

ORGANIZATIONAL MEETING

HEARING
BEFORE THE
COMMITTEE ON SMALL BUSINESS
UNITED STATES
HOUSE OF REPRESENTATIVES
ONE HUNDRED SEVENTEENTH CONGRESS
FIRST SESSION

HEARING HELD
FEBRUARY 4, 2021



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HOUSE COMMITTEE ON SMALL BUSINESS

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ORGANIZATIONAL MEETING

THURSDAY, FEBRUARY 4, 2021

HOUSE OF REPRESENTATIVES,
COMMITTEE ON SMALL BUSINESS,

Washington, DC.

The Committee met, pursuant to call, at 9:35 a.m., in room 2360, Rayburn House Office Building, Hon. Nydia M. Velázquez [chairwoman of the Committee] presiding.

Present: Representatives Velázquez, Golden, Crow, Davids, Mfume, Phillips, Newman, Bourdeaux, Chu, Evans, Delgado, Houlahan, Kim of New Jersey, Craig, Luetkemeyer, Donalds, Fitzgerald, Garbarino, Hagedorn, Kim of California, Meuser, Salazar, Stauber, Van Dyne, and Williams.

Chairwoman VELÁZQUEZ. Good morning. I call the Small Business Committee organizational meeting to order.

Without objection, the Chair is authorized to declare a recess at any time.

I would like to begin by noting some important requirements. During the covered period as designated by the Speaker, the committee will operate in accordance with H.R. 965, which was incorporated into the 117th House rule under H.R. 8.

Just as we did last Congress, we will follow guidance from the Rules Committee to respect the rights of all Members to participate. Standing House and Committee rules and practice will continue to apply during hybrid proceedings as well.

House regulations require Members to be visible through a video connection throughout the proceeding. Due to the nature of a markup, it is extremely important that Members follow this rule to ensure a quorum can be established and that Members' votes can be recorded by the clerk.

As a reminder, Members can participate in only one proceeding at a time, so if you have another committee proceeding or meeting, please sign off and rejoin later.

If a Member wishes to offer an amendment that has not been prefiled, we will take a brief recess to allow for its uploading, printing, and distribution, then resume.

We may also recess briefly to address technical issues in the event a Member or witness cannot be recognized to speak.

Finally, for those Members physically present in the committee room today, we will also be following the health and safety guidance issued by the attending physician. That includes social distancing, and especially the use of masks. I request Members and staff to wear masks at all times while in the hearing room, and I

thank you in advance for your commitment to a safe environment for all.

I want to first welcome all returning and new Members to the Small Business Committee. Before we introduce new Members, I want to recognize Mr. Blaine Luetkemeyer, who is returning to the Committee as Ranking Member.

Most everyone on the Committee knows that the former Ranking Member, Steve Chabot, and I shared a wonderful working relationship. Over the years, we moved hundreds of bipartisan bills to make the world a little brighter for small businesses.

While Steve will be sorely missed, I look forward to working with Blaine and hope that we can continue this committee's tradition of working together.

As a former small business owner, Ranking Member Luetkemeyer brings a breadth of firsthand experience to this committee, and he has been a strong voice in Congress for programs that benefit small firms.

We all know that small employers are facing challenging times. The pandemic has disproportionately hurt small businesses and workers from every corner of our country, and they fear losing their livelihoods. It is our duty to implement policies to help them rebuild and reshape our nation's entrepreneurial landscape.

During the last Congress, we worked together to pass nearly 40 bipartisan bills through the committee and the House. It is my hope that, given the membership we have this year and the defining moment this is for our country, the Small Business Committee will achieve even more for small firms in the 117th Congress.

Small businesses deserve our partnership. We have a diverse committee, and that is our strength, because we will ensure our work benefits all entrepreneurs no matter their location, industry, or background. We are their voice in Congress. While we may not always agree, it is my hope we can have a productive dialogue and do so in a respectful manner. I look forward to collaborating with each of you this Congress.

Now let me take this opportunity to introduce the new Members on my side. There are a few new Democratic Members of the committee.

Dean Phillips is a small businessman from Minnesota who is committed to working across the aisle. He drafted the Paycheck Protection Program Flexibility Act with Representative Chip Roy, helping thousands of small employers. He will be a true asset to our committee.

Marie Newman of Illinois brings a breadth of small business experience as a former owner of a consulting firm. Throughout her career, she has also been an advocate for national issues, such as healthcare, LGBTQ, and economic rights. I am confident she will be a champion and powerful voice for small businesses.

Carolyn Bourdeaux of Georgia was a professor of public management and policy at the Andrew Young School of Policy Studies at Georgia State University before joining us in Congress. During the Great Recession, Carolyn was the director of the Georgia Senate Budget and Evaluation Office, where she worked with both parties to balance Georgia's budget and get the state economy back on track. Her experience coupled with her commitment to bipartisan-

ship will be instrumental in helping small businesses recover from the pandemic.

We welcome you—all of you, and we are excited that you will be serving in this committee.

I would also like to welcome back the Members who served on the committee in the 116th Congress: Jared Golden from Maine, Jason Crow from Colorado, Sharice Davids of Kansas, Kweisi Mfume from Maryland, Judy Chu from California, Dwight Evans of Pennsylvania, Antonio Delgado from New York, Chrissy Houlahan of Pennsylvania, Andy Kim from New Jersey, Angie Craig from Minnesota. We are very fortunate to have all you back on this committee.

Now I yield to the Ranking Member, Mr. Luetkemeyer, for his opening statement and to introduce his new members.

Mr. LUETKEMEYER. Thank you, Madam Chairwoman.

I look forward to working with you. You and I have known each other a long time—about 12 years, I think, in total—ten on this committee. I stepped off a couple years ago, but we are back. And, working with you on Financial Services, I think there are a lot of areas I believe we can find some common ground. I look forward to that opportunity.

