

117TH CONGRESS  
2D SESSION

**S.** \_\_\_\_\_

To reauthorize programs of the Small Business Administration, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

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Mr. CARDIN introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_

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**A BILL**

To reauthorize programs of the Small Business Administration, 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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the  
5 “Small Business Administration Reauthorization and  
6 Modernization Act of 2022”.

7 (b) TABLE OF CONTENTS.—The table of contents for  
8 this Act is as follows:

- Sec. 1. Short title; table of contents.  
Sec. 2. Definitions.

## 2

- Sec. 101. Short title.
- Sec. 102. Amendments to Women’s Business Center Program.
- Sec. 103. Effect on existing grants.
- Sec. 104. Regulations.

TITLE II—SMALL BUSINESS DEVELOPMENT CENTERS  
IMPROVEMENT ACT OF 2022

- Sec. 201. Short title.
- Sec. 202. Annual report on entrepreneurial development programs.
- Sec. 203. Marketing of services.
- Sec. 204. Data collection working group.
- Sec. 205. Oversight; fees from private partnerships and cosponsorships; negotiation.
- Sec. 206. Equity for small business development centers.
- Sec. 207. Confidentiality requirements.
- Sec. 208. Limitation on award of grants to small business development centers.
- Sec. 209. Authorization of appropriations for formula grants received by States.
- Sec. 210. Requirements relating to matching funds.
- Sec. 211. Duties of the Associate Administrator for Small Business Development Centers.
- Sec. 212. Determination of budgetary effects.

TITLE III—SCORE FOR SMALL BUSINESS ACT OF 2022

- Sec. 301. Short title.
- Sec. 302. SCORE Program provisions and requirements.
- Sec. 303. Authorization of appropriations for the SCORE program.
- Sec. 304. Reporting requirements.
- Sec. 305. Technical and conforming amendments.

TITLE IV—FEDERAL CONTRACTING FAIRNESS ACT OF 2022

- Sec. 401. Short title.
- Sec. 402. Findings.
- Sec. 403. Definitions.
- Sec. 404. Duration of participation; ramp-up period; transition period.
- Sec. 405. Administrative requirements for 8(a) firms.
- Sec. 406. SBA representation on the Federal Acquisition Regulation Council.
- Sec. 407. Office of Small and Disadvantaged Business Utilization; Director.
- Sec. 408. Sole source thresholds.
- Sec. 409. Mentor-protege program.
- Sec. 410. Certification process.
- Sec. 411. Repeal of bonafide office rule.
- Sec. 412. Reports.
- Sec. 413. Authorization of appropriations.

TITLE V—COMMUNITY ADVANTAGE LOAN PROGRAM  
PERMANENCY ACT OF 2022

- Sec. 501. Short title.
- Sec. 502. Findings.
- Sec. 503. Community Advantage Loan Program.

TITLE VI—STEP IMPROVEMENT ACT OF 2022

- Sec. 601. Short title.

Sec. 602. State Trade Expansion Program.

TITLE VII—VETERANS PROGRAMS

Sec. 701. Veteran federal procurement entrepreneurship training program.

Sec. 702. Boots to Business Program.

TITLE VIII—SURETY BOND PROGRAM

Sec. 801. Expanding surety bond program.

TITLE IX—SBIC EMERGING MANAGERS PROGRAM

Sec. 901. Broadening investment by the SBIC program.

TITLE X—NEW START ACT OF 2022

Sec. 1001. Short title.

Sec. 1002. Findings.

Sec. 1003. Pilot program.

TITLE XI—UPLIFT ACT OF 2022

Sec. 1101. Short title.

Sec. 1102. Findings.

Sec. 1103. Purposes.

Sec. 1104. Innovation Centers Program.

**1 SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) ADMINISTRATION; ADMINISTRATOR.—The  
4 terms “Administration” and “Administrator” mean  
5 the Small Business Administration and the Adminis-  
6 trator thereof, respectively.

7 (2) APPROPRIATE COMMITTEES OF CON-  
8 GRESS.—The term “appropriate committees of Con-  
9 gress” means—

10 (A) the Committee on Small Business and  
11 Entrepreneurship of the Senate; and

12 (B) the Committee on Small Business of  
13 the House of Representatives.

1           (3) SMALL BUSINESS CONCERN.—The term  
2           “small business concern” has the meaning given the  
3           term in section 3 of the Small Business Act (15  
4           U.S.C. 632).

5 **TITLE I—WOMEN’S BUSINESS**  
6 **CENTERS IMPROVEMENT ACT**  
7 **OF 2022**

8 **SEC. 101. SHORT TITLE.**

9           This title may be cited as the “Women’s Business  
10 Centers Improvement Act of 2022”.

11 **SEC. 102. AMENDMENTS TO WOMEN’S BUSINESS CENTER**  
12 **PROGRAM.**

13           Section 29 of the Small Business Act (15 U.S.C. 656)  
14 is amended to read as follows:

15 **“SEC. 29. WOMEN’S BUSINESS CENTER PROGRAM.**

16           “(a) DEFINITIONS.—In this section:

17                   “(1) ASSISTANT ADMINISTRATOR.—The term  
18           ‘Assistant Administrator’ means the Assistant Ad-  
19           ministrators of the Office of Women’s Business Own-  
20           ership established under subsection (j).

21                   “(2) ELIGIBLE ENTITY.—The term ‘eligible en-  
22           tity’ means—

23                           “(A) an organization described in section  
24                           501(c) of the Internal Revenue Code of 1986

1 and exempt from taxation under section 501(a)  
2 of such Code;

3 “(B) a State, regional, or local economic  
4 development organization, if the organization  
5 certifies that grant funds received under this  
6 section will not be commingled with other  
7 funds;

8 “(C) an institution of higher education, as  
9 defined in section 101 of the Higher Education  
10 Act of 1965 (20 U.S.C. 1001), unless the insti-  
11 tution is receiving a grant under section 21;

12 “(D) a development, credit, or finance cor-  
13 poration chartered by a State, if the corpora-  
14 tion certifies that grant funds received under  
15 this section will not be commingled with other  
16 funds; or

17 “(E) any combination of entities listed in  
18 subparagraphs (A) through (D).

19 “(3) PROGRAM.—The term ‘Program’ means  
20 the Women’s Business Center Program established  
21 under subsection (b),

22 “(4) RELEVANT ORGANIZATIONS.—The term  
23 ‘relevant organizations’ means—

24 “(A) organizations that advocate for or  
25 work with women entrepreneurs, women’s busi-

1           ness ownership, or women’s business centers;  
2           and

3                   “(B) other organizations as the Adminis-  
4           trator determines appropriate.

5           “(5) RESOURCE PARTNERS.—The term ‘re-  
6           source partners’ means small business development  
7           centers, chapters of the Service Corps of Retired Ex-  
8           ecutives established under section 8(b)(1)(B), and  
9           Veteran Business Outreach Centers described in sec-  
10          tion 32.

11           “(6) WOMEN’S BUSINESS CENTER.—The term  
12          ‘women’s business center’ means the location at  
13          which counseling and training on the management,  
14          operations (including manufacturing, services, and  
15          retail), access to capital, international trade, govern-  
16          ment procurement opportunities, and any other mat-  
17          ter that is needed to start, maintain, or expand a  
18          small business concern owned and controlled by  
19          women.

20           “(7) WOMEN’S BUSINESS CENTER ORGANIZA-  
21          TION.—The term ‘Women’s Business Center Organi-  
22          zation’ means a membership organization formed by  
23          women’s business centers to pursue matters of com-  
24          mon concern.

25          “(b) AUTHORITY.—

1           “(1) ESTABLISHMENT.—There is established a  
2 Women’s Business Center Program under which the  
3 Administrator may enter into a cooperative agree-  
4 ment with an eligible entity to provide a grant to the  
5 eligible entity to operate 1 or more women’s business  
6 centers for the benefit of small business concerns  
7 owned and controlled by women.

8           “(2) USE OF FUNDS.—A women’s business cen-  
9 ter established using funds made available under  
10 this section shall be designed to provide entrepre-  
11 neurial counseling and training that meets the needs  
12 of the small business concerns owned and controlled  
13 by women, especially concerns owned and controlled  
14 by women who are both socially and economically  
15 disadvantaged, as defined in section 8(a), and shall  
16 provide—

17                   “(A) financial assistance, including coun-  
18 seling and training on how to—

19                           “(i) apply for and secure business  
20 credit and investment capital;

21                           “(ii) prepare and present financial  
22 statements; and

23                           “(iii) manage cash flow and other fi-  
24 nancial operations of a small business con-  
25 cern;

1           “(B) management assistance, including  
2 counseling and training on how to plan, orga-  
3 nize, staff, direct, and control each major activ-  
4 ity and function of a small business concern;

5           “(C) marketing assistance, including coun-  
6 seling and training on how to—

7               “(i) identify and segment domestic  
8 and international market opportunities;

9               “(ii) prepare and execute marketing  
10 plans;

11               “(iii) develop pricing strategies;

12               “(iv) locate contract opportunities;

13               “(v) negotiate contracts; and

14               “(vi) use various public relations and  
15 advertising techniques; and

16           “(D) other services, as needed, in order to  
17 meet the changing and evolving needs of the  
18 small business community.

19           “(3) TYPES OF GRANTS.—

20               “(A) INITIAL GRANT.—The amount of an  
21 initial grant, which shall be for a 5-year term,  
22 provided under this section to an eligible entity  
23 shall be not more than \$300,000 annually (as  
24 that amount is annually adjusted by the Admin-  
25 istrator to reflect the change in inflation).

1 “(B) CONTINUATION GRANTS.—

2 “(i) IN GENERAL.—The Administrator  
3 may award a continuation grant, which  
4 shall be for a 5-year term, of not more  
5 than \$300,000 annually (as that amount is  
6 annually adjusted by the Administrator to  
7 reflect the change in inflation) to an eligi-  
8 ble entity that received an initial grant  
9 under subparagraph (A).

10 “(ii) NO LIMITATION.—There shall be  
11 no limitation on the number of continu-  
12 ation grants an eligible entity may receive  
13 under this section.

