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(Original Signature of Member)

116TH CONGRESS
1ST SESSION

H. R. _____

To amend the Small Business Act to reauthorize the SCORE program,
and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. KEVIN HERN of Oklahoma (for himself and Ms. CRAIG) introduced the
following bill; which was referred to the Committee on

A BILL

To amend the Small Business Act to reauthorize the SCORE
program, 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 title may be cited as the “SCORE for Small
5 Business Act of 2019”.

1 **SEC. 2. SCORE PROGRAM PROVISIONS AND REQUIRE-**
2 **MENTS.**

3 Section 8 of the Small Business Act (15 U.S.C. 637)
4 is amended—

5 (1) in subsection (b)(1)(B)—

6 (A) by striking “a Service Corps of Retired
7 Executives (SCORE)” and inserting “the
8 SCORE program described in subsection (c)”;
9 and

10 (B) by striking “SCORE may” and insert-
11 ing “the SCORE Association (as defined in
12 subsection (c)) may”; and

13 (2) by striking subsection (e) and inserting the
14 following:

15 “(c) SCORE PROGRAM.—

16 “(1) DEFINITIONS.—In this subsection:

17 “(A) SCORE ASSOCIATION.—The term
18 ‘SCORE Association’ means the Service Corps
19 of Retired Executives Association or any suc-
20 cessor or other organization that enters into a
21 cooperative agreement (as described under
22 paragraph (2)) with the Administrator to oper-
23 ate the SCORE program.

24 “(B) SCORE FOUNDATION.—The term
25 ‘SCORE Foundation’ means an organization

1 with a mission to support the SCORE Associa-
2 tion and volunteers of the SCORE program.

3 “(C) SCORE PROGRAM.—The term
4 ‘SCORE program’ means the SCORE program
5 authorized by subsection (b)(1)(B).

6 “(2) COOPERATIVE AGREEMENT.—The Admin-
7 istrator shall enter into a cooperative agreement
8 with the SCORE Association to carry out the
9 SCORE program, which shall include the following
10 requirements:

11 “(A) ADMINISTRATOR DUTIES.—The Ad-
12 ministrator shall—

13 “(i) conduct an annual financial ex-
14 amination of the SCORE Association to
15 ensure that any costs paid for with Federal
16 funds are allowable, allocable, and reason-
17 able;

18 “(ii) for contracts entered into by the
19 SCORE Association to provide goods or
20 services for the SCORE program of a
21 value greater than an amount determined
22 by the Administrator, review and approve
23 such contracts;

24 “(iii) establish a system through
25 which the SCORE Association can provide

1 documentation relating to such contracts;
2 and

3 “(iv) within 30 days of the receipt of
4 a quarterly report on the achievements of
5 the SCORE program submitted by the
6 SCORE Association, reconcile and dif-
7 ferences between such report and the per-
8 formance results of the SCORE program
9 reported in a management information sys-
10 tem of the Office of Entrepreneurial Devel-
11 opment.

12 “(B) SCORE ASSOCIATION DUTIES.—The
13 SCORE Association shall—

14 “(i) manage nationwide chapters of
15 the SCORE program;

16 “(ii) develop guidance and provide an-
17 nual training to employees of the SCORE
18 Association on generating and using pro-
19 gram income from the SCORE program;

20 “(iii) submit documentation to the
21 Administrator verifying such annual train-
22 ing is completed;

23 “(iv) separate funds donated to the
24 SCORE Association from program income

1 and funds received pursuant to a coopera-
2 tive agreement; and

3 “(v) establish requirements for volun-
4 teers participating in the SCORE program,
5 including requirements that each such vol-
6 unteer shall—

7 “(I) based on the business expe-
8 rience and knowledge of the volun-
9 teer—

10 “(aa) provide personal coun-
11 seling, mentoring, and coaching
12 on the process of starting, ex-
13 panding, managing, buying, and
14 selling a business at no cost to
15 individuals who own, or aspire to
16 own, small business concerns;
17 and

18 “(bb) facilitate free or low-
19 cost education workshops for in-
20 dividuals who own, or aspire to
21 own, small business concerns;
22 and

23 “(II) as appropriate, use tools,
24 resources, and expertise of other orga-

1 nizations to carry out the SCORE
2 program.

3 “(C) JOINT DUTIES.—The Administrator,
4 in consultation with the SCORE Association,
5 shall ensure that the SCORE program and each
6 chapter of the SCORE program—

7 “(i) develop and implement plans and
8 goals to more effectively and efficiently
9 provide services to individuals in rural
10 areas, economically disadvantaged commu-
11 nities, or other traditionally underserved
12 communities, including plans for electronic
13 initiatives, web-based initiatives, chapter
14 expansion, partnerships, and the develop-
15 ment of new skills by volunteers partici-
16 pating in the SCORE program; and

17 “(ii) reinforce an inclusive culture by
18 recruiting diverse volunteers for the chap-
19 ters of the SCORE program.

