



Harvard Model Congress

Boston 2024

SUPPORTING SMALL BUSINESSES IN RURAL AREAS UPDATE

By Jason Morganbesser

During the 118th Congress, there have been several significant legislative updates with respect to rural small businesses. For one, HR 5128 (which would require the Advocate for Small Business Capital Formation to consider the problems of rural small businesses), which died in the Senate during the 117th Congress, has since been reintroduced as HR 298 and passed in the Senate. This bill is currently awaiting another review from the House (S.294).

A significant number of other bills related to rural small businesses have been proposed yet not moved through committee. Bills proposed which would invest in rural small business include HR 5026 and its corresponding bill in the Senate, S 1455, which would create new tax credits for rural businesses, HR 4239 and its corresponding Senate bill S 2155, which would create an investment fund for rural small businesses, and HR 414, which would provide forgivable loans to rural manufacturing small businesses (S.1455, H.R.4239, S.2155, H.R.414). Bills proposed which would expand broadband internet access or other infrastructure in rural areas include HR 3002, which would require the Department of Transportation to prioritize the repairing of roads in rural areas, HR 3964, which would create grants for the extension of broadband internet to rural areas, S 2875, which would require the Postal Service to reconstruct closed post offices in rural areas, and S 1642, which would create grants to expand rural broadband internet access (H.R.3002, H.R.3964, S.2875, S.1642). Bills proposed which would expand rural education or otherwise minimize rural brain drain include S 2604, which would invest in rural training programs, HR 3213, which would establish a greater number of educational residency programs in rural areas, and S 965, which would provide for grants for postsecondary education in rural areas (S.2604, H.R.3213, S.965).

In non-legislative action, the executive branch announced on October 31st that it would invest nearly \$2 billion in subsidies for rural agricultural businesses with low carbon emissions, over \$1 billion in expanding rural infrastructure, \$2 billion in providing direct

loans and grants for the creation of jobs in rural areas, \$274 million in expanding rural broadband internet access, and \$174 in expanding access to renewable energy for rural businesses. This allocation totals to a \$5 billion investment (“Statements and Releases”).

Overall, there appears to be significant federal action on the topic of investing in small businesses in rural areas. As delegates, you all are empowered to take inspiration from the work of actual representatives, while also introducing your specific ideas and resolutions.

BIBLIOGRAPHY

- “FACT SHEET: President Biden Announces Over \$5 Billion to Support Rural Communities During Investing in Rural America Event Series.” *The White House*, 31 October 2023, <https://www.whitehouse.gov/briefing-room/statements-releases/2023/10/31/fact-sheet-president-biden-announces-over-5-billion-to-support-rural-communities-during-investing-in-rural-america-event-series/>. Statements and Releases.
- H.R.3002 – 118th Congress (2023-2025): Rebuilding Rural Roads Act, <https://www.congress.gov/bill/118th-congress/house-bill/3002/history?s=1&r=51>.
- H.R.3213 – 118th Congress (2023-2025): Rural Education Investment Act, <https://www.congress.gov/bill/118th-congress/house-bill/3213?q=%7B%22search%22%3A%22hr+3%22%7D&s=1&r=55>.
- H.R.3964 – 118th Congress (2023-2025): Rural Broadband Modernization Act, <https://www.congress.gov/bill/118th-congress/house-bill/3964/all-info>.
- H.R.414 – 118th Congress (2023-2025): Investing in Rural Manufacturing Act, <https://www.congress.gov/bill/118th-congress/house-bill/414?s=1&r=17>.
- H.R.4239 – 118th Congress (2023-2025): Rebuild Rural America Act of 2023, <https://www.congress.gov/bill/118th-congress/house-bill/4239>.
- S.1455 – 118th Congress (2023-2025): Rural Jobs Act, <https://www.congress.gov/bill/118th-congress/senate-bill/1455/all-info>.
- S.1642 – 118th Congress (2023-2025): ReConnecting Rural America Act of 2023, <https://www.congress.gov/bill/118th-congress/senate-bill/1642?s=1&r=32>.
- S.2155 – 118th Congress (2023-2025): Rebuild Rural America Act of 2023, <https://www.congress.gov/bill/118th-congress/senate-bill/2155/actions?s=1&r=98>.
- S.2604 – 118th Congress (2023-2025): Rural Outdoor Investment Act, <https://www.congress.gov/bill/118th-congress/senate-bill/2604/all-info?s=1&r=1>.
- S.294 – 118th Congress (2023-2025): Expanding Access to Capital for Rural Job Creators Act, <https://www.congress.gov/bill/118th-congress/senate-bill/294/text?s=1&r=6>.