14 “(c) APPLICATION.—

15 “(1) INITIAL GRANTS AND CONTINUATION  
16 GRANTS.—To receive an initial grant or continuation  
17 grant under this section, an eligible entity shall sub-  
18 mit an application to the Administrator in such  
19 form, in such manner, and containing such informa-  
20 tion as the Administrator may require, including—

21 “(A) a certification that the eligible enti-  
22 ty—

23 “(i) has designated an executive direc-  
24 tor or program manager, who may be com-  
25 pensated using grant funds awarded under

1 this section or other sources, to manage  
2 each women’s business center for which a  
3 grant under subsection (b) is sought; and

4 “(ii) meets accounting and reporting  
5 requirements established by the Director of  
6 the Office of Management and Budget;

7 “(B) information demonstrating the expe-  
8 rience and effectiveness of the eligible entity  
9 in—

10 “(i) providing entrepreneurial coun-  
11 seling and training described in subsection  
12 (b)(2);

13 “(ii) providing training and services to  
14 a representative number of women who are  
15 both socially and economically disadvan-  
16 taged; and

17 “(iii) working with resource partners,  
18 offices of the Administration, and other  
19 public and private entities engaging in en-  
20 trepreneurial and small business develop-  
21 ment; and

22 “(C) a 5-year plan that—

23 “(i) includes information relating to  
24 the assistance to be provided by each wom-

1 en's business center in the area in which  
2 each center is located;

3 "(ii) describes the ability of the eligi-  
4 ble entity to meet the needs of the market  
5 to be served by each women's business cen-  
6 ter;

7 "(iii) describes the ability of the eligi-  
8 ble entity to obtain the matching funds re-  
9 quired under subsection (e); and

10 "(iv) describes the ability of the eligi-  
11 ble entity to provide entrepreneurial coun-  
12 seling and training described in subsection  
13 (b)(2), including to a representative num-  
14 ber of women who are both socially and  
15 economically disadvantaged.

16 "(2) RECORD RETENTION.—

17 "(A) IN GENERAL.—The Administrator  
18 shall maintain a copy of each application sub-  
19 mitted under this subsection for not less than  
20 5 years.

21 "(B) PAPERWORK REDUCTION.—The Ad-  
22 ministrator shall take steps to reduce, to the  
23 maximum extent practicable, the paperwork  
24 burden associated with carrying out subpara-  
25 graph (A).

1 “(d) SELECTION OF ELIGIBLE ENTITIES.—

2 “(1) IN GENERAL.—In selecting recipients of  
3 initial grants under this section, the Administrator  
4 shall consider—

5 “(A) the experience of the applicant in pro-  
6 viding entrepreneurial counseling and training;

7 “(B) the amount of time needed for the  
8 applicant to commence operation of a women’s  
9 business center;

10 “(C) the capacity of the applicant to meet  
11 the accreditation standards established under  
12 subsection (j)(4) in a timely manner and the  
13 likelihood that the recipient will become accred-  
14 ited;

15 “(D) the ability of the applicant to sustain  
16 operations, including the applicant’s ability to  
17 obtain matching funds under subsection (e), for  
18 a 5-year period;

19 “(E) the proposed location of a women’s  
20 business center to be operated by the applicant  
21 and the location’s proximity to Veteran Busi-  
22 ness Outreach Centers described in section 32  
23 and to recipients of grants under section  
24 8(b)(1) or 21;

1           “(F) the counsel of a Women’s Business  
2 Center Organization or another relevant organi-  
3 zation on the level of unmet need in the area  
4 where the women’s business center is to be lo-  
5 cated; and

6           “(G) whether the applicant has received  
7 trainings conducted by, utilized services pro-  
8 vided by, or engaged with a Women’s Business  
9 Center Organization or another relevant organi-  
10 zation in the preparation of the application.

11           “(2) SELECTION CRITERIA.—

12           “(A) RULEMAKING.—The Administrator  
13 shall issue regulations to specify the criteria for  
14 review and selection of applicants under this  
15 subsection.

16           “(B) EFFECT OF REGULATIONS AT TIME  
17 OF APPLICATION.—Unless otherwise required  
18 by an Act of Congress or an order of a Federal  
19 court, any application for an opportunity to  
20 award a grant under this section shall be gov-  
21 erned by the regulations issued pursuant to  
22 subparagraph (A) that are in effect at the time  
23 of the public announcement of such opportunity  
24 made by the Administrator pursuant to sub-  
25 section (k)(1).

1           “(C) RULE OF CONSTRUCTION.—Nothing  
2           in this paragraph may be construed as prohib-  
3           iting the Administrator from modifying the reg-  
4           ulations issued pursuant to subparagraph (A)  
5           as the regulations apply to an opportunity to be  
6           awarded a grant under this section that the Ad-  
7           ministrator has not yet publicly announced pur-  
8           suant to subsection (k)(1).

9           “(e) MATCHING REQUIREMENTS.—

10           “(1) IN GENERAL.—Subject to paragraph (5),  
11           upon approval of an application submitted by an eli-  
12           gible entity under subsection (c), the eligible entity  
13           shall agree to obtain contributions from non-Federal  
14           sources—

15           “(A) in the first and second year of the  
16           term of an initial grant, if applicable, 1 non-  
17           Federal dollar for every 2 Federal dollars; and

18           “(B) in each subsequent year of the term  
19           of an initial grant, if applicable, or for the term  
20           of a continuation grant, 1 non-Federal dollar  
21           for each Federal dollar.

22           “(2) FORM OF MATCHING FUNDS.—Not more  
23           than one-half of non-Federal matching funds de-  
24           scribed in paragraph (1) may be in the form of in-

1 kind contributions that are budget line items only,  
2 including office equipment and office space.

3 “(3) SOLICITATION.—Notwithstanding any  
4 other provision of law, an eligible entity may—

5 “(A) solicit cash and in-kind contributions  
6 from private individuals and entities to be used  
7 to operate a women’s business center; and

8 “(B) use amounts made available by the  
9 Administrator under this section for the cost of  
10 solicitation and management of the contribu-  
11 tions received, subject to the limitations set by  
12 the Administrator.

13 “(4) DISBURSEMENT OF FUNDS.—The Admin-  
14 istrator may disburse an amount not greater than  
15 25 percent of the total amount of a grant awarded  
16 to an eligible entity before the eligible entity obtains  
17 the matching funds described in paragraph (1).

18 “(5) FAILURE TO OBTAIN MATCHING FUNDS.—

19 “(A) IN GENERAL.—If an eligible entity  
20 fails to obtain the required matching funds de-  
21 scribed in paragraph (1), the eligible entity may  
22 not be eligible to receive advance disbursements  
23 pursuant to paragraph (4) during the remain-  
24 der of the term, if applicable, of an initial grant  
25 awarded under this section.

1           “(B) CONTINUATION GRANT.—Before ap-  
2           proving an eligible entity for a continuation  
3           grant under this section, the Administrator  
4           shall make a written determination, including  
5           the reasons for the determination, of whether  
6           the Administrator believes that the eligible enti-  
7           ty will be able to obtain the requisite matching  
8           funding under paragraph (1) for the continu-  
9           ation grant.

10          “(6) WAIVER OF NON-FEDERAL SHARE.—

11           “(A) IN GENERAL.—Upon request by an  
12           eligible entity and in accordance with this para-  
13           graph, the Administrator may waive, in whole  
14           or in part, the requirement to obtain matching  
15           funds under paragraph (1) for a grant awarded  
16           under this section for the eligible entity for a 1-  
17           year term of the grant.

18           “(B) CONSIDERATIONS.—In determining  
19           whether to issue a waiver under this paragraph,  
20           the Administrator shall consider—

21                   “(i) the economic conditions affecting  
22                   the eligible entity;

23                   “(ii) the demonstrated ability of the  
24                   eligible entity to raise non-Federal funds;  
25                   and

1                   “(iii) the performance of the eligible  
2                   entity under the initial grant.

3                   “(C) LIMITATION.—The Administrator  
4                   may not issue a waiver under this paragraph if  
5                   the Administrator determines that granting the  
6                   waiver would undermine the credibility of the  
7                   Program.

8                   “(7) EXCESS NON-FEDERAL DOLLARS.—The  
9                   amount of non-Federal dollars obtained by an eligi-  
10                  ble entity that is greater than the amount that is re-  
11                  quired to be obtained by the eligible entity under  
12                  this subsection shall not be subject to the require-  
13                  ments of part 200 of title 2, Code of Federal Regu-  
14                  lations, or any successor thereto, if the amount of  
15                  non-Federal dollars—

16                         “(A) is not used as matching funds for  
17                         purposes of implementing the Program; and

18                         “(B) was not obtained by using funds  
19                         granted under the Program.

20                   “(8) CARRYOVER.—An eligible entity may use  
21                   excess non-Federal dollars described in paragraph  
22                   (7) to satisfy the matching funds requirement under  
23                   paragraph (1) for the subsequent 1-year grant term,  
24                   if applicable, except that the amounts shall be sub-



1 “(3) REMEDIATION OF PROBLEMS.—

2 “(A) PLAN OF ACTION.—If an examination  
3 of an eligible entity conducted under paragraph  
4 (2)(B) identifies any problems, the eligible enti-  
5 ty shall, not later than 45 calendar days after  
6 receiving a copy of the results of the examina-  
7 tion, provide the Assistant Administrator with a  
8 plan of action, including specific milestones, for  
9 correcting those problems.

10 “(B) PLAN OF ACTION REVIEW BY THE AS-  
11 SISTANT ADMINISTRATOR.—Not later than 30  
12 days after receipt of the plan of action, the As-  
13 sistant Administrator shall review the plan of  
14 action submitted under subparagraph (A), and  
15 if the Assistant Administrator determines that  
16 the plan—

17 “(i) will bring the eligible entity into  
18 compliance with all the terms of a coopera-  
19 tive agreement described in subsection (b),  
20 the Assistant Administrator shall approve  
21 the plan; or

22 “(ii) is inadequate to remedy the  
23 problems identified in the annual examina-  
24 tion to which the plan of action relates, the  
25 Assistant Administrator shall set forth the

1 reasons in writing and provide the deter-  
2 mination to the eligible entity not later  
3 than 15 calendar days after the date of de-  
4 termination.

5 “(C) AMENDMENT TO PLAN OF ACTION.—  
6 An eligible entity receiving a determination  
7 under subparagraph (B)(ii) shall have 30 cal-  
8 endar days from the receipt of the determina-  
9 tion to amend the plan of action to satisfy the  
10 problems identified by the Assistant Adminis-  
11 trator and resubmit the plan to the Assistant  
12 Administrator.