20 “(3) ONLINE COMPONENT.—In carrying out
21 this subsection, the SCORE Association shall make
22 use of online counseling, including by developing and
23 implementing webinars and an electronic mentoring
24 platform to expand access to services provided under

1 this subsection and to further support entre-
2 preneurs.

3 “(4) ACCOUNTING.—Not later than 6 months
4 after the date of the enactment of this subsection,
5 the SCORE Association shall—

6 “(A) centralize all accounting and finance
7 systems of each chapter of the SCORE pro-
8 gram and develop a uniform policy and proce-
9 dures to manage Federal funds; and

10 “(B) designate an employee of the SCORE
11 Association to serve as a compliance officer to
12 ensure expenditures of the SCORE program are
13 fully compliant with any law, regulation, or co-
14 operative agreement relating to the SCORE
15 program.

16 “(5) COMPENSATION.—

17 “(A) SALARIES.—The salary of an em-
18 ployee of the SCORE Association may not ex-
19 ceed the equivalent of the maximum rate of pay
20 allowable for an individual in the career Senior
21 Executive Service employed at the Small Busi-
22 ness Administration.

23 “(B) PERFORMANCE AWARDS.—The
24 SCORE Association may spend up to 1.5 per-
25 cent of the aggregate salaries of employees of

1 the SCORE Association on individual perform-
2 ance awards to employees of the SCORE Asso-
3 ciation, to be disbursed before the last day of
4 the fiscal year, if not later than 60 days before
5 disbursement the SCORE Association submits
6 to the Administrator a report on the number
7 and amount of such awards to be disbursed.

8 “(C) SCORE FOUNDATION.—A member of
9 the Board of Directors of the SCORE Associa-
10 tion or an employee of the SCORE Association
11 may not simultaneously serve on the Board of
12 Directors of, or receive compensation from, the
13 SCORE Foundation without written approval
14 from the Administrator.

15 “(6) WHISTLEBLOWER PROTECTION REQUIRE-
16 MENTS.—The SCORE Association shall—

17 “(A) annually update all manuals or other
18 documents applicable to employees and volun-
19 teers of the SCORE Association or the SCORE
20 program to include requirements relating to re-
21 porting procedures and protectors for whistle-
22 blowers; and

23 “(B) conduct an annual training for em-
24 ployees and volunteers of the SCORE Associa-
25 tion or the SCORE program on the require-

1 ments described in paragraph (1) and empha-
2 size the use of the hotline established by the Of-
3 fice of the Inspector General of the Small Busi-
4 ness Administration to submit whistleblower re-
5 ports.

6 “(7) PUBLISHED MATERIALS.—The SCORE
7 Association shall ensure all published materials in-
8 clude written acknowledgment of Small Business Ad-
9 ministration support of the SCORE program if such
10 materials are paid for in whole or in part by Federal
11 funds.

12 “(8) PRIVACY REQUIREMENTS.—

13 “(A) IN GENERAL.—Neither the Adminis-
14 trator nor the SCORE Association may disclose
15 the name, address, or telephone number of any
16 individual or small business concern receiving
17 assistance from the SCORE Association with-
18 out the consent of such individual or small busi-
19 ness concern, unless—

20 “(i) the Administrator is ordered to
21 make such a disclosure by a court in any
22 civil or criminal enforcement action initi-
23 ated by a Federal or State agency; or

24 “(ii) the Administrator determines
25 such a disclosure to be necessary for the

1 purpose of conducting a financial audit of
2 the SCORE program, in which case disclo-
3 sure shall be limited to the information
4 necessary for the audit.

5 “(B) ADMINISTRATOR USE OF INFORMA-
6 TION.—This paragraph shall not—

7 “(i) restrict the access of the Adminis-
8 trator to SCORE program activity data; or

9 “(ii) prevent the Administrator from
10 using SCORE program client information
11 to conduct client surveys.

12 “(C) STANDARDS.—

13 “(i) IN GENERAL.—The Administrator
14 shall, after the opportunity for notice and
15 comment, establish standards for—

16 “(I) disclosures with respect to
17 financial audits under subparagraph
18 (A)(ii); and

19 “(II) conducting client surveys,
20 including standards for oversight of
21 the surveys and for dissemination and
22 use of client information.

