct an annual risk analysis of the 504 loan program and provide Congress with any performance data. My bill ad-

resses this problem and requires the SBA to conduct an annual risk assessment of the 504 program and provide Congress with detailed insights into overall health of the program and information needed to strengthen program performance.

Madam Speaker, transparent data is the cornerstone of a productive partnership between the SBA, Congress, and industry and the work that we do collectively to keep the 504 program healthy for future generations of entrepreneurs. Now more than ever, small businesses need what the 504 loan program provides: certainty and affordable patient capital.

Madam Speaker, I am proud to lead this bill, and I thank my colleague, Representative JIMMY PATRONIS, for his partnership in co-leading this important piece of legislation with me. Of course, this bill would not be possible without the leadership of Ranking Member VELÁZQUEZ and Chair WILLIAMS.

Madam Speaker, I urge my colleagues to support this bill.

Mr. WILLIAMS of Texas. Madam Speaker, I have no further speakers, and I am prepared to close. I reserve the balance of my time.

Ms. VELAZQUEZ. Madam Speaker, I again applaud Representatives TRAN and PATRONIS for their bipartisan work on this bill. I encourage all of my colleagues to vote "yes," and I yield back the balance of my time.

Mr. WILLIAMS of Texas. Madam Speaker, H.R. 5788 provides transparency to the SBA's 504 loan program, a key program that promotes job creation and small business growth.

Madam Speaker, 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. 5788.

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.

ARTIFICIAL INTELLIGENCE WISDOM FOR INNOVATIVE SMALL ENTERPRISES ACT

Mr. WILLIAMS of Texas. Madam Speaker, I move to suspend the rules and pass the bill (H.R. 5784) to amend the Small Business Act to help small business concerns critically evaluate artificial intelligence tools, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 5784

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 "Artificial Intelligence Wisdom for Innovative Small Enterprises Act" or the "AI-WISE Act".

SEC. 2. ARTIFICIAL INTELLIGENCE EDUCATIONAL RESOURCES AND MODULES FOR SMALL BUSINESS CONCERNS.

(a) IN GENERAL.—The Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) by redesignating section 49 as section 50; and

(2) by inserting after section 48 the following new section:

"SEC. 49. ARTIFICIAL INTELLIGENCE EDUCATIONAL RESOURCES AND MODULES FOR SMALL BUSINESS CONCERNS.

"(a) IN GENERAL.—The Administrator shall—

"(1) establish and maintain educational resources and modules for small business concerns with information on artificial intelligence tools; and

"(2) make such educational resources and modules publicly available on an existing online learning platform of the Administration.

"(b) CONTENTS.—The educational resources and modules established under subsection (a) shall include, to the extent practicable, information on—

"(1) how artificial intelligence models work, including the limits of the capabilities of such models, and how such limits affect the outputs of such tools;

"(2) how to determine if software outputs are generated with the use of artificial intelligence;

"(3) how to remain updated on the emergence, development, and technological maturation of artificial intelligence;

"(4) how to understand and remain updated on the policies, terms, and conditions applicable to users of artificial intelligence;

"(5) best practices in coordinating with third-party providers of artificial intelligence tools;

"(6) how to effectively identify, evaluate, and manage the risks of artificial intelligence;

"(7) how to ensure the privacy of user inputs to artificial intelligence tools;

"(8) how to retain human involvement in important decisions informed by recommendations made by artificial intelligence;

"(9) how to identify tasks and functions that artificial intelligence can reliably and effectively perform, including whether artificial intelligence can improve operations, productivity, or customer service; and

"(10) how to determine whether an artificial intelligence tool adequately fills a need and is worth adopting.

"(c) ACCURACY AND MAINTENANCE.—

"(1) IN GENERAL.—To the extent practicable, the Administrator shall ensure that the information contained in the educational resources and modules established under subsection (a) is factually accurate and current, including by consulting with—

"(A) the Director of the National Institute of Standards and Technology; and

"(B) the Advisory Working Group established under paragraph (2).

"(2) ADVISORY WORKING GROUP.—

"(A) ESTABLISHMENT.—The Administrator shall establish a working group (in this paragraph referred to as the 'Advisory Working Group') with which the Administrator shall consult on an ongoing basis regarding the information contained in the educational resources and modules established under subsection (a).

"(B) DUTIES.—The duties of the Advisory Working Group shall include the identification and recommendation of relevant information to the Administrator for inclusion in the educational resources and modules established under subsection (a).

"(C) MEMBERS.—The Advisory Working Group shall be comprised of the following