13 “(D) AMENDED PLAN REVIEW BY THE AS-  
14 SISTANT ADMINISTRATOR.—Not later than 15  
15 calendar days after receipt of an amended plan  
16 of action under subparagraph (C), the Assistant  
17 Administrator shall approve or reject the plan  
18 and provide the approval or rejection in writing  
19 to the eligible entity.

20 “(E) APPEAL OF ASSISTANT ADMINIS-  
21 TRATOR DETERMINATION.—

22 “(i) IN GENERAL.—If the Assistant  
23 Administrator rejects an amended plan of  
24 action under subparagraph (D), the eligible  
25 entity shall have the opportunity to appeal

1 the decision to the Administrator, who may  
2 delegate the appeal to an appropriate offi-  
3 cer of the Administration.

4 “(ii) OPPORTUNITY FOR EXPLA-  
5 NATION.—Any appeal described in clause  
6 (i) shall provide an opportunity for the eli-  
7 gible entity to provide, in writing, an expla-  
8 nation of why the amended plan of action  
9 of the eligible entity remedies the problems  
10 identified in the annual examination con-  
11 ducted under paragraph (2)(B).

12 “(iii) NOTICE OF DETERMINATION.—  
13 The Administrator shall provide to the eli-  
14 gible entity a determination of the appeal,  
15 in writing, not later than 15 calendar days  
16 after the eligible entity files an appeal  
17 under this subparagraph.

18 “(iv) EFFECT OF FAILURE TO ACT.—  
19 If the Administrator fails to act on an ap-  
20 peal made under this subparagraph within  
21 the 15-day period specified under clause  
22 (iii), the amended plan of action of the eli-  
23 gible entity submitted under subparagraph  
24 (C) shall be deemed to be approved.

25 “(4) TERMINATION OF GRANT.—

1           “(A) IN GENERAL.—The Administrator  
2 shall terminate a grant to an eligible entity  
3 under this section if the eligible entity fails to  
4 comply with—

5                   “(i) a plan of action approved by the  
6 Assistant Administrator under paragraph  
7 (3)(B)(i); or

8                   “(ii) an amended plan of action ap-  
9 proved by the Assistant Administrator  
10 under paragraph (3)(D) or approved on  
11 appeal under paragraph (3)(E).

12           “(B) APPEAL OF TERMINATION.—An eligi-  
13 ble entity shall have the opportunity to chal-  
14 lenge the termination of a grant under subpara-  
15 graph (A) on the record and after an oppor-  
16 tunity for a hearing.

17           “(C) FINAL AGENCY ACTION.—A deter-  
18 mination made pursuant to subparagraph (B)  
19 shall be considered final agency action for the  
20 purposes of chapter 7 of title 5, United States  
21 Code.

22           “(5) ENGAGEMENT WITH MAJORITY WOMEN’S  
23 BUSINESS CENTER ORGANIZATION, WOMEN’S BUSI-  
24 NESS CENTERS, AND OTHER RELEVANT ORGANIZA-  
25 TIONS.—If, on the date of enactment of the Wom-

1       en’s Business Centers Improvement Act of 2022, a  
2       majority of women’s business centers that are oper-  
3       ating pursuant to agreements with the Administra-  
4       tion are members of an individual Women’s Business  
5       Center Organization, the Administrator shall—

6               “(A) recognize the existence and activities  
7               of the Organization; and

8               “(B) consult with the Organization, and to  
9               the extent practicable, women’s business centers  
10              and other relevant organizations, on the devel-  
11              opment of documents with respect to—

12                   “(i) announcing the annual scope of  
13                   activities pursuant to this section;

14                   “(ii) requesting proposals to deliver  
15                   assistance as provided in this section; and

16                   “(iii) the governance, general oper-  
17                   ations, and administration of the Program,  
18                   including general best practices in the op-  
19                   eration of the Program and the develop-  
20                   ment of regulations and financial examina-  
21                   tions under that Program.

22       “(6) ENFORCEMENT.—

23               “(A) GRANTS.—The Assistant Adminis-  
24               trator shall develop policies and procedures to  
25               minimize the possibility of awarding a grant to

1 an eligible entity that will operate a women’s  
2 business center that likely will not remain in  
3 compliance with program and financial require-  
4 ments.

5 “(B) INDIVIDUAL COOPERATIVE AGREE-  
6 MENTS.—The Assistant Administrator shall en-  
7 force the terms of any individual cooperative  
8 agreement described in paragraph (5)(B)(iii).

9 “(g) PROGRAM EXAMINATION.—

10 “(1) IN GENERAL.—The Administration shall—

11 “(A) develop and implement an annual  
12 programmatic and financial examination of  
13 each eligible entity receiving a grant under this  
14 section, under which each eligible entity shall  
15 provide to the Administration—

16 “(i) an itemized cost breakdown of ac-  
17 tual expenditures for costs incurred during  
18 the preceding year; and

19 “(ii) documentation regarding the  
20 amount of matching assistance from non-  
21 Federal sources obtained and expended by  
22 the eligible entity during the preceding  
23 year in order to meet the requirements of  
24 subsection (e) and, with respect to any in-  
25 kind contributions described in subsection

1 (e)(2) that were used to satisfy the re-  
2 quirements of subsection (e), verification of  
3 the existence and valuation of those con-  
4 tributions; and

5 “(B) analyze the results of each examina-  
6 tion and, based on that analysis, make a deter-  
7 mination regarding the programmatic and fi-  
8 nancial viability of each women’s business cen-  
9 ter operated by the eligible entity.

10 “(2) CONDITIONS FOR CONTINUED FUNDING.—

11 In determining whether to award a continuation  
12 grant to an eligible entity, the Administrator shall—

13 “(A) consider the results of the most re-  
14 cent examination of the eligible entity under  
15 paragraph (1);

16 “(B) determine if—

17 “(i) the eligible entity has failed to  
18 provide, or provided inadequate, informa-  
19 tion under paragraph (1)(A); or

20 “(ii) the eligible entity has failed to  
21 provide any information required to be pro-  
22 vided by a women’s business center for  
23 purposes of the management report under  
24 subsection (l)(1), or the information pro-  
25 vided by the center is inadequate; and

1                   “(C) consider the accreditation status as  
2                   described in subsection (j)(4).

3                   “(h) CONTRACT AUTHORITY.—

4                   “(1) ELIGIBLE ENTITY.—An eligible entity that  
5                   receives a grant under this section may enter into a  
6                   contract with a Federal department or agency to  
7                   provide specific assistance to small business concerns  
8                   owned and controlled by women and other under-  
9                   served small business concerns, if performance of  
10                  that contract does not hinder the ability of the eligi-  
11                  ble entity to carry out the terms of a grant received  
12                  under this section.

13                  “(2) ADMINISTRATOR.—

14                  “(A) IN GENERAL.—The authority of the  
15                  Administrator to enter into contracts shall be in  
16                  effect for each fiscal year only to the extent and  
17                  in the amounts as are provided in advance in  
18                  appropriations Acts.

19                  “(B) ADVERSE CONTRACT ACTION.—After  
20                  the Administrator has entered into a contract,  
21                  either as a grant or a cooperative agreement,  
22                  with any applicant under this section, the Ad-  
23                  ministrator shall not suspend, terminate, or fail  
24                  to renew or extend the contract unless the Ad-  
25                  ministrator provides the applicant with written

1 notification setting forth the reasons therefore  
2 and affords the applicant an opportunity for a  
3 hearing, appeal, or other administrative pro-  
4 ceeding under chapter 5 of title 5, United  
5 States Code.

6 “(i) PRIVACY REQUIREMENTS.—

7 “(1) IN GENERAL.—A women’s business center  
8 may not disclose the name, address, email address,  
9 or telephone number of any individual or small busi-  
10 ness concern receiving assistance under this section  
11 without the consent of that individual or small busi-  
12 ness concern, unless—

13 “(A) the Administrator orders the disclo-  
14 sure after the Administrator is ordered to make  
15 a disclosure by a court in any civil or criminal  
16 enforcement action initiated by a Federal or  
17 State agency; or

18 “(B) the Administrator considers a disclo-  
19 sure to be necessary for the purpose of con-  
20 ducting a financial audit of a women’s business  
21 center, except that the disclosure shall be lim-  
22 ited to the information necessary for the audit.

23 “(2) ADMINISTRATION USE OF INFORMATION.—

24 This subsection shall not—

1           “(A) restrict the access of the Administra-  
2           tion to women’s business center data; or

3           “(B) prevent the Administration from  
4           using information about individuals who use  
5           women’s business centers to conduct surveys of  
6           those individuals.

7           “(3) REGULATIONS.—The Administrator shall  
8           issue regulations to establish standards for disclo-  
9           sures for purposes of a financial audit described in  
10          paragraph (1)(B).

11          “(j) OFFICE OF WOMEN’S BUSINESS OWNERSHIP.—

12           “(1) ESTABLISHMENT.—There is established  
13          within the Administration an Office of Women’s  
14          Business Ownership, which shall be—

15           “(A) responsible for the administration of  
16          the Administration’s programs for the develop-  
17          ment of women’s business enterprises, as de-  
18          fined in section 408 of the Women’s Business  
19          Ownership Act of 1988 (15 U.S.C. 7108); and

20           “(B) administered by an Assistant Admin-  
21          istrator, who shall be appointed by the Adminis-  
22          trator.

23          “(2) ASSISTANT ADMINISTRATOR OF THE OF-  
24          FICE OF WOMEN’S BUSINESS OWNERSHIP.—



1 eliminate any duplication among the pro-  
2 grams overseen by the Office of Women’s  
3 Business Ownership and those of other en-  
4 tities that provide similar services to  
5 women entrepreneurs.

6 “(iv) Maintain a clearinghouse to pro-  
7 vide for the dissemination and exchange of  
8 information between women’s business cen-  
9 ters.

10 “(v) Serve as the vice chairperson of  
11 the Interagency Committee on Women’s  
12 Business Enterprise and as the liaison for  
13 the National Women’s Business Council.