23 “(ii) MAXIMUM PRIVACY PROTEC-
24 TION.—The standards issued under this
25 subparagraph shall, to the extent prac-

1 ticable, provide for the maximum amount
2 of privacy protection.

3 “(9) ANNUAL REPORT.—Not later than 180
4 days after the date of the enactment of this sub-
5 section and annually thereafter, the Administrator
6 shall submit to the Committee on Small Business
7 and Entrepreneurship of the Senate and the Com-
8 mittee on Small Business of the House of Rep-
9 resentatives a report on the performance and effec-
10 tiveness of the SCORE program, which may be in-
11 cluded as part of another report submitted to such
12 Committees by the Administrator, and which shall
13 include—

14 “(A) the number of individuals counseled
15 or trained under the SCORE program;

16 “(B) the number of hours of counseling
17 provided under the SCORE program;

18 “(C) the number of local workshops;

19 “(D) the number of clients attending on-
20 line and local workshops;

21 “(E) the number of unique clients served;

22 “(F) to the extent practicable, the demo-
23 graphics of SCORE program participants and
24 volunteers, which shall include the gender, race,
25 and age of each such participant or volunteer;

1 “(G) the cost to create a job, the cost to
2 create a business, and return on investment;

3 “(H) the number of referrals to other re-
4 sources and programs of the Administration;

5 “(I) the number of participants in the
6 SCORE program receiving financial assistance,
7 including the type and dollar amount, under
8 loan programs of the Administration;

9 “(J) the results of SCORE program par-
10 ticipant satisfactory surveys, including a sum-
11 mary of any comments received from such par-
12 ticipants;

13 “(K) the number of new businesses started
14 up by SCORE program participants;

15 “(L) the number of such new businesses
16 realizing revenue growth;

17 “(M) to the extent practicable, the number
18 of jobs created with assistance from the
19 SCORE program;

20 “(N) the total cost of the SCORE pro-
21 gram;

22 “(O) any recommendations of the Adminis-
23 trator to improve the SCORE program; and

24 “(P) an explanation of how the SCORE
25 program has been integrated with other re-

1 source partners and related resources of the
2 Administration.”.

3 **SEC. 3. AUTHORIZATION OF APPROPRIATIONS FOR THE**
4 **SCORE PROGRAM.**

5 Section 20 of the Small Business Act (15 U.S.C. 631
6 note) is amended by adding at the end the following new
7 subsection:

8 “(h) SCORE PROGRAM.—There are authorized to be
9 appropriated to the Administrator to carry out the
10 SCORE program authorized by section 8(b)(1) such sums
11 as are necessary for the Administrator to make grants or
12 enter into cooperative agreements in a total amount that
13 does not exceed \$11,700,000 in each of fiscal years 2020,
14 2021, and 2022.”.

15 **SEC. 4. REPORTING REQUIREMENTS.**

16 (a) STUDY AND REPORT ON THE FUTURE ROLE OF
17 THE SCORE PROGRAM.—

18 (1) STUDY.—The SCORE Association shall
19 carry out a study on the future role of the SCORE
20 program and develop a strategic plan for how the
21 SCORE program will meet the needs of small busi-
22 ness concerns during the 5-year period beginning on
23 the date of the enactment of this Act, with specific
24 objectives for the first, third, and fifth years of the
25 5-year period.

1 (2) REPORT.—Not later than the end of the 6-
2 month period beginning on the date of the enact-
3 ment of this Act, the SCORE Association shall sub-
4 mit to the Committee on Small Business of the
5 House of Representatives and the Committee on
6 Small Business and Entrepreneurship of the Senate
7 a report containing—

8 (A) all findings and determination made in
9 carrying out the study required under para-
10 graph (1);

11 (B) the strategic plan developed under
12 paragraph (1); and

13 (C) an explanation of how the SCORE As-
14 sociation plans to achieve the strategic plan, as-
15 suming both stagnant and increased funding
16 levels.

17 (b) ADMINISTRATOR REPORT ON LEASED SPACE.—
18 The Administrator of the Small Business Administration
19 shall submit to the Committee on Small Business of the
20 House of Representatives and the Committee on Small
21 Business and Entrepreneurship of the Senate a report
22 containing an assessment of the cost of leased space that
23 is donated to the SCORE Association.

