

As many may recall, the most recent storm, Super Typhoon Paka, devastated the island in December of 1997 and caused property damage of over \$100 million. On top of these storms, Guam also became a victim of an 8.2 earthquake in 1994, which has been one of the strongest recorded in the Pacific in this century.

S. 388 is good legislation. It is proactive and it will prepare small businesses for recovery. Most often, disaster related programs are targeted to homeowners and gain the bulk of their popularity in the aftermath of destruction. S. 388 and its companion legislation H.R. 818, passed by the House last month, addresses the concerns of small businesses that do not receive the same type of disaster attention given to homeowners. The recovery of a community in the wake of disaster can be bolstered by the level of preparation to mitigate against damage by our business communities. Small businesses help generate economic activity crucial for the recovery of a stricken community.

Reacting to a storm plagues many communities with confusion. This pilot program aims to empower the business community with information and mitigation activities which will prevent serious losses. An appropriation of \$15 million is a very small amount compared to potential losses without this sort of program.

I understand that the territories are full partners in this program. I certainly hope that in coming years the amounts will be expanded and we will do everything we can to make sure this pilot program is a success.

I commend the authors of this legislation from both the House and Senate and encourage my colleagues to vote in favor of this measure.

Mr. THUNE. Mr. Speaker, I yield back the balance of my time.

The SPEAKER pro tempore (Mr. STEARNS). The question is on the motion offered by the gentleman from South Dakota (Mr. THUNE) that the House suspend the rules and pass the Senate bill, S. 388.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. THUNE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on S. 388.

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

There was no objection.

MICROLOAN PROGRAM TECHNICAL CORRECTIONS ACT OF 1999

Mr. PEASE. Mr. Speaker, I move to suspend the rules and concur in the Senate amendment to the bill (H.R. 440) to make technical corrections to the Microloan Program.

The Clerk read as follows:
Senate Amendment:
Page 2, strike out all after line 6 down to and including line 20 and insert:
(1) in paragraph (7), by striking subparagraph (B) and inserting the following:

“(B) ALLOCATION.—
“(i) MINIMUM ALLOCATION.—Subject to the availability of appropriations, of the total amount of new loan funds made available for award under this subsection in each fiscal year, the Administration shall make available for award in each State (including the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, and American Samoa) an amount equal to the sum of—

“(1) the lesser of—
“(aa) \$800,000; or
“(bb) 1/55 of the total amount of new loan funds made available for award under this subsection for that fiscal year; and

“(II) any additional amount, as determined by the Administration.

“(ii) REDISTRIBUTION.—If, at the beginning of the third quarter of a fiscal year, the Administration determines that any portion of the amount made available to carry out this subsection is unlikely to be made available under clause (i) during that fiscal year, the Administration may make that portion available for award in any 1 or more States (including the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, and American Samoa) without regard to clause (i).”; and

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

The Chair recognizes the gentleman from Indiana (Mr. PEASE).

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

Mr. Speaker, let me begin by thanking my colleagues, the chairman of the committee, the gentleman from Missouri (Mr. TALENT), and the ranking member of the committee, the gentleman from New York (Ms. VELÁZQUEZ). I appreciate their assistance in moving this bill and their help in fashioning it.

Mr. Speaker, this is a technical corrections bill, and though it is important work, it need not occupy a great deal of the House's time. H.R. 440 is the same bill that the House passed on February 9 of this year by an overwhelming margin. H.R. 440 corrects the provisions of the loan loss reserve requirements of the microloan program at the Small Business Administration.

The microloan program was established as a pilot program in 1991 and made permanent in 1997. It provides small loans under \$25,000 to the Nation's smallest entrepreneurs. These loans are made through SBA-certified and -approved nonprofit lending and business development intermediaries. These intermediaries borrow funds from the SBA and, in turn, lend those funds to small businesses. In order to protect taxpayer assets, the intermediaries are required to maintain a loss reserve based on the amount of microloans they have outstanding.

Mr. Speaker, the Senate amendment made some clarifications to the House-passed version of the bill. These changes make no substantive changes in the purpose of the bill, but they do tighten the language that provides for some minimum allocation for States with microloan programs. The amendment is necessary to make doubly sure that there is no mistake between congressional intent and agency execution.

The amendment makes clear that subject to appropriations, all State microloan programs shall have access to at least 1/55th of all new funds allocated for the program. This amount will be available until the beginning of the third quarter, at which point all funds will be available to any eligible intermediary.

Mr. Speaker, this bill is not headline material but it is important work nonetheless. It will have a real impact on the very smallest of businesses in this country seeking start-up financing and at the end of the day that is the most important part of our job on the Committee on Small Business.

Let me again thank my colleagues, the gentleman from Missouri (Chairman TALENT) and ranking member, the gentleman from New York (Ms. VELÁZQUEZ), and the committee staff for their assistance in moving the measure before us.

Mr. Speaker, I urge my colleagues to support H.R. 440.

Mr. Speaker, I reserve the balance of my time

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

Mr. Speaker, I would like to begin by thanking the gentleman from Missouri (Chairman TALENT) for working with me to move quickly to pass the Microloan Program Technical Corrections Act. These changes are important for small entrepreneurs because they would allow lenders to make more loans and increase technical assistance.

Everyone agrees that the challenge facing most entrepreneurs is access to capital. Now, consider the special challenges to microenterprises. It is often more difficult, if not impossible, for many microenterprises to get the financing they need. Microborrowers are either start-up or growth-phase businesses which are unable to meet a lender's collateral or credit requirements. For many private lenders, it is simply not feasible to make the small loans that entrepreneurs need to start or expand their business.

To address this problem, the Small Business Administration launched the microloan pilot project in 1992. This program was designed to help underserved start-up and existing small business owners that do not have access to financing. Since its inception, the microloan program has helped countless businesses start up and grow.