14 “(3) MISSION.—The mission of the Office of  
15 Women’s Business Ownership shall be to assist  
16 women entrepreneurs to start, grow, and compete in  
17 global markets by providing quality support with ac-  
18 cess to capital, access to markets, job creation,  
19 growth, and counseling by—

20 “(A) fostering participation of women en-  
21 trepreneurs in the economy by overseeing a net-  
22 work of women’s business centers throughout  
23 the United States;

24 “(B) creating public-private partnerships  
25 to support women entrepreneurs and conduct

1 outreach and education to small business con-  
2 cerns owned and controlled by women; and

3 “(C) working with other programs of the  
4 Administration to—

5 “(i) ensure women are well-rep-  
6 resented in those programs and being  
7 served by those programs; and

8 “(ii) identify gaps where participation  
9 by women in those programs could be in-  
10 creased.

11 “(4) ACCREDITATION PROGRAM.—

12 “(A) ESTABLISHMENT.—Not later than  
13 270 days after the date of enactment of the  
14 Women’s Business Centers Improvement Act of  
15 2022, the Administrator shall publish standards  
16 for a program to accredit eligible entities that  
17 receive a grant under this section.

18 “(B) PUBLIC COMMENT; TRANSITION.—  
19 Before publishing the standards under subpara-  
20 graph (A), the Administrator—

21 “(i) shall provide a period of not less  
22 than 60 days for public comment on the  
23 standards; and

1                   “(ii) may not terminate a grant under  
2                   this section absent evidence of fraud or  
3                   other criminal misconduct by the recipient.

4                   “(C) CONTRACTING AUTHORITY.—The Ad-  
5                   ministrator may provide financial support, by  
6                   contract or otherwise, to a Women’s Business  
7                   Center Organization to provide assistance in es-  
8                   tablishing the standards required under sub-  
9                   paragraph (A) or for carrying out an accredita-  
10                  tion program pursuant to those standards.

11                  “(5) CONTINUATION GRANT CONSIDER-  
12                  ATIONS.—

13                  “(A) IN GENERAL.—In determining wheth-  
14                  er to award a continuation grant under this sec-  
15                  tion, the Administrator shall consider the re-  
16                  sults of the annual programmatic and financial  
17                  examination conducted under subsection (g)  
18                  and the accreditation program under paragraph  
19                  (4).

20                  “(B) ACCREDITATION REQUIREMENT.—On  
21                  and after the date that is 2 years after the date  
22                  of enactment of the Women’s Business Centers  
23                  Improvement Act of 2022, the Administration  
24                  may not award a continuation grant under this  
25                  section unless the applicable eligible entity has

1           been approved under the accreditation program  
2           conducted pursuant to paragraph (4), except  
3           that the Assistant Administrator for the Office  
4           of Women’s Business Ownership may waive the  
5           accreditation requirement, in the discretion of  
6           the Assistant Administrator, upon a showing  
7           that the eligible entity is making a good faith  
8           effort to obtain accreditation.

9           “(6) ANNUAL CONFERENCE.—

10           “(A) IN GENERAL.—Each women’s busi-  
11           ness center shall participate in annual profes-  
12           sional development at an annual conference fa-  
13           cilitated by the Administrator.

14           “(B) COLLABORATION.—The Adminis-  
15           trator shall collaborate with 1 or more Women’s  
16           Business Center Organizations, women’s busi-  
17           ness centers, or other relevant organizations in  
18           carrying out the responsibilities of the Adminis-  
19           trator under subparagraph (A).

20           “(k) NOTIFICATION REQUIREMENTS UNDER THE  
21           PROGRAM.—The Administrator shall provide the fol-  
22           lowing:

23           “(1) A public announcement of any opportunity  
24           to be awarded grants under this section, to include

1 the selection criteria under subsection (d) and any  
2 applicable regulations.

3 “(2) To any applicant for a grant under this  
4 section that failed to obtain a grant, an opportunity  
5 to debrief with the Administrator to review the rea-  
6 sons for the failure of the applicant.

7 “(3) To an eligible entity that receives an initial  
8 grant under this section, if a site visit or review of  
9 the eligible entity is carried out by an officer or em-  
10 ployee of the Administration (other than the Inspec-  
11 tor General), a copy of the site visit report or eval-  
12 uation, as applicable, not later than 30 calendar  
13 days after the completion of the visit or evaluation.

14 “(1) ANNUAL MANAGEMENT REPORT.—

15 “(1) IN GENERAL.—The Administrator shall  
16 prepare and submit to the Committee on Small  
17 Business and Entrepreneurship of the Senate and  
18 the Committee on Small Business of the House of  
19 Representatives an annual report on the effective-  
20 ness of women’s business centers operated through  
21 a grant awarded under this section.

22 “(2) INFORMATION FOR REPORT.—Each wom-  
23 en’s business center shall, annually and upon re-  
24 quest, provide the Administrator with sufficient in-  
25 formation to complete the report required under

1 paragraph (1), including the information described  
2 in paragraph (3).

3 “(3) CONTENTS.—Each report submitted under  
4 paragraph (1) shall summarize—

5 “(A) information concerning, with respect  
6 to each women’s business center established  
7 pursuant to a grant awarded under this section,  
8 the most recent analysis of the annual pro-  
9 grammatic and financial examination of the ap-  
10 plicable eligible entity, as required under sub-  
11 section (g)(1)(B), and the subsequent deter-  
12 mination made by the Administration under  
13 that subsection;

14 “(B) the total number of individuals and  
15 the number of unique individuals counseled or  
16 trained through the Program;

17 “(C) the total number of hours of coun-  
18 seling and training services provided through  
19 the Program;

20 “(D) to the extent practicable, the demo-  
21 graphics of Program participants to include the  
22 gender, race, ethnicity, and age of each partici-  
23 pant;

24 “(E) the number of Program participants  
25 who are veterans;

1           “(F) the number of new businesses started  
2 by participants in the Program;

3           “(G) to the extent practicable, the number  
4 of jobs supported, created, or retained with as-  
5 sistance from women’s business centers;

6           “(H) the total amount of capital secured  
7 by participants in the Program, including  
8 through loans and equity investment of the Ad-  
9 ministration;

10           “(I) the number of participants in the Pro-  
11 gram receiving financial assistance, including  
12 the type and dollar amount, under a loan pro-  
13 gram of the Administration;

14           “(J) an estimate of gross receipts, includ-  
15 ing to the extent practicable a description of  
16 any change in revenue of small business con-  
17 cerns assisted through the Program;

18           “(K) the number of referrals of individuals  
19 to other resources and programs of the Admin-  
20 istration;

21           “(L) the results of satisfaction surveys of  
22 participants, including a summary of any com-  
23 ments received from those participants; and

1           “(M) any recommendations by the Admin-  
2           istrator to improve the delivery of services by  
3           women’s business centers.

4           “(m) AUTHORIZATION OF APPROPRIATIONS.—

5           “(1) IN GENERAL.—There are authorized to be  
6           appropriated to the Administration to carry out this  
7           section, to remain available until expended,  
8           \$31,500,000 for each of fiscal years 2023 through  
9           2026.

10          “(2) USE OF AMOUNTS.—

11           “(A) IN GENERAL.—Except as provided in  
12           subparagraph (B), amounts made available  
13           under this subsection for fiscal year 2023, and  
14           each fiscal year thereafter, may only be used for  
15           grant awards and may not be used for costs in-  
16           curred by the Administration in connection with  
17           the management and administration of the pro-  
18           gram under this section.

19           “(B) EXCEPTIONS.—Of the amount made  
20           available under this subsection for a fiscal year,  
21           for the fiscal year beginning after the date of  
22           enactment of the Women’s Business Centers  
23           Improvement Act of 2022 and each fiscal year  
24           thereafter through fiscal year 2026, 2.6 percent  
25           shall be available for costs incurred by the Ad-

1           ministration in connection with the manage-  
2           ment and administration of the program under  
3           this section.

4                   “(C) ACCREDITATION AND ANNUAL CON-  
5           FERENCE.—Of the amounts made available in  
6           any fiscal year to carry out this section, not  
7           more than \$250,000 may be used by the Ad-  
8           ministration to pay for expenses related to car-  
9           rying out paragraphs (4) and (6) of subsection  
10          (j).

11                   “(3) EXPEDITED ACQUISITION.—Notwith-  
12          standing any other provision of law, the Adminis-  
13          trator may use expedited acquisition methods as the  
14          Administrator determines to be appropriate to carry  
15          out this section, except that the Administrator shall  
16          ensure that all small business concerns are provided  
17          a reasonable opportunity to submit proposals.”.

18 **SEC. 103. EFFECT ON EXISTING GRANTS.**

19          (a) TERMS AND CONDITIONS.—A nonprofit organiza-  
20          tion receiving a grant under section 29(m) of the Small  
21          Business Act (15 U.S.C. 656(m)), as in effect on the day  
22          before the date of enactment of this Act, shall continue  
23          to receive the grant under the terms and conditions in ef-  
24          fect for the grant on the day before the date of enactment  
25          of this Act, except that the nonprofit organization may

1 not apply for a continuation of the grant under section  
2 29(m)(5) of the Small Business Act (15 U.S.C.  
3 656(m)(5)), as in effect on the day before the date of en-  
4 actment of this Act.

5 (b) LENGTH OF CONTINUATION GRANT.—The Ad-  
6 ministrator may award a grant under section 29 of the  
7 Small Business Act (15 U.S.C. 656), as amended by this  
8 title, to a nonprofit organization receiving a grant under  
9 section (m) of such section 29, as in effect on the day  
10 before the date of enactment of this Act, for the period—

11 (1) beginning on the day after the last day of  
12 the grant agreement under such section 29(m); and

13 (2) ending at the end of the third fiscal year be-  
14 ginning after the date of enactment of this Act.

15 **SEC. 104. REGULATIONS.**

16 Not later than 270 days after the date of enactment  
17 of this Act, the Administrator shall issue rules as are nec-  
18 essary to carry out section 29 of the Small Business Act  
19 (15 U.S.C. 656), as amended by this title, and ensure that  
20 a period of public comment for those rules is not less than  
21 60 days.

