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(Original Signature of Member)

117TH CONGRESS
2D SESSION

H. R. 6445

To amend the Small Business Act to require an annual report on entrepreneurial development programs, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

M. _____ introduced the following bill; which was referred to the
Committee on _____

A BILL

To amend the Small Business Act to require an annual report on entrepreneurial development programs, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Small Business Devel-
5 opment Centers Improvement Act of 2022”.

1 **SEC. 2. ANNUAL REPORT ON ENTREPRENEURIAL DEVELOP-**
2 **MENT PROGRAMS.**

3 Section 10 of the Small Business Act (15 U.S.C. 639)
4 is amended by adding at the end the following new sub-
5 section:

6 “(i) ANNUAL REPORT ON ENTREPRENEURIAL DE-
7 VELOPMENT PROGRAMS.—

8 “(1) REPORT REQUIRED.—The Administrator
9 shall include in the comprehensive annual report re-
10 quired under subsection (a) the following data:

11 “(A) A list of all entrepreneurial develop-
12 ment activities undertaken during the fiscal
13 year preceding the date of the report through a
14 covered program, including—

15 “(i) a description and operating de-
16 tails for each such covered program and
17 the activities performed under each such
18 covered program;

19 “(ii) operating circulars, manuals, and
20 standard operating procedures for each
21 such covered program;

22 “(iii) a description of the process used
23 to make awards relating to the provision of
24 entrepreneurial development activities
25 under each such covered program;

1 “(iv) a list of all recipients of awards
2 under each such covered program and the
3 amount of each such award; and

4 “(v) a list of contractors, including
5 the name and location of such contractor,
6 of an award recipient.

7 “(B) The total amount of funding obli-
8 gated for a covered program and the entrepre-
9 neurial development activities conducted under
10 each such covered program for the fiscal year
11 preceding the date of the report.

12 “(C) The names and titles of the individ-
13 uals responsible for carrying out a covered pro-
14 gram.

15 “(D) For entrepreneurial development ac-
16 tivities undertaken during the fiscal year pre-
17 ceding the date of the report through the Small
18 Business Development Center Program estab-
19 lished under section 21 (in this section referred
20 to as the ‘Program’)—

21 “(i) the number of individuals coun-
22 seled or trained through the Program;

23 “(ii) the total number of hours of
24 counseling and training services provided
25 through the Program;

1 “(iii) the demographics of participants
2 in the Program, which shall include the
3 gender, race, and age of each such partici-
4 pant;

5 “(iv) the number of participants in
6 the Program who are veterans;

7 “(v) the number of new businesses
8 started by participants in the Program;

9 “(vi) to the extent practicable, the
10 number of jobs supported, created, or re-
11 tained with assistance from the Program;

12 “(vii) the amount of capital secured
13 by participants in the Program, including
14 through loans and equity investment;

15 “(viii) the number of participants in
16 the Program receiving financial assistance,
17 including the type and dollar amount,
18 under a loan program of the Administra-
19 tion;

20 “(ix) an estimate of gross receipts, in-
21 cluding (to the extent practicable) a de-
22 scription of any change in revenue, of
23 small business concerns assisted through
24 the Program;

1 “(x) the number of referrals of indi-
2 viduals to other resources and programs of
3 the Administration;

4 “(xi) the results of satisfaction sur-
5 veys of participants in the Program, in-
6 cluding a summary of any comments re-
7 ceived from such participants; and

8 “(xii) any recommendations by the
9 Administrator to improve the delivery of
10 services by the Program.

11 “(2) DEFINITIONS.—In this subsection:

12 “(A) COVERED PROGRAM.—The term ‘cov-
13 ered program’ means a program authorized
14 under section 7(j), 7(m), 8(a), 8(b)(1), 21, 22,
15 29, 32, or 34 of this Act.

16 “(B) ENTREPRENEURIAL DEVELOPMENT
17 ACTIVITY.—The term ‘entrepreneurial develop-
18 ment activity’ means an activity related to the
19 delivery of entrepreneurial development services,
20 entrepreneurial education, or support for the
21 development and maintenance of business train-
22 ing services carried out through a covered pro-
23 gram.”.

1 **SEC. 3. MARKETING OF SERVICES.**

2 Section 21 of the Small Business Act (15 U.S.C. 648)
3 is amended by adding at the end the following:

4 “(o) NO PROHIBITION OF MARKETING OF SERV-
5 ICES.—An applicant receiving a grant under this section
6 may use up to 10 percent of their budget to market and
7 advertise the services of such applicant to individuals and
8 small business concerns.”.