I also want to welcome back the returning Members of the committee on both sides of the aisle, and welcome all the new Members.

As we begin this Congress, I want to say that I look forward to continuing the tradition of bipartisanship that we fostered on this committee on behalf of the nation's entrepreneurs and innovators. We always say that small businesses are an important economic driver for our nation. Now, we must ensure that the small businesses that are struggling from the COVID-19 pandemic can keep their doors open and have the tools and freedom they need to recover.

My focus and concentration will be on policies that allow small businesses to recover quickly. Additionally, we must create an environment where small businesses grow and expand. Access to capital, a smart regulatory environment, and an appropriate level of taxation are priorities to get that done.

I look forward to lively debate and informative hearings, and productive markups as we address these very important topics that will assist the nation's job creators.

First, I want to recognize Republican Members who are returning to the committee: Jim Hagedorn and Pete Stauber, both of Minnesota, have made significant contributions to our committee's consideration of legislation and policy, and their experience will be invaluable as we contemplate the very critical issues now facing our nation's small businesses.

Next, I would like to introduce the new Members of the committee: Representative Roger Williams of Texas, who is not new to Congress, but new to our committee. He is a small business owner, former Texas Secretary of State, and former Major League Baseball player, Atlanta Braves. I am sure you are going to hear, "Play ball," often this year.

Representative Dan Meuser of Pennsylvania, who is also not new to Congress, but new to our committee. Before coming to Congress,

he worked for a small healthcare products manufacturer where he helped create thousands of jobs, and actually marketed his products around the world.

Representative Andrew Garbarino of New York, a third-generation small business owner, practicing law with his father.

Representative Young Kim of California, one of the first Korean Americans to serve in Congress and a former Member of the California State Assembly.

Representative Beth Van Duyne of Texas, a former city council member and mayor, who is used to solving problems that we are going to be looking at over the next couple of years.

Representative Byron Donalds of Florida, who worked in the banking, finance, and insurance industries and served in the Florida House of Representatives.

Representative Maria Salazar of Florida, a five-time Emmy Award-winning journalist.

And Representative Scott Fitzgerald of Wisconsin, a former Army officer, newspaper owner, and Wisconsin State Senator.

As this committee considers the many issues related to our nation's COVID-19 recovery and economy, I know the knowledge and expertise of all of our new Members will be extremely helpful.

Madam Chairwoman, I look forward to working with you and our colleagues in a bipartisan manner to address these issues impacting the small businesses.

With that, I would like to present you with a letter of what I think are some great topics to begin the year with, things that I think are important to our small businesses and economy and their role in our economy. And it is pretty lengthy.

I won't go into discussing it, but I think it gives us a lot of topics to begin to discuss in the hearings, and I think we are going to need to be able to address a lot of these issues.

So, with that, I would like to yield the balance of my time to our Vice Chair, Roger Williams from Texas.

Mr. WILLIAMS. Thank you, Mr. Ranking Member.

I am also honored to serve with the Chairwoman. We also served on Financial Services and have a long relationship as a Ranking Member, as a dear friend on this Small Business Committee.

In the 117th Congress, this committee has never been more important with the things that we are going to be going over. And I will turn my microphone on. After 10 years, I ought to know that.

But this committee will never be—never be more important. As someone who has owned a business and still owns a business for 51 years, there is a lot of challenges out there for us, and I know that this committee is the lifeblood, along with small business, of our economy. And Main Street America will ultimately turn this country around from the devastation we have seen from COVID-19.

So, Madam Chairwoman, I give you my time back. Thank you.

Chairwoman VELÁZQUEZ. Thank you. The gentleman yields back.

Colleagues, I look forward to the robust discussions and debates that I know will transpire over the next 2 years, and now we will move to the rules package.

With the adoption of today's rules package, I believe we are making it clear to the small business community that we are committed to working together and advocating on their behalf.

Pursuant to clause 2(a) of the House rule XI, today's first order of business is to adopt the committee rules for the 117th Congress. The adoption of the rule is central to the work we do and the tone we set in this body. Perhaps most importantly, they must ensure that all points of view are considered and that the minority retains their full rights to be heard.

In this context, the rules mirror those of the 116th Congress with some minor conforming and clarifying changes. Most notable are the renaming of three of the five subcommittees and clarifying the Member question order for subcommittee hearings.

Three subcommittee names were modified to reflect the change in nature of small business policy priorities. They are Innovation, Entrepreneurship, and Workforce Development, formerly Innovation and Workforce Development; the next subcommittee, Underserved, Agricultural, and Rural Business Development, formerly Rural Development, Agricultural Trade, and Entrepreneurship; and Oversight, Investigation and Regulations, formerly Investigations, Oversight, and Regulations.

The second rule change will clarify Member question order for subcommittee hearings.

During the 116th Congress, many Members of the full committee participated in subcommittee hearings when they were not members of that subcommittee. While this is permissible under the rules, a lack of clarity in the rules for this scenario led to confusion with the question order.

For the 117th Congress, the rules have been amended to clearly state that subcommittee Members will be recognized to ask questions first before turning to non-subcommittee Members with their question order based on full committee seniority.

This committee needs to run in a cooperative manner. I believe the best way to do that is to make sure both sides have an equal voice and are treated in a way that is fair. Through adoption of these rules, we will continue this practice.

I would like to thank the staff on both sides for working closely on the rules package. At this point, I would like to yield to Ranking Member Luetkemeyer for any comments he may have on the rules.

Mr. LUETKEMEYER. Thank you, Madam Chair.

The committee's rules package before us this morning is a product of both sides working together. The rules provide opportunities for the majority and the minority to participate within all facets of the committee. I thank you for your collaboration, and I look forward to working in a bipartisan manner on many issues to come.

I would like to take this time to mention a few of the provisions within the rules.