1 **TITLE II—SMALL BUSINESS DE-**  
2 **VELOPMENT CENTERS IM-**  
3 **PROVEMENT ACT OF 2022**

4 **SEC. 201. SHORT TITLE.**

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

7 **SEC. 202. ANNUAL REPORT ON ENTREPRENEURIAL DEVEL-**  
8 **OPMENT PROGRAMS.**

9 Section 10 of the Small Business Act (15 U.S.C. 639)  
10 is amended by adding at the end the following:

11 “(i) ANNUAL REPORT ON ENTREPRENEURIAL DE-  
12 VELOPMENT PROGRAMS.—

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

14 “(A) COVERED PROGRAM.—The term ‘cov-  
15 ered program’ means a program authorized  
16 under section 7(j), 7(m), 8(a), 8(b)(1), 21, 22,  
17 29, 32, or 34.

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

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

4           “(A) A list of all entrepreneurial develop-  
5 ment activities undertaken during the fiscal  
6 year preceding the date of the report through a  
7 covered program, including—

8           “(i) a description and operating de-  
9 tails for each such covered program and  
10 the activities performed under each such  
11 covered program;

12           “(ii) operating circulars, manuals, and  
13 standard operating procedures for each  
14 such covered program;

15           “(iii) a description of the process used  
16 to make awards relating to the provision of  
17 entrepreneurial development activities  
18 under each such covered program;

19           “(iv) a list of all recipients of awards  
20 under each such covered program and the  
21 amount of each such award; and

22           “(v) a list of contractors, including  
23 the name and location of such contractor,  
24 of an award recipient.

1           “(B) The total amount of funding obli-  
2           gated for a covered program and the entrepre-  
3           neurial development activities conducted under  
4           each such covered program for the fiscal year  
5           preceding the date of the report.

6           “(C) The names and titles of the individ-  
7           uals responsible for carrying out a covered pro-  
8           gram.

9           “(D) For entrepreneurial development ac-  
10          tivities undertaken during the fiscal year pre-  
11          ceding the date of the report through the small  
12          business development center program estab-  
13          lished under section 21 (in this section referred  
14          to as the ‘Program’)—

15                 “(i) the total number and number of  
16                 individuals counseled or trained through  
17                 the Program;

18                 “(ii) the total number of hours of  
19                 counseling and training services provided  
20                 through the Program;

21                 “(iii) to the extent practicable, the de-  
22                 mographics of participants in the Program,  
23                 which shall include the gender, race, eth-  
24                 nicity, and age of each such participant;

1                   “(iv) the number of participants in  
2 the Program who are veterans;

3                   “(v) the number of new businesses  
4 started by participants in the Program;

5                   “(vi) to the extent practicable, the  
6 number of jobs supported, created, and re-  
7 tained with assistance from the Program;

8                   “(vii) to the extent practicable, the  
9 total amount of capital secured by partici-  
10 pants in the Program, including through  
11 loans and equity investment from the Ad-  
12 ministration;

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

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

23                   “(x) the number of referrals of indi-  
24 viduals to other resources and programs of  
25 the Administration;

1                   “(xi) the results of satisfaction sur-  
2                   veys of participants in the Program, in-  
3                   cluding a summary of any comments re-  
4                   ceived from those participants; and

5                   “(xii) any recommendations by the  
6                   Administrator to improve the delivery of  
7                   services by the Program.”.

8 **SEC. 203. MARKETING OF SERVICES.**

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

11           “(o) NO PROHIBITION OF MARKETING OF SERV-  
12 ICES.—An applicant receiving a grant under this section  
13 may use up to 10 percent of their budget to market and  
14 advertise the services of the applicant to individuals and  
15 small business concerns.”.

16 **SEC. 204. DATA COLLECTION WORKING GROUP.**

17           (a) ESTABLISHMENT OF WORKING GROUP TO IM-  
18 PROVE DATA COLLECTION.—The Administrator shall es-  
19 tablish a group to be known as the “Data Collection Work-  
20 ing Group” consisting of entrepreneurial development  
21 grant recipients, the associations and organizations rep-  
22 resenting such recipients, and officials from the Adminis-  
23 tration, to carry out a study to determine the best methods  
24 for conducting data collection activities and create or re-  
25 vise existing systems dedicated to data collection.

1 (b) REPORT.—Not later than 180 days after the date  
2 of enactment of this Act, the Data Collection Working  
3 Group shall issue a report to the appropriate committees  
4 of Congress containing the findings and determinations  
5 made in carrying out the study required under subsection  
6 (a), including—

7 (1) recommendations for revising existing data  
8 collection practices for the small business develop-  
9 ment center program established under section 21 of  
10 the Small Business Act (15 U.S.C. 648); and

11 (2) a proposed plan for the Administrator to  
12 implement the recommendations described in para-  
13 graph (1).

14 **SEC. 205. OVERSIGHT; FEES FROM PRIVATE PARTNERSHIPS**  
15 **AND COSPONSORSHIPS; NEGOTIATION.**

16 Section 21(a)(3) of the Small Business Act (15  
17 U.S.C. 648(a)(3)) is amended—

18 (1) in the matter preceding subparagraph (A),  
19 by inserting “, including financial oversight,” after  
20 “oversight”;

21 (2) by moving subparagraphs (A) and (B) 2  
22 ems to the right;

23 (3) in subparagraph (C)—

24 (A) by striking “Whereas”;

1 (B) by inserting “Program” after “Cen-  
2 ter”; and

3 (C) by striking “National” and inserting  
4 “national”; and

5 (4) by adding at the end the following:

6 “(D)(i) A small business development cen-  
7 ter that participates in a private partnership or  
8 cosponsorship, in which the Administrator or  
9 designee of the Administrator also participates,  
10 may collect fees or other income in order to  
11 hold events related to the private partnership or  
12 cosponsorship.

13 “(ii) Nothing in clause (i) shall be con-  
14 strued as the Administration endorsing a pri-  
15 vate partnership or cosponsorship described in  
16 clause (i).

17 “(E) An association formed under sub-  
18 paragraph (A) shall, at the request of a small  
19 business development center applicant or appli-  
20 cants, participate in the negotiation of the coop-  
21 erative agreement described in this paragraph  
22 between the small business development center  
23 applicant or applicants and the Administra-  
24 tion.”.

1 **SEC. 206. EQUITY FOR SMALL BUSINESS DEVELOPMENT**  
2 **CENTERS.**

3 Section 21(a)(4)(C)(v) of the Small Business Act (15  
4 U.S.C. 648(a)(4)(C)(v)) is amended to read as follows:

5 “(v) USE OF AMOUNTS.—Of the  
6 amounts made available in any fiscal year  
7 to carry out this section, not more than  
8 \$600,000 may be used by the Administra-  
9 tion to pay expenses enumerated in sub-  
10 paragraphs (B) through (D) of section  
11 20(a)(1).”.

12 **SEC. 207. CONFIDENTIALITY REQUIREMENTS.**

13 Section 21(a)(7)(A) of the Small Business Act (15  
14 U.S.C. 648(a)(7)(A)) is amended, in the matter preceding  
15 clause (i)—

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

18 (2) by inserting “, or the nature or content of  
19 such assistance, to any State, local, or Federal agen-  
20 cy, or to any third party” after “receiving assistance  
21 under this section”.

22 **SEC. 208. LIMITATION ON AWARD OF GRANTS TO SMALL**  
23 **BUSINESS DEVELOPMENT CENTERS.**

24 (a) IN GENERAL.—Section 21 of the Small Business  
25 Act (15 U.S.C. 648), as amended by section 203 of this  
26 title, is amended—

1 (1) in subsection (a)(1)—

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

4 (B) by striking “or a women’s business  
5 center operating pursuant to section 29 as a  
6 Small Business Development Center”; and

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

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

10 “(p) LIMITATION ON AWARD OF GRANTS.—Except  
11 for nonprofit institutions of higher education, and notwith-  
12 standing any other provision of law, the Administrator  
13 may not award a grant or contract to, or enter into a coop-  
14 erative agreement with, an entity under this section unless  
15 that entity—

16 “(1) received a grant or contract from, or en-  
17 tered into a cooperative agreement with, the Admin-  
18 istrator under this section before the date of enact-  
19 ment of this subsection; and

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

22 (b) RULE OF CONSTRUCTION.—The amendments  
23 made by this section may not be construed as prohibiting  
24 a women’s business center described in section 29 of the  
25 Small Business Act (15 U.S.C. 656) from receiving a

1 subgrant from an entity receiving a grant under section  
2 21 of the Small Business Act (15 U.S.C. 648).

3 **SEC. 209. AUTHORIZATION OF APPROPRIATIONS FOR FOR-**  
4 **MULA GRANTS RECEIVED BY STATES.**

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

7 (1) in clause (vii), by striking “subparagraph”  
8 and all that follows through the period at the end  
9 and inserting “subparagraph \$175,000,000 for each  
10 of fiscal years 2023 through 2026.”; and

11 (2) in clause (viii)—

12 (A) by striking “shall reserve not less than  
13 \$1,000,000” and inserting “shall reserve not  
14 more than \$2,000,000”; and

15 (B) by striking “\$100,000” and inserting  
16 “\$200,000.”

17 **SEC. 210. REQUIREMENTS RELATING TO MATCHING FUNDS.**

18 Section 21(a)(4)(A) of the Small Business Act (15  
19 U.S.C. 648(a)(4)(A)) is amended by adding at the end the  
20 following: “Such matching funds shall be evidenced by  
21 good faith assertions from the applicant, and the expendi-  
22 ture of matching funds shall not be made a prerequisite  
23 of the reimbursement of Federal funds, notwithstanding  
24 the final reconciliation payment for the close-out of each  
25 award.”.

1 **SEC. 211. DUTIES OF THE ASSOCIATE ADMINISTRATOR FOR**  
2 **SMALL BUSINESS DEVELOPMENT CENTERS.**

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

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

14 **SEC. 212. DETERMINATION OF BUDGETARY EFFECTS.**

15 The budgetary effects of this title, for the purpose  
16 of complying with the Statutory Pay-As-You-Go Act of  
17 2010, shall be determined by reference to the latest state-  
18 ment titled “Budgetary Effects of PAYGO Legislation”  
19 for this Act, submitted for printing in the Congressional  
20 Record by the Chairman of the House Budget Committee,  
21 provided that such statement has been submitted prior to  
22 the vote on passage.