9 **SEC. 4. DATA COLLECTION BY THE SMALL BUSINESS DE-**
10 **VELOPMENT CENTER ASSOCIATION.**

11 (a) IN GENERAL.—Section 21(a)(3)(A) of the Small
12 Business Act (15 U.S.C. 648(a)(3)(A)) is amended—

13 (1) by striking “as provided in this section
14 and” and inserting “as provided in this section,”;
15 and

16 (2) by inserting before the period at the end the
17 following: “, and (iv) governing data collection ac-
18 tivities related to applicants receiving grants under
19 this section”.

20 (b) ANNUAL REPORT ON DATA COLLECTION.—Sec-
21 tion 21 of the Small Business Act (15 U.S.C. 648), as
22 amended by section 3 of this Act, is further amended by
23 adding at the end the following:

24 “(p) ANNUAL REPORT ON DATA COLLECTION.—The
25 Administrator shall annually submit to the Committee on
26 Small Business of the House of Representatives and the

1 Committee on Small Business and Entrepreneurship of
2 the Senate a report on any data collection activities related
3 to the Small Business Development Center Program.”.

4 (c) WORKING GROUP TO IMPROVE DATA COLLEC-
5 TION.—

6 (1) ESTABLISHMENT AND STUDY.—The Admin-
7 istrator of the Small Business Administration shall
8 establish a group to be known as the “Data Collec-
9 tion Working Group” consisting of entrepreneurial
10 development grant recipients, the associations and
11 organizations representing such recipients, and offi-
12 cials from the Small Business Administration, to
13 carry out a study to determine the best methods for
14 conducting data collection activities and create or re-
15 vise existing systems dedicated to data collection.

16 (2) REPORT.—Not later than the end of the
17 180-day period beginning on the date of the enact-
18 ment of this Act, the Data Collection Working
19 Group shall issue a report to the Committee on
20 Small Business of the House of Representatives and
21 the Committee on Small Business and Entrepre-
22 neurship of the Senate containing the findings and
23 determinations made in carrying out the study re-
24 quired under paragraph (1), including—

1 (A) recommendations for revising existing
2 data collection practices for the Small Business
3 Development Center Program; and

4 (B) a proposed plan for the Administrator
5 of the Small Business Administration to imple-
6 ment such recommendations.

7 **SEC. 5. FEES FROM PRIVATE PARTNERSHIPS AND CO-**
8 **SPONSORSHIPS.**

9 Section 21(a)(3) of the Small Business Act (15
10 U.S.C. 648(a)(3)) is amended by adding at the end the
11 following:

12 “(D) FEES FROM PRIVATE PARTNERSHIPS AND
13 COSPONSORSHIPS.—A small business development
14 center that participates in a private partnership or
15 cosponsorship, in which the Administrator or des-
16 ignee of the Administrator also participates, may
17 collect fees or other income related to the operation
18 of such private partnership or cosponsorship.”.

19 **SEC. 6. EQUITY FOR SMALL BUSINESS DEVELOPMENT CEN-**
20 **TERS.**

21 Subclause (I) of section 21(a)(4)(C)(v) of the Small
22 Business Act (15 U.S.C. 648(a)(4)(C)(v)(I)) is amended
23 to read as follows:

24 “(I) IN GENERAL.—Of the amounts made
25 available in any fiscal year to carry out this sec-

1 tion, not more than \$600,000 may be used by
2 the Administration to pay expenses enumerated
3 in subparagraphs (B) through (D) of section
4 20(a)(1).”.

5 **SEC. 7. CONFIDENTIALITY REQUIREMENTS.**

6 Section 21(a)(7)(A) of the Small Business Act (15
7 U.S.C. 648(a)(7)(A)) is amended—

8 (1) by striking “or telephone number” and in-
9 serting “, telephone number, or email address”; and

10 (2) by inserting “, or the nature or content of
11 such assistance, to any State, local, or Federal agen-
12 cy, or to any third party” after “receiving assistance
13 under this section”.

14 **SEC. 8. LIMITATION ON AWARD OF GRANTS TO SMALL**
15 **BUSINESS DEVELOPMENT CENTERS.**

16 (a) IN GENERAL.—Section 21 of the Small Business
17 Act (15 U.S.C. 648), as amended by section 4, is further
18 amended—

19 (1) in subsection (a)(1)—

20 (A) by striking “any women’s business
21 center operating pursuant to section 29,”;

22 (B) by striking “or a women’s business
23 center operating pursuant to section 29”; and

24 (C) by striking “and women’s business
25 centers operating pursuant to section 29”; and

1 (2) by adding at the end the following:

2 “(q) LIMITATION ON AWARD OF GRANTS.—Except
3 for not-for-profit institutions of higher education, and not-
4 withstanding any other provision of law, the Administrator
5 may not award a grant or contract to, or enter into a coop-
6 erative agreement with, an entity under this section unless
7 that entity—

8 “(1) received a grant or contract from, or en-
9 tered into a cooperative agreement with, the Admin-
10 istrator under this section before the date of the en-
11 actment of this subsection; and

12 “(2) seeks to renew such a grant, contract, or
13 cooperative agreement after such date.”.