All subcommittees now have a ratio of six majority Members to five minority Members, which allows for appropriate representation across the jurisdictional scope of the committee. Three subcommittees, as you mentioned earlier, have slightly altered names. We appreciate the Chairwoman retaining "agricultural" in the new Underserved, Agricultural, and Rural Business Development Sub-

committee, as many of our members, including the 3rd District of Missouri, have agricultural land and family farms.

The Subcommittee on Innovation and Workforce Development is now the Subcommittee on Innovation, Entrepreneurship, and Workforce Development. And the Subcommittee on Investigations, Oversight, and Regulations is now the Subcommittee on Oversight, Investigations, and Regulations.

But make no mistake. No matter the name of the subcommittees, our Members, Republican and Democrat, are equally committed to continuing the rigorous oversight for which the committee is known.

Additionally, the new rules now provide, at subcommittee hearings, Members of the full committee who are not subcommittee Members will have the opportunity to question witnesses after the Ranking woman and Ranking Member of both the subcommittee and the full committee if they are in attendance and all subcommittee Members have inquired. This is the way questioning is handled in other House Committees, so it make sense that we follow that protocol as well.

Finally, because of social distancing during the 116th Congress, this committee has sometimes been in rooms other than 2360 Rayburn, our customary hearing room. Our rules now state that, for hearings held by the committee or a subcommittee in the committee's hearing room or another assigned hearing room in Washington, D.C., a quorum will be deemed present if one Member from the majority and one Member from the minority are present.

However, the rules continue to state that the Chair will exercise reasonable comity by waiting for the Ranking Member, even if a quorum is present, before striking the gavel.

Again, I thank the Chairwoman for working with me on this rules package. They provide for a smooth operation of the committee, and I urge my colleagues to support it.

I yield back the balance of my time.

Chairwoman VELÁZQUEZ. The gentleman yields back.

Are there any Members that wish to be recognized on the rules?

The committee now moves to consideration of the rules package. The clerk will read the title of the document.

The CLERK. Rules and Procedures Adopted by the Committee on Small Business.

Chairwoman VELÁZQUEZ. I ask unanimous consent that the rules package be considered as read and open for amendment in its entirety.

Does any Member seek recognition for the purposes of offering an amendment?

Seeing no amendments, the question is on adopting the rules.

All those in favor, say aye.

All those opposed, say no.

In the opinion of the Chair, the ayes have it, and the proposed rules are adopted, and staff is authorized to make technical and grammatical changes.

Pursuant to House rules, the rules adopted by the Committee on Small Business for the 117th Congress will be published in the Congressional Record and made available to Members and the public on the committee's website.

Now we will approve our Subcommittee Chairs and Ranking Members. The full committee Vice Chair will be Mr. Kweisi Mfume from Maryland.

Mr. Jared Golden will be the Chair of the Subcommittee on Underserved, Agricultural, and Rural Business Development.

Mr. Jason Crow will be the Chair on the Subcommittee on Innovation, Entrepreneurship, and Workforce Development.

Ms. Sharice Davids will be the Chair of the Subcommittee on Economic Growth, Tax, and Capital Access.

Mr. Kweisi Mfume will be the Chair of the Subcommittee on Contracting and Infrastructure.

Mr. Dean Phillips will be the Chair of the Subcommittee on Oversight, Investigations, and Regulations.

I now yield to the Ranking Member, Mr. Luetkemeyer, for any remarks that he may have to introduce the subcommittee Ranking Members.

Mr. LUETKEMEYER. Thank you, Madam Chair.

I am pleased to introduce the Republican Ranking Members for the 117th Congress.

First, I want to recognize Roger Williams of Texas, who has agreed to serve as Vice Ranking Member of the full Committee.

Next is Jim Hagedorn of Minnesota, who will serve as a Ranking Member for the Subcommittee on Underserved, Agricultural, and Rural Business Development.

Ranking Member for the Subcommittee on Innovation, Entrepreneurship, and Workforce Development will be Young Kim of California.

Ranking Member for the Subcommittee on Economic Growth, Tax, and Capital Access will be Dan Meuser of Pennsylvania.

Beth Van Duyne of Texas will be the Ranking Member for the Subcommittee on Oversight, Investigations, and Regulations.

And Maria Salazar of Florida will serve as Ranking Member for the Subcommittee on Contracting and Infrastructure.

I believe the experience of all these talented Members will be invaluable as we consider the important issues facing our nation's small businesses.

And, Madam Chair, with that, I yield back.

Chairwoman VELÁZQUEZ. The gentleman yields back.

I move that the list of subcommittee Chairs and Ranking Members and Vice Chair as set forth in the roster be approved.

All those in favor, say aye.

Those opposed, say no.

In the opinion of the Chair, the ayes have it, and the Chairs and Ranking Members are appointed.

This concludes the order of business for today's meeting. Does any Member seek recognition for debate before we conclude?

If not, without objection, this meeting of the Committee on Small Business stands adjourned, and the Committee will stand in recess for a few moments to prepare for a Committee hearing.

[Whereupon, at 9:55 a.m., the Committee was adjourned.]

APPENDIX

Rules and Procedures

Adopted by the

Committee on Small Business

United States House of Representatives

117th Congress, 2021-2022

1. GENERAL PROVISIONS

- (A) Rules of the Committee. The Rules of the House of Representatives are the rules of the Committee on Small Business (“Committee”) to the extent applicable and are incorporated by reference.
- (B) Appointments by the Chair. Pursuant to the Rules of the House, the Chair shall designate a Member of the Committee Majority to serve as Vice Chair of the Committee. The Vice Chair shall preside at any meeting or hearing during the temporary absence of the Chair. The Chair also reserves the right to designate a Member of the Committee Majority to serve as the Chair at a hearing or meeting.