1       **TITLE III—SCORE FOR SMALL**  
2                   **BUSINESS ACT OF 2022**

3       **SEC. 301. SHORT TITLE.**

4           This title may be cited as the “SCORE for Small  
5 Business Act of 2022”.

6       **SEC. 302. SCORE PROGRAM PROVISIONS AND REQUIRE-**  
7                   **MENTS.**

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

10           (1) in subsection (b)(1)(B)—

11                   (A) by striking “a Service Corps of Retired  
12 Executives (SCORE)” and inserting “the  
13 SCORE program”; and

14                   (B) by striking “SCORE may” and insert-  
15 ing “the SCORE Association may”; and

16           (2) by striking subsection (c) and inserting the  
17 following:

18           “(c) SCORE PROGRAM.—

19                   “(1) COOPERATIVE AGREEMENT.—The Admin-  
20 istrator shall enter into a cooperative agreement  
21 with the SCORE Association to carry out the  
22 SCORE program, which shall include the following  
23 requirements:

24                           “(A) ADMINISTRATOR DUTIES.—The Ad-  
25 ministrator shall—

1           “(i) every 2 years, conduct a financial  
2 examination of the SCORE Association to  
3 ensure that any costs paid for with Federal  
4 funds are allowable, allocable, and reason-  
5 able;

6           “(ii) review and approve contracts en-  
7 tered into by the SCORE Association to  
8 provide goods or services for the SCORE  
9 program of a value greater than an  
10 amount determined by the Administrator;

11           “(iii) maintain a system through  
12 which the SCORE Association provides  
13 documentation relating to those contracts;  
14 and

15           “(iv) not later than 30 days after the  
16 receipt of a quarterly report on the  
17 achievements of the SCORE program sub-  
18 mitted by the SCORE Association, rec-  
19 oncile differences between that report and  
20 the performance results of the SCORE  
21 program reported in a management infor-  
22 mation system of the Office of Entrepre-  
23 neurial Development.

24           “(B) SCORE ASSOCIATION DUTIES.—The  
25 SCORE Association shall—

1                   “(i) manage nationwide chapters of  
2 the SCORE program;

3                   “(ii) provide annual training to em-  
4 ployees of the SCORE Association on gen-  
5 erating and using program income from  
6 the SCORE program;

7                   “(iii) submit documentation to the  
8 Administrator verifying the annual train-  
9 ing is completed;

10                   “(iv) maintain separation of funds do-  
11 nated to the SCORE Association from pro-  
12 gram income and funds received pursuant  
13 to a cooperative agreement; and

14                   “(v) maintain and enforce require-  
15 ments for volunteers participating in the  
16 SCORE program, including requirements  
17 that each volunteer shall—

18                   “(I) based on the business expe-  
19 rience and knowledge of the volun-  
20 teer—

21                   “(aa) provide personal coun-  
22 seling, mentoring, and coaching  
23 on the process of starting, ex-  
24 panding, managing, buying, and  
25 selling a business at no cost to

1 individuals who own, or aspire to  
2 own, small business concerns;  
3 and

4 “(bb) facilitate free or low-  
5 cost education workshops for in-  
6 dividuals who own, or aspire to  
7 own, small business concerns;  
8 and

9 “(II) as appropriate, use tools,  
10 resources, and expertise of other orga-  
11 nizations to carry out the SCORE  
12 program.

13 “(C) JOINT DUTIES.—The Administrator,  
14 in consultation with the SCORE Association,  
15 shall ensure that the SCORE program and each  
16 chapter of the SCORE program—

17 “(i) develop and implement plans and  
18 goals to effectively and efficiently provide  
19 services to individuals in rural areas, eco-  
20 nomically disadvantaged communities, or  
21 other traditionally underserved commu-  
22 nities, including plans for virtual, remote,  
23 and web-based initiatives, chapter expan-  
24 sion, partnerships, and the development of

1 new skills by volunteers participating in  
2 the SCORE program; and

3 “(ii) reinforce an inclusive culture by  
4 recruiting diverse volunteers for the chap-  
5 ters of the SCORE program.

6 “(2) ONLINE COMPONENT.—In addition to pro-  
7 viding in-person services, the SCORE Association  
8 shall maintain and expand online counseling services  
9 including webinars, electronic mentoring platforms,  
10 and online toolkits to further support entrepreneurs.

11 “(3) ACCOUNTING.—The SCORE Association  
12 shall—

13 “(A) maintain a centralized accounting  
14 and financing system for each chapter of the  
15 SCORE program;

16 “(B) maintain a uniform policy and proce-  
17 dures to manage Federal funds received pursu-  
18 ant to a cooperative agreement described in  
19 paragraph (1); and

20 “(C) maintain an employee of the SCORE  
21 Association to serve as a compliance officer to  
22 ensure expenditures of the SCORE program are  
23 fully compliant with any law, regulation, or co-  
24 operative agreement relating to the SCORE  
25 program.

1           “(4) COMPENSATION.—The SCORE Associa-  
2           tion shall—

3                   “(A) maintain a documented compensation  
4           policy that—

5                           “(i) specifies the maximum rate of  
6                           pay allowable for any individual in the  
7                           SCORE Association;

8                           “(ii) specifies the maximum percent of  
9                           the aggregate salaries of employees of the  
10                          SCORE Association that may be spent on  
11                          individual performance awards to employ-  
12                          ees of the SCORE Association; and

13                          “(iii) shall be reviewed annually by  
14                          the SCORE Association and the Adminis-  
15                          trator;

16                          “(B) prohibit payment of salaries or per-  
17                          formance awards that exceed the limits set by  
18                          the SCORE Association compensation policy;  
19                          and

20                          “(C) prohibit members of the Board of Di-  
21                          rectors of the SCORE Association or any em-  
22                          ployees of the SCORE Association from simul-  
23                          taneously serving on the Board of Directors of,  
24                          or receiving compensation from, the SCORE

1 Foundation without written approval from the  
2 Administrator.

3 “(5) WHISTLEBLOWER PROTECTION REQUIRE-  
4 MENTS.—The SCORE Association shall—

5 “(A) annually update all manuals or other  
6 documents applicable to employees and volun-  
7 teers of the SCORE Association or the SCORE  
8 program to include requirements relating to re-  
9 porting procedures and protections for whistle-  
10 blowers; and

11 “(B) conduct an annual training for em-  
12 ployees and volunteers of the SCORE Associa-  
13 tion or the SCORE program on the require-  
14 ments described in subparagraph (A) and en-  
15 courage the use of the hotline established by the  
16 Office of the Inspector General of the Adminis-  
17 tration to submit whistleblower reports.

18 “(6) PUBLISHED MATERIALS.—The SCORE  
19 Association shall ensure all published materials in-  
20 clude written acknowledgment of Administration  
21 support of the SCORE program if those materials  
22 are paid for in whole or in part by Federal funds.

23 “(7) PRIVACY REQUIREMENTS.—

24 “(A) IN GENERAL.—Neither the Adminis-  
25 trator nor the SCORE Association may disclose

1 the name, email address, address, or telephone  
2 number of any individual or small business con-  
3 cern receiving assistance from the SCORE As-  
4 sociation without the consent of the individual  
5 or small business concern, unless—

6 “(i) the Administrator is ordered to  
7 make a disclosure by a court in any civil  
8 or criminal enforcement action initiated by  
9 a Federal or State agency; or

10 “(ii) the Administrator determines  
11 that a disclosure is necessary for the pur-  
12 pose of conducting a financial audit of the  
13 SCORE program, in which case disclosure  
14 shall be limited to the information nec-  
15 essary for the audit.

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

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

20 “(ii) prevent the Administrator from  
21 using SCORE program client information  
22 to conduct client surveys.

23 “(C) STANDARDS.—

1                   “(i) IN GENERAL.—The Administrator  
2                   shall, after opportunity for notice and com-  
3                   ment, establish standards for—

4                                 “(I) disclosures with respect to  
5                                 financial audits described in subpara-  
6                                 graph (A)(ii); and

7                                 “(II) conducting client surveys,  
8                                 including standards for oversight of  
9                                 the surveys and for dissemination and  
10                                use of client information.

11                               “(ii) MAXIMUM PRIVACY PROTEC-  
12                               TION.—The standards issued under this  
13                               subparagraph shall, to the extent prac-  
14                               ticable, provide for the maximum amount  
15                               of privacy protection.

16                               “(8) ANNUAL REPORT.—Not later than 180  
17                               days after the date of enactment of the SCORE for  
18                               Small Business Act of 2022 and annually thereafter,  
19                               the Administrator shall submit to the Committee on  
20                               Small Business and Entrepreneurship of the Senate  
21                               and the Committee on Small Business of the House  
22                               of Representatives a report on the performance and  
23                               effectiveness of the SCORE program, which may be  
24                               included as part of another report submitted to

1 those committees by the Administrator, and which  
2 shall include—

3 “(A) the total number and the number of  
4 unique clients counseled or trained under the  
5 SCORE program;

6 “(B) the total number of hours of coun-  
7 seling or training provided under the SCORE  
8 program;

9 “(C) the total number of local workshops  
10 provided under the SCORE program;

11 “(D) the total number of clients attending  
12 online and local workshops provided under the  
13 SCORE program;

14 “(E) to the extent practicable, the demo-  
15 graphics of SCORE program clients and volun-  
16 teers, which shall include the gender, race, eth-  
17 nicity, and age of each client or volunteer;

18 “(F) the number of SCORE program cli-  
19 ents and volunteers who are veterans;

20 “(G) with respect to businesses assisted  
21 under the SCORE program, the cost to create  
22 a job, the cost to create a business, and the re-  
23 turn on investment;

1           “(H) the number of referrals of SCORE  
2 program clients to other resources and pro-  
3 grams of the Administration;

4           “(I) the results of SCORE program client  
5 satisfactory surveys, including a summary of  
6 any comments received from those clients;

7           “(J) the number of new businesses started  
8 by SCORE program clients;

9           “(K) the percentage of businesses assisted  
10 by the SCORE program realizing revenue  
11 growth;

12           “(L) to the extent practicable, the number  
13 of jobs created with assistance from the  
14 SCORE program;

15           “(M) the total cost of the SCORE pro-  
16 gram;

17           “(N) any recommendations of the Adminis-  
18 trator to improve the SCORE program;

19           “(O) an explanation of how the SCORE  
20 program has been integrated with—

21                   “(i) small business development cen-  
22 ters;

