

which shall not contain instructions. Clause 1(c) of rule XIX shall not apply to the consideration of House Resolution 554.

(The information contained herein was provided by Democratic Minority on multiple occasions throughout the 109th Congress.)

THE VOTE ON THE PREVIOUS QUESTION: WHAT IT REALLY MEANS

This vote, the vote on whether to order the previous question on a special rule, is not merely a procedural vote. A vote against ordering the previous question is a vote against the Democratic majority agenda and a vote to allow the opposition, at least for the moment, to offer an alternative plan. It is a vote about what the House should be debating.

Mr. Clarence Cannon's Precedents of the House of Representatives, (VI, 308-311) describes the vote on the previous question on the rule as "a motion to direct or control the consideration of the subject before the House being made by the Member in charge." To defeat the previous question is to give the opposition a chance to decide the subject before the House. Cannon cites the Speaker's ruling of January 13, 1920, to the effect that "the refusal of the House to sustain the demand for the previous question passes the control of the resolution to the opposition" in order to offer an amendment. On March 15, 1909, a member of the majority party offered a rule resolution. The House defeated the previous question and a member of the opposition rose to a parliamentary inquiry, asking who was entitled to recognition. Speaker Joseph G. Cannon (R-Illinois) said: "The previous question having been refused, the gentleman from New York, Mr. Fitzgerald, who had asked the gentleman to yield to him for an amendment, is entitled to the first recognition."

Because the vote today may look bad for the Democratic majority they will say "the vote on the previous question is simply a vote on whether to proceed to an immediate vote on adopting the resolution . . . [and] has no substantive legislative or policy implications whatsoever." But that is not what they have always said. Listen to the definition of the previous question used in the Floor Procedures Manual published by the Rules Committee in the 109th Congress, (page 56). Here's how the Rules Committee described the rule using information from Congressional Quarterly's "American Congressional Dictionary": "If the previous question is defeated, control of debate shifts to the leading opposition member (usually the minority Floor Manager) who then manages an hour of debate and may offer a germane amendment to the pending business."

Deschler's Procedure in the U.S. House of Representatives, the subchapter titled "Amending Special Rules" states: "a refusal to order the previous question on such a rule [a special rule reported from the Committee on Rules] opens the resolution to amendment and further debate." (Chapter 21, section 21.2) Section 21.3 continues: Upon rejection of the motion for the previous question on a resolution reported from the Committee on Rules, control shifts to the Member leading the opposition to the previous question, who may offer a proper amendment or motion and who controls the time for debate thereon."

Clearly, the vote on the previous question on a rule does have substantive policy implications. It is one of the only available tools for those who oppose the Democratic majority's agenda and allows those with alternative views the opportunity to offer an alternative plan.

Ms. PINGREE of Maine. I yield back the balance of my time and move the previous question on the resolution.

The previous question was ordered. The resolution was agreed to. A motion to reconsider was laid on the table.

□ 1430

GENERAL LEAVE

Ms. VELÁZQUEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the H.R. 3854.

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

There was no objection.

SMALL BUSINESS FINANCING AND INVESTMENT ACT OF 2009

The SPEAKER pro tempore. Pursuant to House Resolution 875 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 3854.

□ 1431

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 3854) to amend the Small Business Act and the Small Business Investment Act of 1958 to improve programs providing access to capital under such Acts, and for other purposes, with Mr. SERRANO in the chair.

The Clerk read the title of the bill.

The CHAIR. Pursuant to the rule, the bill is considered read the first time.

The gentlewoman from New York (Ms. VELÁZQUEZ) and the gentleman from Missouri (Mr. GRAVES) each will control 30 minutes.

The Chair recognizes the gentlewoman from New York.

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

Mr. Chairman, I rise in support of this bill, which will enhance the SBA's capital access programs. This bill is a bipartisan product. It has the support of 48 stakeholder groups and could not have come together without the contributions of eight different committee members, including two from the minority. It addresses a key concern for small firms and ensures they have the resources to help grow our economy.

If history is any guide, small businesses will be the key to our recovery. Since our Nation's founding, they have helped us bounce back from countless downturns, including the recession of the mid-1990s. At that time, start-up businesses generated 3.8 million new jobs. And ultimately, Mr. Chairman, that is what our recovery efforts are all about, putting Americans back to work.

Through innovation and ingenuity, small businesses have created enormous wealth for our Nation. But America's economic engine doesn't run on good ideas alone. Small firms need capital to not only get off the ground, but to operate and grow. That is why H.R.

3854 delivers better funding options to small firms at every stage of development.

For the aspiring entrepreneur, it opens new avenues for seed capital and microloans. For the mid-market venture, it provides fresh funds for investment. And for the established business, it creates room for targeted risk and innovation. And it could not have come at a more critical time.

Small business lending is declining at alarming rates. In July, a survey by the Federal Reserve found that 35 percent of banks have tightened lending to small businesses. In terms of credit cards, a popular source of funding for entrepreneurs, 79 percent have seen their lines cut radically. These are exceptional declines. And if we fail to address them, we risk losing more than our most innovative businesses. We risk losing hundreds of thousands of jobs.

Small businesses with tight profit margins do not have the luxury of simply tightening the belt. When money is short, they are often forced to lay off workers. But with unemployment at 9.8 percent, we just cannot afford more losses. That is why this bill delivers critical capital to new ventures.

To begin, it helps steer equity investment to start-ups in high-growth fields like IT and clean energy. It also enhances SBA's microloan program. Two weeks ago, my committee heard from an entrepreneur who used microloans to grow his business from a fledgling firm to a thriving enterprise with 30 employees. By improving the microloan program, imagine how many more new businesses, and new jobs, we can generate.

Ask any small business owner, and they will tell you that start-ups are not the only firms that need capital. Established ventures in fields like manufacturing, for example, need funding to adapt to the changing marketplace. By improving the 504 program, this bill gives them the flexibility to purchase new equipment and otherwise retool operations. When paired with new initiatives like the New Markets Venture Capital and Renewable Energy Capital Investment programs, these efforts will help manufacturers emerge from the downturn stronger and better poised to create new jobs.

Meanwhile, we are also delivering important lending options to our Nation's veterans, offering reduced borrower fees and increased loan guarantees. As our servicemen and -women return home from deployment abroad, we need to be sure they have access to the economic opportunities that entrepreneurship offers.

Mr. Chairman, this bill is about choices. It is about better options for the small businesses that didn't get a bailout. H.R. 3854 provides critical funding to small firms in every industry and, most importantly, generates