2. REFERRAL OF BILLS BY THE CHAIR

The Chair will retain consideration of all legislation referred to the Committee by the Speaker. No action will be required of a Subcommittee before legislation is considered for report by the Committee. Subcommittee chairs, pursuant to the rules set out herein, may hold hearings on any bill referred to the Committee.

3. SUBCOMMITTEES

- (A) Generally. Each Subcommittee of the Committee is part of the Committee and is subject to the authority and direction of the Committee, and to the Rules of the House and the rules adopted herein, to the extent applicable. The Chair and Ranking Member of the Committee are *ex officio* Members of all Subcommittees for the purpose of any meeting conducted by a Subcommittee.
- (B) The Committee shall be organized into the following five subcommittees:
 - (1) Subcommittee on Underserved, Agricultural, and Rural Business Development
This Subcommittee (which will consist of six (6) Democratic Members and five (5) Republican Members) will address policies that enhance underserved communities and rural economic growth, increasing America’s energy

independence and ensuring that America's small businesses can compete effectively in a global marketplace.

- Oversight of a broad array of policies affecting underserved businesses, including minority, women, immigrant, veteran, and rural owners.
- Oversight of the Small Business Administration's outreach and structure as it pertains to increasing assistance to underserved and rural businesses and entrepreneurs.
- Oversight of agricultural policies.
- Oversight of trade policies and issues affecting small firms related to trade agreements.
- Oversight of environmental issues and regulations (including agencies such as the Environmental Protection Agency and the Army Corps of Engineers).
- Oversight of energy issues, including expansion of domestic resources, whether they are renewable or non-renewable.
- Oversight of international trade policy with particular emphasis on agencies that provide direct assistance to small businesses, such as: the Small Business Administration's (SBA) Office of International Trade, the Department of Commerce's United States Export Assistance Centers, the Department of Agriculture's Foreign Agricultural Service, and the Export-Import Bank.
- Oversight of infringement of intellectual property rights by foreign competition.
- Examine the implementation and effectiveness of government programs designed to assist underserved, rural, and agricultural businesses impacted by the pandemic.

(2) Subcommittee on Innovation, Entrepreneurship, and Workforce Development

This Subcommittee (which will consist of six (6) Democratic Members and five (5) Republican Members) will address how innovation promotes economic growth and job creation by small businesses. In addition, the Subcommittee will examine small business job growth through the creation and adoption of advanced technologies. The Subcommittee will review the broad scope of workforce issues that affect the ability of small businesses to obtain and maintain qualified employees.

- Oversight of SBA entrepreneurial development programs, including Small Business Development Centers, Women's Business Centers, Veteran Business Outreach Centers, and SCORE.
- Oversight of all federal policies that affect the workforce including, but not limited to, the roles of the Department of Labor and the National Labor Relations Board.
- Analyze workforce issues, including but not limited to health care, retirement, and labor challenges facing small businesses.

- Examination of general technology issues, including intellectual property policy in the United States.
- Oversight of United States telecommunications policies including, but not limited to, the National Broadband Plan and allocation of electromagnetic spectrum.
- Oversight of the Small Business Innovation Research Program.
- Oversight of the Small Business Technology Transfer Program.
- Investigate the state of the nation's entrepreneurship, the challenges they face, and steps to strengthen entrepreneurship, including startups, solopreneurs, self-employed, and microbusinesses.
- Examine programs and efforts designed to assist both small employers and their workers throughout the Covid-19 pandemic.

(3) Subcommittee on Economic Growth, Tax, and Capital Access

This Subcommittee (which will consist of six (6) Democratic Members and five (5) Republican Members) will evaluate the operation of the financial markets in the United States and their ability to provide needed capital to small businesses. In addition, the Subcommittee will review federal programs, especially those overseen by the SBA, aimed at assisting entrepreneurs in obtaining needed capital. Since the tax policy plays an integral role in access to capital, this Committee also will examine the impact of federal tax policies on small businesses.

- Oversight of capital access and financial markets.
- Implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act.
- SBA financial assistance programs, including guaranteed loans, microloans, certified development company loans, and small business investment companies.
- Oversight of the Department of Agriculture business and industry guaranteed loan program.
- Oversight of general tax policy affecting small businesses.
- The management of the SBA disaster loan program.
- Analyze efforts to address challenges for the unbanked and underbanked business community and steps to increase capital access.
- Investigate the implementation and efficacy of programs related to supporting the business community and nonprofits throughout the Covid-19 pandemic, including but not limited to the Paycheck Protection Program, the Economic Injury Disaster Loan program, and other SBA programs.

(4) Subcommittee on Oversight, Investigations, and Regulations

This Subcommittee (which will consist of six (6) Democratic Members and five (5) Republican Members) will probe the efficient operation of government

programs that affect small businesses, including the SBA, and develop proposals to make them operate in a more cost-effective manner. This Subcommittee also will review the regulatory burdens imposed on small businesses and how those burdens may be alleviated.

- Oversight of general issues affecting small businesses and federal agencies.
- Oversight of the management of the SBA.
- Oversight of the SBA Inspector General.
- Implementation and effectiveness of the Regulatory Flexibility Act.
- Oversight of the Office of Information and Regulatory Affairs at the Office of Management and Budget.
- Use of the Congressional Review Act.
- Transparency of the federal rulemaking process as required by the Administrative Procedure and Data Quality Acts.
- Evaluating the Paperwork Reduction Act.
- Investigate all programs relating to the Covid-19 pandemic and their impact on the business and nonprofit community and their employees.

(5) Subcommittee on Contracting and Infrastructure

This Subcommittee (which will consist of six (6) Democratic Members and five (5) Republican Members) will assess the federal procurement system, including those programs designed specifically to enhance participation by small businesses in providing goods and services to the federal government. The Subcommittee will review the broad scope of opportunities available to small businesses for rebuilding and modernizing the nations' infrastructure.