23                   “(ii) women’s business centers de-  
24 scribed in section 29;

1                   “(iii) Veteran Business Outreach Cen-  
2                   ters described in section 32;

3                   “(iv) other offices of the Administra-  
4                   tion; and

5                   “(v) other public and private entities  
6                   engaging in entrepreneurial and small  
7                   business development;

8                   “(P) the SCORE compensation policy for  
9                   the relevant fiscal year, including—

10                   “(i) a list of any changes to the com-  
11                   pensation policy since the previous fiscal  
12                   year; and

13                   “(ii) justification if the maximum rate  
14                   of pay allowable for any individual in the  
15                   SCORE Association exceeds the maximum  
16                   rate of pay allowable for an individual in  
17                   the career Senior Executive Service em-  
18                   ployed at the Administration;

19                   “(Q) the names, positions, and salaries of  
20                   any employees of the SCORE Association whose  
21                   salaries exceed the maximum rate of pay allow-  
22                   able per the SCORE compensation policy;

23                   “(R) the percent of the aggregate salaries  
24                   of employees of the SCORE Association spent  
25                   on individual performance awards to employees

1 of the SCORE Association, with a justification  
2 if this amount exceeds 10 percent;

3 “(S) the total amount of performance  
4 awards that have been disbursed or will be dis-  
5 bursed after the last day of the fiscal year in  
6 which the awards were earned and a justifica-  
7 tion for any awards that have been disbursed or  
8 will be disbursed outside the fiscal year in  
9 which the awards were earned; and

10 “(T) the names, positions, and salaries of  
11 any members of the Board of Directors of the  
12 SCORE Association or any employees of the  
13 SCORE Association that simultaneously serve  
14 on the Board of Directors of, or receive com-  
15 pensation from, the SCORE Foundation with-  
16 out written approval of the Administrator.”.

17 **SEC. 303. AUTHORIZATION OF APPROPRIATIONS FOR THE**  
18 **SCORE PROGRAM.**

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

21 “(i) SCORE PROGRAM.—There are authorized to be  
22 appropriated to the Administrator to carry out the  
23 SCORE program such sums as are necessary for the Ad-  
24 ministrator to make grants or enter into cooperative

1 agreements in a total amount that does not exceed  
2 \$18,000,000 in each of fiscal years 2023 and 2024.”.

3 **SEC. 304. REPORTING REQUIREMENTS.**

4 (a) DEFINITIONS.—In this section, the terms  
5 “SCORE Association” and “SCORE program” have the  
6 meanings given those terms in subsection (gg) of section  
7 3 of the Small Business Act (15 U.S.C. 632), as added  
8 by section 305 of this title.

9 (b) STUDY AND REPORT ON THE FUTURE ROLE OF  
10 THE SCORE PROGRAM.—

11 (1) STUDY.—The SCORE Association shall  
12 carry out a study on the future role of the SCORE  
13 program and develop a strategic plan for how the  
14 SCORE program will meet the needs of small busi-  
15 ness concerns during the 5-year period beginning on  
16 the date of enactment of this Act, with specific ob-  
17 jectives for the first, third, and fifth years of the 5-  
18 year period.

19 (2) REPORT.—Not later than 180 days after  
20 the date of enactment of this Act, the SCORE Asso-  
21 ciation shall submit to the appropriate committees of  
22 Congress a report containing—

23 (A) all findings and determinations made  
24 in carrying out the study required under para-  
25 graph (1);

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

3 (C) an explanation of how the SCORE As-  
4 sociation plans to achieve the strategic plan, as-  
5 suming both stagnant and increased funding  
6 levels.

7 (c) ADMINISTRATOR REPORT ON LEASED SPACE.—  
8 Not later than 1 year after the date of enactment of this  
9 Act, the Administrator shall submit to the appropriate  
10 committees of Congress a report containing an assessment  
11 of the cost of leased space that is donated to the SCORE  
12 Association.

13 (d) ONLINE COMPONENT REPORT.—Not later than  
14 3 months after the last day of the first full fiscal year  
15 following the date of enactment of this Act, the SCORE  
16 Association shall submit to the appropriate committees of  
17 Congress a report on the effectiveness of the online coun-  
18 seling services required under paragraph (2) of section  
19 8(c) of the Small Business Act (15 U.S.C. 637(c)), as  
20 added by section 302 of this title, including a description  
21 of—

22 (1) how the SCORE Association determines  
23 electronic mentoring and webinar needs, develops  
24 training for electronic mentoring, establishes

1 webinar criteria curricula, and evaluates webinar  
2 and electronic mentoring results;

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

5 (3) performance metrics, including the number  
6 of small business concerns counseled by, the number  
7 of small business concerns created by, the number of  
8 jobs created and retained by, and the funding  
9 amounts directed towards those online counseling  
10 services.

11 **SEC. 305. TECHNICAL AND CONFORMING AMENDMENTS.**

12 (a) SMALL BUSINESS ACT.—The Small Business Act  
13 (15 U.S.C. 631 et seq.) is amended—

14 (1) in section 3 (15 U.S.C. 632), by adding at  
15 the end the following:

16 “(gg) SCORE PROGRAM DEFINITIONS.—In this Act:

17 “(1) SCORE PROGRAM.—The term ‘SCORE  
18 program’ means the Service Corps of Retired Execu-  
19 tives program described in section 8(c).

20 “(2) SCORE ASSOCIATION.—The term  
21 ‘SCORE Association’ means the Service Corps of  
22 Retired Executives Association or any successor or  
23 other organization that enters into a cooperative  
24 agreement described in section 8(c)(1) with the Ad-  
25 ministrator to operate the SCORE program.

1           “(3) SCORE FOUNDATION.—The term  
2           ‘SCORE Foundation’ means an organization with a  
3           mission to support the SCORE Association and vol-  
4           unteers of the SCORE program.”;

5           (2) in section 7 (15 U.S.C. 636)—

6           (A) in subsection (b)(12)—

7           (i) in the paragraph heading, by strik-  
8           ing “SCORE” and inserting “SCORE PRO-  
9           GRAM”; and

10          (ii) in subparagraph (A), by striking  
11          “Service Corps of Retired Executives” and  
12          inserting “SCORE program”; and

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

16          (3) in section 20(d)(1)(E) (15 U.S.C. 631  
17          note), by striking “Service Corps of Retired Execu-  
18          tives program” and inserting “SCORE program”;  
19          and

20          (4) in section 22 (15 U.S.C. 649)—

21          (A) in subsection (b)—

22          (i) in paragraph (1), by striking  
23          “Service Corps of Retired Executives au-  
24          thorized by section (8)(b)(1)” and insert-  
25          ing “SCORE program”; and



1           637(b)(1)(B)) and in this section referred  
2           to as ‘SCORE’”) and inserting “SCORE  
3           program described in section 8(c) of the  
4           Small Business Act (15 U.S.C. 637(c)) (in  
5           this section referred to as the ‘SCORE  
6           program’);

7           (ii) in paragraphs (1), (2), and (3), by  
8           striking “SCORE” each place the term ap-  
9           pears and inserting “the SCORE pro-  
10          gram”; and

11          (iii) in paragraph (2), by striking  
12          “the” before “establishing”; and

13          (B) in subsection (b), by striking  
14          “SCORE” each place the term appears and in-  
15          serting “the SCORE program”.

16          (3) MILITARY RESERVIST AND VETERAN SMALL  
17          BUSINESS REAUTHORIZATION AND OPPORTUNITY  
18          ACT OF 2008.—The Military Reservist and Veteran  
19          Small Business Reauthorization and Opportunity  
20          Act of 2008 (15 U.S.C. 636 note) is amended—

21                 (A) in section 3, by striking paragraph (5)  
22                 and inserting the following:

23                 “(5) the term ‘SCORE program’ means the  
24                 SCORE program described in section 8(c) of the  
25                 Small Business Act (15 U.S.C. 637(c));” and

1 (B) in section 201(e)(2)(B)(i), by striking  
2 “Service Corps of Retired Executives” and in-  
3 serting “SCORE program”.

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

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

10 “(4) the term ‘SCORE program’ means the  
11 SCORE program described in section 8(c) of the  
12 Small Business Act (15 U.S.C. 637(c));”; and

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

16 (5) ENERGY POLICY AND CONSERVATION  
17 ACT.—Section 337(d)(2)(A) of the Energy Policy  
18 and Conservation Act (42 U.S.C. 6307(d)(2)(A)) is  
19 amended by striking “Service Corps of Retired Ex-  
20 ecutives (SCORE)” and inserting “SCORE pro-  
21 gram”.

1 **TITLE IV—FEDERAL CON-**  
2 **TRACTING FAIRNESS ACT OF**  
3 **2022**

4 **SEC. 401. SHORT TITLE.**

5 This title may be cited as the “Federal Contracting  
6 Fairness Act of 2022”.

7 **SEC. 402. FINDINGS.**

8 Congress finds the following:

9 (1) There remain disparities in education, em-  
10 ployment, and business history, which includes un-  
11 equal contracting opportunities, unequal access to  
12 credit or capital, and acquisition of credit or capital  
13 under commercially unfavorable circumstances, be-  
14 tween individuals defined as socially and economi-  
15 cally disadvantaged under the Small Business Act  
16 (15 U.S.C. 631 et seq.) and other individuals.

17 (2) The following statistics reiterate the dispari-  
18 ties described in paragraph (1):

19 (A) Of the 16,300,000 students enrolled in  
20 4-year undergraduate university in the fall of  
21 2016, 9,100,000 were White, 3,200,000 were  
22 Hispanic, 2,200,000 were Black, and 1,100,000  
23 million were Asian. In 2018, 41 percent of all  
24 18 to 24 year-olds were enrolled in college.  
25 However, 37 percent of Black 18 to 24 year-

1 olds and 26 percent of Hispanic 18 to 24 year-  
2 olds were enrolled in college. Additionally, in  
3 2019, 29 percent of Black adults had a bach-  
4 elor's degree or higher, 21 percent of Latino or  
5 Hispanic adults had a bachelor's degree or  
6 higher, and 22 percent of Pacific Islander  
7 adults had a bachelor's degree or higher, as  
8 compared to 45 percent of White adults.