24 (c) ONLINE COMPONENT REPORT.—Before the last
25 day of fiscal year 2020, the SCORE Association shall sub-

1 mit to the Committee on Small Business of the House of
2 Representatives and the Committee on Small Business
3 and Entrepreneurship of the Senate a report on the effec-
4 tiveness of the online counseling and webinars required
5 under paragraph (3) of section 8(c) of the Small Business
6 Act, as added by section 2 of this Act, including a descrip-
7 tion of—

8 (1) how the SCORE Association determines
9 electronic mentoring and webinar needs, develops
10 training for electronic mentoring, establishes
11 webinar criteria curricula, and evaluates webinar
12 and electronic mentoring results;

13 (2) the internal controls that are used and a
14 summary of the topics covered by the webinars; and

15 (3) performance metrics, including the number
16 of small business concerns counseled by, the number
17 of small business concerns created by, the number of
18 jobs created and retained by, and the funding
19 amounts directed towards such online counseling
20 and webinars.

21 **SEC. 5. TECHNICAL AND CONFORMING AMENDMENTS.**

22 (a) SMALL BUSINESS ACT.—The Small Business Act
23 (15 U.S.C. 631 et seq.) is amended—

24 (1) in section 7 (15 U.S.C. 636)—

25 (A) in subsection (b)(12)—

1 (i) in the paragraph heading, by in-
2 serting “PROGRAM” after “SCORE”; and

3 (ii) in subparagraph (A), by striking
4 “Service Corps of Retired Executives” and
5 inserting “SCORE program”; and

6 (B) in subsection (m)(3)(A)(i)(VIII), by
7 striking “Service Corps of Retired Executives”
8 and inserting “SCORE program”; and

9 (2) in section 22 (15 U.S.C. 649)—

10 (A) in subsection (b)—

11 (i) in paragraph (1), by striking
12 “Service Corps of Retired Executives” and
13 inserting “SCORE program”; and

14 (ii) in paragraph (3), by striking
15 “Service Corps of Retired Executives” and
16 inserting “SCORE program”; and

17 (B) in subsection (c)(12), by striking
18 “Service Corps of Retired Executives” and in-
19 serting “SCORE program”.

20 (b) OTHER LAWS.—

21 (1) SMALL BUSINESS REAUTHORIZATION ACT
22 OF 1997.—Section 707 of the Small Business Reau-
23 thorization Act of 1997 (15 U.S.C. 631 note) is
24 amended by striking “Service Corps of Retired Ex-
25 ecutives (SCORE) program” and inserting “SCORE

1 program (as defined in section 8(c)(1) of the Small
2 Business Act)”.
3

4 (2) VETERANS ENTREPRENEURSHIP AND
5 SMALL BUSINESS DEVELOPMENT ACT OF 1999.—Sec-
6 tion 301 of the Veterans Entrepreneurship and
7 Small Business Development Act of 1999 (15 U.S.C.
8 657b note) is amended by striking “Service Core of
9 Retired Executives” and inserting “SCORE pro-
10 gram”.

11 (3) MILITARY RESERVIST AND VETERAN SMALL
12 BUSINESS REAUTHORIZATION AND OPPORTUNITY
13 ACT OF 2008.—Section 3(5) of the Military Reservist
14 and Veteran Small Business Reauthorization and
15 Opportunity Act of 2008 (15 U.S.C. 636 note) is
16 amended by striking “the Service Corps of Retired
17 Executives” and inserting “the SCORE program”.

18 (4) CHILDREN’S HEALTH INSURANCE PROGRAM
19 REAUTHORIZATION ACT OF 2009.—Section 621 of the
20 Children’s Health Insurance Program Reauthoriza-
21 tion Act of 2009 (15 U.S.C. 657p) is amended—

22 (A) in subsection (a), by striking para-
23 graph (4) and inserting the following:

24 “(4) the term ‘SCORE program’ means the
SCORE program authorized by section 8(b)(1)(B)

1 of the Small Business Act (15 U.S.C.
2 637(b)(1)(B));” and

3 (B) in subsection (b)(4)(A)(iv), by striking
4 “Service Corps of Retired Executives” and in-
5 serting “SCORE program”.

6 (5) ENERGY POLICY AND CONSERVATION
7 ACT.—Section 337(d)(2)(A) of the Energy Policy
8 and Conservation Act (42 U.S.C. 6307(d)(2)(A)) is
9 amended by striking “Service Corps of Retired Ex-
10 ecutives (SCORE)” and inserting “SCORE pro-
11 gram”.

12 **SEC. 6. DEFINITIONS.**

13 In this Act:

14 (1) ADMINISTRATION; ADMINISTRATOR.—The
15 terms “Administration” and “Administrator” mean,
16 respectively, the Small Business Administration and
17 the Administrator thereof.

18 (2) SCORE ASSOCIATION; SCORE PROGRAM.—
19 The terms “SCORE Association” and “SCORE pro-
20 gram” have the meaning given those terms, respec-
21 tively, under section 8(c)(1) of the Small Business
22 Act, as added by section 2 of this Act.