- Oversight of government-wide procurement practices and programs affecting small businesses.
- Oversight of federal procurement policies that inhibit or expand participation by small businesses in the federal contracting marketplace.
- All contracting programs established by the Small Business Act, including HUBZone, 8(a), Women-, and Service Disabled Veteran-Owned Small Business Programs.
- Technical assistance provided to federal contractors and prospective contractors through SBA personnel, Offices of Small and Disadvantaged Business Utilization, and Procurement Technical Assistance Centers.
- The SBA Surety Bond guarantee program.
- General oversight of programs available to small businesses in modernizing and strengthening the nation's infrastructure.
- Explore challenges small contractors and businesses face caused by the Covid-19 pandemic and remedial steps to assist them.

- Address steps the federal government have taken or can take to strengthen the supply chain and create more federal procurement opportunities for small business concerns.

(C) Powers and Duties of Subcommittees. Each Subcommittee is authorized to meet, hold hearings, receive evidence, and report to the Committee on any matters referred to it. Prior to the scheduling of any meeting or hearing of a Subcommittee, the Chair of the Subcommittee shall obtain the approval of the Chair of the Committee.

(D) Hearing Time and Date. No hearing or meeting of a Subcommittee shall take place at the same time as the meeting or hearing of the Full Committee or another Subcommittee, *provided however*, that the Subcommittee Chairs may hold field hearings that conflict with those held by other Subcommittees of the Committee.

4. COMMITTEE STAFF

(A) Majority Staff. The employees of the Committee, except those assigned to the Minority as provided below, shall be appointed and assigned, and may be removed by the Chair of the Committee. The Chair shall fix their remuneration and they shall be under the general supervision and direction of the Chair.

(B) Minority Staff. The employees of the Committee assigned to the Minority shall be appointed and assigned, and their remuneration determined, as the Ranking Minority Member of the Committee shall decide.

(C) Subcommittee Staff. There shall be no separate staff assigned to Subcommittees. The Chair and Ranking Minority Member shall endeavor to ensure that sufficient Committee staff is made available in order that each Subcommittee may carry out the responsibilities set forth in Rule 3, *supra*.

5. MEETINGS

(A) Regular Meetings. The regular meeting day of the Committee shall be the second Wednesday of every month when the House is in session. The Chair may dispense with the meeting of the Committee, if in the sole discretion of the Chair, there is no need for such meeting.

(B) Additional Meetings. Additional meetings may be called as deemed necessary by the Chair or at the request of the majority Members of the Committee pursuant to Rule XI, cl. 2(c) of the rules of the House. At least 3 days' notice, pursuant to Rule XI, cl. 2(g)(3)(A), of such an additional meeting shall be given unless the Chair, with the concurrence of the Ranking Minority Member, determines that there is good cause to call the meeting on less notice or upon a vote by a majority of the Committee (a

quorum being present). Announcements of the meeting shall be published promptly in the Daily Digest and made publicly available in electronic form.

- (C) Business to be Considered. The determination of the business to be considered at each meeting shall be made by the Chair subject to limitations set forth in House Rule XI, cl. 2(c).
- (D) Meeting Materials. The Chair shall provide to each Member of the Committee, to the extent practicable, at least 48 hours in advance of a meeting, a copy of the bill, resolution, report or other item to be considered at the meeting, but no later than 24 hours before the meeting. Such material also shall be made available to the public at least 24 hours in advance in electronic form.
- (E) Special and Emergency Meetings. The rules for notice and meetings as set forth in Rule 5 of these Rules shall not apply to special and emergency meetings. Clause 2(c)(2) of Rule XI and clause 2(g)(3)(A) of Rule XI of the Rules of the House, as applicable, shall apply to such meetings.

6. NOTICE AND ANNOUNCEMENT OF HEARINGS

- (A) Announcement of Hearings. Public announcement of the date, place, and subject matter of any hearing to be conducted by the Committee shall be made no later than seven (7) calendar days before the commencement of the hearing. To the extent possible, the seven days shall be counted from 168 hours before the time of the Committee's hearing.
- (B) Exception. The Chair, with the concurrence of the Ranking Minority Member, or upon a vote by the majority of the Committee (a quorum being present), may authorize a hearing to commence on less than 7 days' notice.
- (C) Witness Lists. Unless the Chair determines it is impracticable to do so, the Committee shall make a tentative witness list available at the time it makes the public announcement of the hearing. If a tentative witness list is not made available at the time of the announcement of the hearing, such witness list shall be made available as soon as practicable after such announcement is made. A final witness list shall be issued by the Committee no later than 48 hours prior to the commencement of the hearing.
- (D) Hearing Material. The Chair shall provide to all Members of the Committee, as soon as practicable after the announcement of the hearing, a memorandum explaining the subject matter of the hearing and any official reports from departments and agencies on the subject matter of the hearing. Such material shall be made available to all Members of the Committee no later than 48 hours before the commencement of the hearing, unless the Chair, after consultation with the Ranking Minority Member, determines that certain reports from departments or agencies should not be made

available prior to the commencement of the hearing. Material provided by the Chair to all Members, whether provided prior to or at the hearing, shall be placed on the Committee website no later than 48 hours after the commencement of the hearing, unless such material contains sensitive or classified information, in which case such material shall be handled pursuant to Rule 16 of the Committee's Rules.