14 (b) RULE OF CONSTRUCTION.—The amendments
15 made by this section may not be construed as prohibiting
16 a women’s business center (as described under section 29
17 of the Small Business Act) from receiving a subgrant from
18 an entity receiving a grant under section 21 of the Small
19 Business Act.

20 **SEC. 9. MANAGEMENT OF PROGRAM ACTIVITIES.**

21 Section 21(a)(3) of the Small Business Act (15
22 U.S.C. 648(a)(3)), as amended by section 4, is further
23 amended—

24 (1) in the matter preceding subparagraph (A),
25 by striking “upon, with full participation of both

1 parties,” and inserting “upon with the full participa-
2 tion of all parties (including the association author-
3 ized in subparagraph (A)), and carried out”;

4 (2) in subparagraph (A), by striking “and de-
5 velop” and inserting “and negotiate the development
6 of”; and

7 (3) in subparagraph (C)—

8 (A) by striking “Whereas”;

9 (B) by inserting “Program” after “Cen-
10 ter”;

11 (C) by striking “National” and inserting
12 “national”; and

13 (D) by moving such subparagraph 2 ems
14 to the left.

15 **SEC. 10. AUTHORIZATION OF APPROPRIATIONS FOR FOR-**
16 **MULA GRANTS RECEIVED BY STATES.**

17 Section 21(a)(4)(C) of the Small Business Act (15
18 U.S.C. 648(a)(4)(C)) is amended—

19 (1) in clause (vii), by striking “subparagraph”
20 and all that follows through the period at the end
21 and inserting “subparagraph \$175,000,000 for each
22 of fiscal years 2022 through 2025.”; and

23 (2) in clause (viii), by striking “shall reserve
24 not less than \$1,000,000” and inserting “shall re-
25 serve not more than \$2,000,000”.

1 **SEC. 11. REQUIREMENTS RELATING TO MATCHING FUNDS.**

2 Section 21(a)(4)(A) of the Small Business Act (15
3 U.S.C. 648(a)(4)(A)) is amended by adding at the end the
4 following new sentence: “Such matching funds shall be
5 evidenced by good faith assertions from the applicant, and
6 the expenditure of matching funds shall not be made a
7 prerequisite of the reimbursement of Federal funds, not-
8 withstanding the final reconciliation payment for the close-
9 out of each award.”.

10 **SEC. 12. CONTRACT PREREQUISITES.**

11 Section 21(a)(5)(B) of the Small Business Act (15
12 U.S.C. 648(a)(5)(B)) is amended by striking the second
13 sentence and inserting the following: “Each contract shall
14 be deemed approved under subparagraph (A) unless the
15 Associate Administrator certifies in writing within 15
16 business days after award of the contract that the contract
17 will not provide assistance to small business concerns and
18 that performance of the contract will hinder the small
19 business development center in carrying out the terms of
20 the grant received by the small business development cen-
21 ter under this section.”.

22 **SEC. 13. DUTIES OF THE ASSOCIATE ADMINISTRATOR FOR**
23 **SMALL BUSINESS DEVELOPMENT CENTERS.**

24 Section 21(h)(2) of the Small Business Act (15
25 U.S.C. 648(h)(2)) is amended by adding at the end the
26 following new subparagraph:

1 “(C) **MARKETING.**—The Associate Admin-
2 istrator for Small Business Development Cen-
3 ters shall market and advertise the Small Busi-
4 ness Development Center Program and partici-
5 pants in such Program as a resource available
6 to any Federal program providing assistance to
7 small business concerns, including the FAST
8 program established under section 34.”.

9 **SEC. 14. DETERMINATION OF BUDGETARY EFFECTS.**

10 The budgetary effects of this Act, for the purpose of
11 complying with the Statutory Pay-As-You-Go Act of 2010,
12 shall be determined by reference to the latest statement
13 titled “Budgetary Effects of PAYGO Legislation” for this
14 Act, submitted for printing in the Congressional Record
15 by the Chairman of the House Budget Committee, pro-
16 vided that such statement has been submitted prior to the
17 vote on passage.