This “de-linking” of BEDI funding from the Section 108 program will help to improve its visibility as a key source of Federal funds to trigger Brownfields redevelopment activities. Additionally, it establishes the BEDI program as an independent program by separating it from the section 108 (q) economic development initiative program as a new section 123 of the Housing and Community Development Act of 1974.

Third, it increases the allowable guarantee limit for Section 108-backed loans used in conjunction with Brownfields activities—cities and states could access an additional five times their annual entitlement for Brownfields cleanup and redevelopment. This provision will provide smaller communities with the opportunity to assemble a capital pool of sufficient size to cover the costs of Brownfields site preparation. It also gives cities more practical options to pursue Brownfields reuse strategies—for example, to acquire and clean up sites themselves, and assemble them into tracts that best fit markets and uses they have identified. The increase in the allowable guarantee limit for section 108-backed loans for Brownfields activities applies only prospectively to obligations guaranteed after the date of enactment of the legislation.

Fourth, it promotes Section 108 Loan Guarantee Brownfields activities by better addressing the developmental realities of this type of real estate development. This will be achieved by clearly identifying Brownfields redevelopment activities as eligible activities under the Section 108 program, thereby enabling the loan funds to be used for a wider range of activities that support Brownfields reuse. It also encourages communities to identify and coordinate other public and private funding sources for Brownfields projects by allowing them to count as leverage in terms of award criteria.

Fifth, it implements HUD’s Community Empowerment Fund (CEF) Pilot program. The CEF Pilot is designed to use the Section 108 Loan Guarantee program in combination with the Economic Development Initiative (EDI) grant program. It is noteworthy that several years ago, HUD issued a Notice of Funding Availability (NOFA) and guidelines, but failed to implement the CEF Pilot program. The CEF Pilot is designed to mitigate or even eliminate the risk of loss to a community’s CDBG program inherent in making business loans funded by the Section 108 Loan Guarantee program. The CEF Pilot combines modem private sector financial engineering with privatization of much of the administration of business loans. The EDI grants are to provide a pooled cash loan reserve to cushion against losses resulting from defaults on business loans funded through the Section 108 Loan Guarantee program and reducing the risk to the community’s CDBG program.

Sixth, and finally, it directs HUD to undertake a comprehensive study of Brownfields redevelopment issues on a nationwide basis. While Brownfields redevelopment has become a critical community and economic development issue over the past five years, it seems that there has not been a thorough Federal ef-

September 25, 2001

SMALL BUSINESS TECHNOLOGY TRANSFER PROGRAM REAUTHORIZATION ACT OF 2001

SPEECH OF
HON. CONSTANCE A. MORELLA
OF MARYLAND
IN THE HOUSE OF REPRESENTATIVES
Monday, September 24, 2001

Mrs. MORELLA. Mr. Speaker, I rise today in support of reauthorizing the Small Business Technology Transfer (STTR) Program. Continuing this program will encourage the development of small businesses and help strengthen our economy.

I have been a long time supporter of this program. It helps small businesses, including minority and women owned businesses, to participate in the research and development of new technologies. Various businesses in my district have benefited from the STTR program as they work with the many research institutions and federal agencies located in the Washington region.

The STTR program has been successful since the launch of its pilot program in 1992. This success was recognized as funding for the pilot program was twice reauthorized in 1994 and 1996. Now, we can make this a permanent program and encourage participating agencies to implement outreach programs to small businesses and research institutions that will enhance the STTR program. The STTR program has helped small businesses benefit the economy by encouraging technology innovations and job creation. This program has been credited for promoting collaborative efforts in research and development. Under this program, small businesses are exposed to the scientific knowledge available at our nation’s research institutions. In addition, the STTR program moves academic theories from research institutes to viable commercial use that benefit our nation and the world.