7. MEETINGS AND HEARINGS OPEN TO THE PUBLIC

- (A) Meetings. Each meeting of the Committee or its Subcommittees for the transaction of business, including the markup of legislation, shall be open to the public, including to radio, television, and still photography coverage, except as provided by House Rule XI, cl. 4. If the majority of Members of the Committee or Subcommittee present at the meeting determine by a recorded vote in open session that all or part of the remainder of the meeting on that day shall be closed to the public because the disclosure of matters to be considered would endanger national security, would compromise sensitive law enforcement information, or would tend to defame, degrade, or incriminate any person or otherwise would violate any law or rule of the House; *provided however*, that no person other than Members of the Committee, and such congressional staff and such executive branch representatives they may authorize, shall be present in any meeting which has been closed to the public.
- (B) Hearings. Each hearing conducted by the Committee or its Subcommittees shall be open to the public, including radio, television and still photography coverage. If the majority of Members of the Committee or Subcommittee present at the hearing determine by a recorded vote in open session that all or part of the remainder of the hearing on that day shall be closed to the public because the disclosure of matters to be considered would endanger national security, would compromise sensitive law enforcement information, or would tend to defame, degrade, or incriminate any person or otherwise would violate any law or rule of the House; *provided however*, that the Committee or Subcommittee may by the same procedure also vote to close one subsequent day of hearings. Notwithstanding the requirements of the preceding sentence, a majority of those present (if the requisite number of Members are present under Committee Rules for the purpose of taking testimony) may vote: (i) to close the hearing for the sole purpose of discussing whether the testimony or evidence to be received would endanger the national security, would compromise sensitive law enforcement information, or violate Rule XI, cl. 2(k)(5) of the House or (ii) to close the hearing, as provided clause 2(k)(5) of Rule XI of the House.
- (C) Participation in Subcommittee Hearings. The Chair and Ranking Minority Member are *ex officio* Members of all Subcommittees for any hearing conducted by a Subcommittee. Members of the Committee who wish to participate in a hearing of the Subcommittee to which they are not Members shall make such request to the Chair and the Ranking Minority Member of the Subcommittee at the commencement of the hearing. The Chair, after consultation with the Ranking Minority Member of the Subcommittee, shall grant such request.

- (D) Non-Participatory Attendance by Other Members of the House. No Member of the House may be excluded from non-participatory attendance at any hearing of the Committee or any Subcommittee, unless the House of Representatives shall by majority vote authorize the Committee or Subcommittees, for purposes of a particular subject of investigation, to close its hearing to Members by the same procedures designated to close hearings to the public.
- (E) Procedure to Participate. Members of Congress who are not Members of the Committee but would like to participate in a hearing shall notify the Chair and the Ranking Minority Member and submit a formal request no later than 24 hours before the commencement of the meeting or hearing. Such Member may not vote on any matter; be counted for the purpose of establishing a quorum; participate in questioning a witness under the 5-Minute rule, unless permitted to do so by the Chair in consultation with the Ranking Minority Member; raise points of order; or offer amendments or motions.
- (F) Audio and Video Coverage. To the maximum extent practicable, the Committee shall provide audio and video coverage of each hearing or meeting for the transaction of business in a manner that allows the public to easily listen and view the proceedings and shall maintain the recordings of such coverage in a manner easily accessible to the public. Operation and use of any Committee internet broadcast system shall be fair and nonpartisan, and in accordance with clauses 4 (b) and (f) of House Rule XI and all other applicable rules of the Committee and the House.

8. WITNESSES

- (A) Number of Witnesses. For any hearing conducted by the Committee or Subcommittee there shall be no more than four non-governmental witnesses of which the Ranking Minority Member of the Committee or Subcommittee (as appropriate) is entitled to select one witness for the hearing.
- (B) Witnesses Selected by the Minority. Witnesses selected by the Ranking Minority Member of the Committee or Subcommittee shall be invited to testify by the Chair of the Committee or Subcommittee (as appropriate). Rule 6(A) shall apply with equal force to witnesses selected by the Ranking Minority Member of the Committee or Subcommittee.
- (C) Small Business Week Exception. The limitations set forth in the preceding paragraph shall not apply if the Committee holds a hearing to honor the work of the small business community in conjunction with the annual celebration of Small Business Week. Witness limitations for such a hearing shall be determined by the Chair in consultation with the Ranking Minority Member.
- (D) Statement of Witnesses.

- (1) Insofar as is practicable, each witness who is to appear before the Committee or Subcommittee shall file an electronic copy of the written testimony with the Committee and the Ranking Minority Member no later than 48 hours before the commencement of the hearing. In addition, the witness shall provide 25 copies of the written testimony by the commencement of the hearing. The Chair may waive the requirement by the witness providing 25 copies in which case the Committee or Subcommittee shall provide the 25 copies.
 - (2) Each witness shall limit his or her oral presentation to a five-minute summary of the written testimony, unless the Chair in consultation with the Ranking Minority Member extends this time period.
 - (3) Insofar as is practicable, each non-governmental witness shall provide to the Committee and the Ranking Minority Member, no later than 48 hours before the commencement of the hearing, a curriculum vitae or other statement describing their education, employment, professional affiliation or other background information pertinent to their testimony.
- (E) Witness Disclosure. As required by Rule XI, cl. 2(g) of the Rules of the House, each non- governmental witness before the commencement of the hearing shall file with the Chair a disclosure form detailing any contracts or grants that the witness has with the federal government, as well as the amount and country of origin of any payment or contract related to the subject of the hearing originating with a foreign government. Such information shall be posted on the Committee website within 24 hours after the witness appeared at the hearing.
- (F) Failure to Comply. The failure to provide the materials set forth by the deadlines set forth in these rules may be grounds for excluding both the oral and written testimony of the witness unless waived by the Chair of the Committee or Subcommittee.
- (G) Public Access to Witness Materials. The Committee will provide public access to printed materials, including the testimony of witnesses in electronic form on the Committee's website no later than 24 hours after the hearing is adjourned. Supplemental material provided after the hearing adjourns shall be placed on the Committee website no later than 24 hours after receipt of such material.
- (H) Questioning of Witnesses. Except when the Committee adopts a motion pursuant to subdivisions (B) and (C) of clause 2(i)(2) of Rule XI of the Rules of the House, Committee Members may question witnesses only when they have been recognized by the Chair for that purpose. Members shall have the opportunity, as set forth in Rule XI, cl. 2 (j) of the Rules of the House, to question each witness on the panel for a period not to exceed five minutes. For any hearing, the Chair of the Committee or Subcommittee may offer a motion to extend the questioning of a witness or witnesses by the Member identified in the motion for more than five minutes as set forth in Rule XI, cl. 2(j)(B). No Member may be recognized for a second period of interrogation,

subject to the 5-minute rule, until each Member present, who wishes to be recognized, has been recognized at least once.