Today, with over 100 participating intermediaries, the SBA microloan program is the largest Federal program of its kind. It has a proven record of giving small businesses the support they need to succeed.

One of the most important aspects of the microloan program is its ability to reach women and minorities. Often women and minorities do not have the credit history or necessary capital to get a loan from a bank or other traditional channel. This is where the microloan program steps in and provides the tools to help these business owners achieve the American dream. In fact, the microloan program has become a traditional funding source for women entrepreneurs.

That is why today's legislation is so important. The first thing that the Microloan Program Technical Corrections Act will do is remove the State formula caps. The caps were put in place in order to ensure equitable distribution of funds, but resulted in just the opposite. By removing the cap, we will be ensuring that all States have access to the program.

Additionally, the most recent Senate amendments make sure that every State and territory gets its fair share of microloan funding. Under the latest change, if the program is fully funded, each State will receive an equal part of the full appropriations. In the case that each State receives its \$800,000, any extra microloan funding will be distributed by SBA at the administrator's discretion.

I would say to my colleague, by allowing lenders with successful loan portfolios to make more loans and to provide additional technical assistance, today's legislation will only help more microenterprises grow. Providing additional technical assistance to businesses will enable entrepreneurs who are on the threshold of moving forward the opportunity to do so.

The microloan program has proved invaluable in helping America's small businesses grow. I am glad that we are moving quickly to pass this crucial legislation and that we are looking for ways to improve this important program.

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

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

Mr. Speaker, I wish to acknowledge again the work of the gentlewoman from New York (Ms. VELÁZQUEZ) and the work of the chairman of our committee, the gentleman from Missouri (Mr. TALENT), on this important piece of legislation. I urge the support of our colleagues for its passage.

GENERAL LEAVE

Mr. PEASE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 440.

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

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Indiana (Mr. PEASE) that the House suspend the rules and concur in the Senate amendment to the bill, H.R. 440.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the Senate amendment was concurred in.

A motion to reconsider was laid on the table.

PROVIDING FOR CONCURRENCE BY HOUSE WITH AMENDMENT TO SENATE AMENDMENTS TO H.R. 98, EXTENSION OF AVIATION WAR RISK INSURANCE PROGRAM

Mr. PETRI. Mr. Speaker, I move to suspend the rules and agree to the resolution (H. Res. 135) providing for the concurrence by the House with an amendment in the Senate amendments to H.R. 98.

The Clerk read as follows:

H. RES. 135

Resolved, That upon the adoption of this resolution the House shall be considered to have taken from the Speaker's table the bill H.R. 98, with the amendments of the Senate thereto, and to have—

(1) concurred in the amendment of the Senate to the title; and

(2) concurred in the amendment of the Senate to the text with the following amendment:

At the end of the Senate amendment, add the following:

Page 2, line 3, strike "March" and insert "May".

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Wisconsin (Mr. PETRI) and the gentlewoman from the District of Columbia (Ms. NORTON) each will control 20 minutes.

The Chair recognizes the gentleman from Wisconsin (Mr. PETRI).

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

Mr. Speaker, last month the war risk insurance program was reauthorized by the House, but only through the end of next month. We need to quickly move to reauthorize the program for a longer period of time and do it in a way that is acceptable to the Senate.

This program has operated successfully for over 47 years.

The bill would reauthorize the war risk insurance program through December 31, 2003. Insurance is an essential feature of any commercial airline operation, but ordinary business insurance operations are normally not willing, and certainly not at normal rates, to insure flights to high-risk areas such as countries at war or on the verge of war.

In many cases, flights into these dangerous situations, however, are re-

quired to further our Nation's foreign policy or national security objectives. On many occasions in the past, commercial airlines, rather than military planes, have been used to move materiel and troops into war-type areas including, for example, most recently during Desert Storm-Desert Shield operations and other conflicts.

Without the war risk program, commercial airlines would not have flown these military flights, and therefore the Department of Defense would have had to grant or purchase aircraft at a cost to the taxpayers of millions of dollars, if not billions.

Although the program is not currently being used in Kosovo, it could be needed at any time and, therefore, we cannot afford to allow the program to lapse. The bill before the House now is virtually the same as the bill that we passed last February, but the Senate dropped a provision in the bill involving unrelated technical changes to the centennial of flight commission. Therefore, we need to pass this bill and send it back to the Senate. I would urge support for the resolution.

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

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

Mr. Speaker, I rise today in support of H. Res. 135, a bill to extend the war risk insurance program through 2003. This program allows the Federal Aviation Administration to issue insurance to airlines flying into war zones when it is in the national interest for the airlines to do so and commercial insurance is not available on reasonable terms.

The war risk insurance program was first authorized in 1951 and it has served the country well. Since 1975, the nonpremium option under the war risk insurance program alone has been activated over 5,000 times. Recently it has been used in support of Operations Desert Shield and Storm in the Middle East, Operation Restore Hope in Somalia, Operation Uphold Democracy in Haiti and Operation Joint Endeavor in Bosnia.

As Members can see from its scope, it has been an active part of our Nation's foreign policy and national security efforts.

In March, we extended this program for only 2 months until May 31, 1999. With the continuing activities in the Persian Gulf and the current situation in Kosovo, it would be unfortunate to allow this program to expire. I would hope that we could quickly pass this legislation to avoid any lapse in this crucial program.

I want to thank the gentleman from Pennsylvania (Mr. SHUSTER) and the gentleman from California (Mr. DUNCAN), the gentleman from Minnesota (Mr. OBERSTAR) and the gentleman from Illinois (Mr. LIPINSKI) for their leadership, and I urge my House colleagues to support H. Res. 135.