(I) Order of Questioning.

- (1) Full Committee Hearings. The Chair of the Committee shall commence questioning followed by the Ranking Minority Member. Thereafter, questioning shall alternate between the Majority and Minority Members. Before the gavel has been struck, or in the case of Members arriving simultaneously, the order of questioning shall be based on seniority among Members of his or her own party. After the gavel has been struck, Members first to arrive shall have priority over Members of his or her own party. Members of Congress who are not Members of the Committee, if allowed by the Chair, may be recognized for questioning of witnesses but only after all Committee Members have first been recognized.
- (2) Subcommittee Hearings. The Chair of the Subcommittee shall commence questioning followed by the Ranking Minority Member of the Subcommittee. Thereafter, questioning shall alternate between the Majority and Minority Members of the Subcommittee. Before the gavel has been struck, or in the case of Subcommittee Members arriving simultaneously, the order of questioning shall be based on seniority among Members of his or her own party. After the gavel has been struck, Subcommittee Members first to arrive shall have priority over Subcommittee Members of his or her own party. Members of the Full Committee who are not members of the Subcommittee and are granted permission to participate pursuant to committee rule 7(C), may be recognized for questioning only after all Subcommittee Members have first been recognized. The order of questioning for Members of the Full Committee who are not members of the Subcommittee shall be based on full committee seniority. Members of Congress who are not Members of the Subcommittee, if allowed by the Chair, may be recognized for questioning of witnesses but only after all Subcommittee Members and Full Committee Members have first been recognized.

- (J) Consideration of Ratio. In recognizing Members to question witnesses, the Chair may take into consideration the ratio of Majority and Minority Members present in such a manner as to not disadvantage the Members of either party.

9. QUORUM

- (A) Determining a Quorum. A quorum, for purposes of reporting a measure or recommendation, shall be a majority of the Committee Members.
- (B) Quorum for a Hearing. For purposes of taking testimony or receiving evidence, a quorum shall be one Member from the Majority and one Member from the Minority.

The Chair of the Committee or Subcommittee shall exercise reasonable comity by waiting for the Ranking Minority Member even if a quorum is present before striking the gavel to commence the hearing. For hearings held by the Committee or a Subcommittee in a location other than the Committee's hearing room or the assigned hearing room in Washington, DC, a quorum shall be deemed to be present if the Chair of the Committee or Subcommittee is present.

10. RECORD VOTES

- (A) When Provided. A record vote of the Committee shall be provided on any question before the Committee upon the request of any Member of the Committee. A record of the vote of each Member of the Committee on a matter before the Committee shall be available in electronic form within 48 hours of such record vote, and, with respect to any roll call vote on any motion to amend or report, shall be included in the report of the Committee showing the total number of votes cast for and against and the names of those Members voting for and against.
- (B) Proxy Voting. No vote by any Member of the Committee with respect to any measure or matter may be cast by proxy.
- (C) Public Access to Record Votes. The Chair of the Committee shall, not later than 24 hours after consideration of a bill, resolution, report or other item, cause the text of the reported item and any amendment adopted thereto to be made publicly available in electronic form.

11. SUBPOENAS

- (A) Authorization and Issuance. A subpoena may be authorized and issued by the Committee in the conduct of any investigation or series of investigations or activities to require the attendance and testimony of such witness and the production of such books, records, correspondence, memoranda, papers and documents, as deemed necessary. Such subpoena shall be authorized by a majority of the Full Committee. The requirement that the authorization of a subpoena require a majority vote may be waived by the Ranking Minority Member of the Committee.
- (B) Issuance During Congressional Recess. The Chair may issue a subpoena, in consultation with the Ranking Minority Member, when the House is out of session for more than three legislative days.

12. AMENDMENTS DURING MARKUP

- (A) Availability of Amendments. Any amendment offered to any pending legislation before the Committee must be made available in written form by any Member of the

Committee. If such amendment is not available in written form when requested, the Chair shall allow an appropriate period for the provision thereof and may adjourn the markup to provide sufficient time for the provision of such written amendment. Such period or adjournment shall not prejudice the offering of such amendment.

- (B) Drafting and Filing of Amendments. For amendments to be accepted during markup, there is no requirement that the amendments be filed prior to commencement of the markup or prepared with the assistance of the Office of Legislative Counsel. Even though it is not necessary, Members seeking to amend legislation during markup should draft amendments with the assistance of the Office of Legislative Counsel and consult with the Chair or Ranking Minority Member's staff (as appropriate) in the preparation of such amendments.

13. POSTPONEMENT OF PROCEEDINGS

- (A) When Postponement is Permissible. The Chair, in consultation with the Ranking Minority Member, may postpone further proceedings when a record vote is ordered on the question of approving any measure or matter or adopting an amendment. The Chair may resume postponed proceedings, but no later than 24 hours after such postponement, unless the House is not in session or there are conflicts with Member schedules that make it unlikely a quorum will be present to conduct business on the postponed proceeding. In such cases, the Chair will consult with Members to set a time as early as possible to resume proceedings but in no event later than the next meeting date as set forth in Rule 5 of these Rules.
- (B) Resumption of Proceedings. When proceedings resume on a postponed question, notwithstanding any intervening order for the previous question, an underlying proposition shall remain subject to further debate or amendment to the same extent as when the question was postponed.

14. COMMITTEE RECORDS

- (A) The Committee shall keep a complete record of all actions, which shall include a record of the votes on any question on which a recorded vote is demanded. The result of any vote by the Committee, or if applicable by a Subcommittee, including a voice vote shall be posted on the Committee's website within 24 hours after the vote has been taken. Such record shall include a description of the amendment, motion, order, or other proposition, the name of the Member voting for and against such amendment, motion, order, or other proposition, and the names of Members present but not voting. For any amendment, motion, order, or other proposition decided by voice vote, the record shall include a description and whether the voice vote was in favor or against.
- (B) Transcripts. The Committee shall keep a complete record of all Committee and Subcommittee activity which, in the case of a meeting or hearing transcript, shall

include a substantially verbatim account of the remarks actually made during the proceedings subject only to technical, grammatical, and typographical corrections authorized by the person making the remarks.

- (C) Availability of Records. The records of the Committee at the National Archives and Records Administration shall be made available in accordance with Rule VII of the Rules of the House. The Chair of the Committee shall notify the Ranking Member of the Committee of any decision, pursuant to Rule VII, cl. 3(b)(3) or cl. 4 (b), to withhold a record otherwise available, and the matter shall be presented to the Committee for a determination of the written request of any Member of the Committee.
- (D) Publishing and Posting of Records. The Committee Rules shall be made publicly available in electronic form and published in the Congressional Record not later than 60 days after the Chair of the Committee is elected in each odd-numbered year.

15. COMMITTEE WEBSITE

The Chair shall maintain an official Committee website for the purpose of furthering the Committee's legislative and oversight responsibilities, including communicating information about Committee's activities to Committee Members and other Members of the House. The Ranking Minority Member may maintain a similar website for the same purpose, including communicating information about the activities of the Minority to Committee Members and other Members of the House.

16. ACCESS TO CLASSIFIED OR SENSITIVE INFORMATION

- (A) Access to classified or sensitive information supplied to the Committee or Subcommittees and attendance at closed sessions of the Committee or a Subcommittee shall be limited to Members and necessary Committee staff and stenographic reporters who have appropriate security clearance when the Chair determines that such access or attendance is essential to the functioning of the Committee or one of its Subcommittees.
- (B) Procedures Governing Availability. The procedures to be followed in granting access to those hearings, records, data, charts, and files of the Committee which involve classified information or information deemed to be sensitive shall be as follows:
 - (1) Only Members of the House of Representatives and specifically designated Committee staff of the Committee on Small Business may have access to such information.

- (2) Members who desire to read materials that are in possession of the Committee shall notify the Clerk of the Committee in writing.
- (3) The Clerk of the Committee will maintain an accurate access log, which identifies the circumstances surrounding access to the information, without revealing the material examined.
- (4) If the material desired to be reviewed is material which the Committee or Subcommittee deems to be sensitive enough to require special handling, before receiving access to such information, individuals will be required to sign an access information sheet acknowledging such access and that the individual has read and understands the procedures under which access is being granted.
- (5) Material provided for review under this rule shall not be removed from a specified room within the Committee offices.
- (6) Individuals reviewing materials under this rule shall make certain that the materials are returned to the proper custodian.
- (7) No reproductions or recordings may be made of any portion of such materials.
- (8) The contents of such information shall not be divulged to any person in any way, form, shape, or manner and shall not be discussed with any person who has not received the information in the manner authorized by the rules of the Committee.
- (9) When not being examined in the manner described herein, such information will be kept in secure safes or locked file cabinets within the Committee offices.
- (10) These procedures only address access to information the Committee or Subcommittee deems to be sensitive enough to require special treatment.
- (11) If a Member of the House of Representatives believes that certain sensitive information should not be restricted as to dissemination or use, the Member may petition the Committee or Subcommittee to so rule. With respect to information and materials provided to the Committee by the Executive Branch or an independent agency as that term is defined in 44 U.S.C. § 3502, the classification of information and materials as determined by the Executive Branch or independent agency shall prevail unless affirmatively changed by the Committee or Subcommittee involved, after consultation with the Executive Branch or independent agency.
- (12) Other materials in the possession of the Committee are to be handled in the accordance with normal practices and traditions of the Committee.

17. OTHER PROCEDURES

The Chair of the Committee may establish such other procedures and take such actions as may be necessary to carry out the foregoing rules or to facilitate the effective operation of the Committee.

18. AMENDMENTS TO COMMITTEE RULES

The rules of the Committee may be modified, amended, or repealed by a majority vote of the Members, at a meeting specifically called for such purpose, but only if written notice of the proposed change or changes has been provided to each Member of the Committee at least 72 hours prior to the time of the meeting of the Committee to consider such change or changes.

19. BUDGET AND TRAVEL

(A) Allocation of Budget. From the amount provided to the Committee in the primary expense resolution adopted by the House of Representatives in the 117th Congress, the Chair, after consultation with the Ranking Minority Member, shall designate one-third of the budget under the direction of the Ranking Minority Member for the purposes of Minority staff, travel expenses of Minority staff and Members, and Minority office expenses.

(B) Authorization of Travel. The Chair may authorize travel in connection with activities or subject matters under the legislative or oversight jurisdiction of the Committee as set forth in Rule X of the Rules of the House. The Ranking Minority Member may authorize travel for any Minority Member or staff of the Minority in connection with activities or subject matters under the Committee's jurisdiction as set forth in Rule X of the Rules of the House. Before such travel, there shall be submitted to the Chair of the Committee in writing the following at least seven (7) calendar days prior specifying: a) the purpose of the travel; b) the dates during which the travel is to occur; c) the names of the states or countries to be visited and the length of time spent in each; and d) the names of Members and staff of the Committee participating in such travel.