9 (B) In 2020, 24 percent of Black employ-  
10 ees and 24 percent of Hispanic employees re-  
11 port having been discriminated against at work,  
12 compared to 15 percent of White employees re-  
13 porting discrimination at work. In the first  
14 quarter of 2022, the unemployment rate in the  
15 United States among White workers was 3.6  
16 percent compared to 6.8 percent among Black  
17 workers and 4.9 percent among Hispanic work-  
18 ers.

19 (C) With regards to contracting, in 2021,  
20 2.78 percent of Federal contracts were awarded  
21 to Asian-owned small businesses, 1.67 percent  
22 went to Black-owned small businesses, 1.78  
23 percent went to Hispanic-owned small busi-  
24 nesses, and 2.69 percent went to Native Amer-  
25 ican-owned small businesses compared to 15.64

1 percent of Federal contracts awarded to White-  
2 owned small businesses. In total, 9.4 percent of  
3 contracting dollars went to minority-owned  
4 businesses when 19 percent of United States  
5 employer businesses are minority-owned.

6 (D) In terms of access to capital, in 2021,  
7 15 percent of Asian-owned small businesses re-  
8 ceived all the financing they sought, 16 percent  
9 of Black-owned small businesses received all the  
10 non-emergency financing they sought, and 19  
11 percent of Hispanic-owned small businesses re-  
12 ceived all the non-emergency financing they  
13 sought, as compared to 35 percent of White-  
14 owned small businesses.

15 (3) Given these disparities, the program estab-  
16 lished under section 8(a) of the Small Business Act  
17 (15 U.S.C. 637(a)) remains a vital part in increas-  
18 ing access to Federal contracting opportunities for  
19 business owners considered socially and economically  
20 disadvantaged, as defined in such Act, and is a crit-  
21 ical business development program for ensuring  
22 these individuals can start and grow their businesses  
23 to compete for Federal contracts.

1 **SEC. 403. DEFINITIONS.**

2 In this title, the terms “qualified HUBZone small  
3 business concern”, “small business concern owned and  
4 controlled by service-disabled veterans”, and “small busi-  
5 ness concern owned and controlled by women” have the  
6 meanings given those terms in section 3 of the Small Busi-  
7 ness Act (15 U.S.C. 632).

8 **SEC. 404. DURATION OF PARTICIPATION; RAMP-UP PERIOD;  
9 TRANSITION PERIOD.**

10 (a) **EXTENSION OF PROGRAM PARTICIPATION PE-**  
11 **RIOD.**—Section 7(j)(15) of the Small Business Act (15  
12 U.S.C. 636(j)(15)) is amended—

13 (1) in the matter preceding subparagraph (A),  
14 by striking “nine years” and inserting “10 years”;

15 (2) in subparagraph (A), by striking “four  
16 years” and inserting “5 years”; and

17 (3) in subparagraph (B), by striking “five  
18 years” and inserting “5 years”.

19 (b) **RAMP-UP PERIOD.**—

20 (1) **DEFINITION.**—In this subsection, the term  
21 “covered small business concern” means a small  
22 business concern that, as of the date of enactment  
23 of this Act—

24 (A) is in the first 3 years as a participant  
25 in the program established under section 8(a)  
26 of the Small Business Act (15 U.S.C. 637(a));

1 (B) is an individually owned entity; and

2 (C) has not been awarded a contract under  
3 such section 8(a), excluding contracts that meet  
4 the simplified acquisition threshold described in  
5 section 134 of title 41, United States Code.

6 (2) ELECTION.—

7 (A) IN GENERAL.—Subject to subpara-  
8 graph (B), a covered small business concern  
9 may elect at the time of certification to begin  
10 the 10-year program participation period under  
11 section 7(j)(15) of the Small Business Act (15  
12 U.S.C. 636(j)(15)), as amended by subsection  
13 (a), on the earlier of—

14 (i) the date on which the covered  
15 small business concern is awarded a con-  
16 tract under section 8(a) of the Small Busi-  
17 ness Act (15 U.S.C. 637(a)); or

18 (ii) 3 years after the date on which  
19 the covered small business concern was  
20 certified to participate in the program es-  
21 tablished under such section 8(a).

22 (B) LIMITATION.—Notwithstanding sub-  
23 paragraph (A), the program participation pe-  
24 riod for a covered small business concern under

1 section 7(j)(15) of the Small Business Act (15  
2 U.S.C. 636(j)(15)) shall not exceed 13 years.

3 (3) TRAINING.—

4 (A) IN GENERAL.—Except as provided in  
5 subparagraph (B), if a covered small business  
6 concern makes an election under paragraph (2),  
7 the covered small business concern shall—

8 (i) participate in 12 hours per year of  
9 marketing, business development training,  
10 and engagement to show intent in building  
11 capacity to participate in the Federal con-  
12 tracting market, which shall be satisfied  
13 through training provided by the Adminis-  
14 tration, the Minority Business Develop-  
15 ment Agency, resource partners of the Ad-  
16 ministration, Procurement Technical As-  
17 sistance Centers, or national organizations  
18 with expertise in Federal contracting or  
19 that provide contracting certifications; and

20 (ii) log the progress of the covered  
21 small business concern on the training car-  
22 ried out under clause (i) in the annual re-  
23 view submitted by the covered small busi-  
24 ness concern.

25 (B) EXCEPTION.—

1 (i) IN GENERAL.—The requirements  
2 under subparagraph (A)(i) shall be waived  
3 for a covered small business concern if, be-  
4 fore reaching 36 hours of training under  
5 subparagraph (A)(i), the covered small  
6 business concern is awarded a contract  
7 under section 8(a) of the Small Business  
8 Act (15 U.S.C. 637(a)).

9 (ii) REQUIREMENT TO LOG.—Notwith-  
10 standing clause (i), a covered small busi-  
11 ness concern that receives a waiver under  
12 clause (i) is required to log the training in  
13 which the small business concern partici-  
14 pates under subparagraph (A) in accord-  
15 ance with clause (ii) of such subparagraph.

16 (c) TRANSITION PERIOD.—

17 (1) DEFINITIONS.—In this subsection—

18 (A) the term “covered small business con-  
19 cern” means a small business concern that is in  
20 the final 3 years of participation in the program  
21 established under section 8(a) of the Small  
22 Business Act (15 U.S.C. 637(a)); and

23 (B) the term “economically disadvantaged  
24 individual” means an individual described in

1 section 8(a)(6)(A) of the Small Business Act  
2 (15 U.S.C. 637(a)(6)(A)).

3 (2) INCREASED AMOUNTS.—The Administrator  
4 may permit the owner of a covered small business  
5 concern to have an adjusted gross income and per-  
6 sonal net worth that is not more than 3 times higher  
7 than the amount allowed for the covered small busi-  
8 ness program under the program established under  
9 section 8(a) of the Small Business Act (15 U.S.C.  
10 637(a)), and continue to be considered economically  
11 disadvantaged for the purposes of that program, if  
12 the owner demonstrates—

13 (A) an investment in the covered small  
14 business concern to continue to compete in the  
15 Federal contracting market, such as investment  
16 in company infrastructure;

17 (B) a plan for how the covered small busi-  
18 ness concern is being prepared to compete for  
19 Federal contracts after exiting the program es-  
20 tablished under section 8(a) of the Small Busi-  
21 ness Act (15 U.S.C. 637(a)); and

22 (C) any other metrics as determined by the  
23 Administrator.

1 **SEC. 405. ADMINISTRATIVE REQUIREMENTS FOR 8(A)**  
2 **FIRMS.**

3 Not later than 90 days after the date of enactment  
4 of this Act, the Administrator shall issue or revise regula-  
5 tions to—

6 (1) make the review process for small business  
7 concerns already certified under section 8(a) of the  
8 Small Business Act (15 U.S.C. 637(a)) less burden-  
9 some by modifying the annual review of each such  
10 small business concern, including by—

11 (A) providing that, with respect to such an  
12 annual review, each such small business con-  
13 cern—

14 (i) shall submit to the Administrator  
15 a new business plan, including a contract  
16 forecast, a transitional management plan,  
17 and an annual performance of contracts,  
18 and a business capture strategy approach  
19 only if the plan or approach, as applicable,  
20 has changed, as compared with the pre-  
21 vious year; and

22 (ii) may indicate to the Administrator  
23 that there has been no change to the busi-  
24 ness plan or business capture strategy ap-  
25 proach described in clause (i) during the  
26 previous year; and

1 (B) making such other reductions in the  
2 number of forms and documents submitted by  
3 each such small business concern that the Ad-  
4 ministrator determines necessary, while still en-  
5 suring that each such small business concern  
6 maintains good standing with respect to the  
7 program carried out under such section 8(a);

8 (2) determine a new process for how the Ad-  
9 ministrator processes the annual review of each such  
10 small business concern that, at a minimum, requires  
11 the Administrator to conduct a review, which shall  
12 be expedited, of the small business concern when the  
13 small business concern is awarded a contract under  
14 such section 8(a); and

15 (3) coordinate with the General Services Ad-  
16 ministration to streamline the Past Performance  
17 Questionnaire form for small business concerns and  
18 Federal agencies participating in the programs es-  
19 tablished under sections 8(a), 8(m), 31, and 36 of  
20 the Small Business Act (15 U.S.C. 637(a), 637(m),  
21 657a, 657f).

22 **SEC. 406. SBA REPRESENTATION ON THE FEDERAL ACQUI-**  
23 **SITION REGULATION COUNCIL.**

24 Section 1302(b) of title 41, United States Code, is  
25 amended—

1 (1) in paragraph (1)—

2 (A) in subparagraph (C), by striking  
3 “and” at the end;

4 (B) in subparagraph (D), by striking the  
5 period at the end and inserting “; and”; and

6 (C) by adding at the end the following:

7 “(E) the Administrator of the Small Busi-  
8 ness Administration.”; and

9 (2) in paragraph (2)(A), by striking “subpara-  
10 graphs (B) to (D)” and inserting “subparagraphs  
11 (B) through (E)”.

12 **SEC. 407. OFFICE OF SMALL AND DISADVANTAGED BUSI-  
13 NESS UTILIZATION; DIRECTOR.**

14 Section 15(k)(3) of the Small Business Act (15  
15 U.S.C. 644(k)(3)) is amended by inserting “be at a level  
16 that is not less senior than the Under Secretary of Defense  
17 for Policy or the Under Secretary of Defense for Acquisi-  
18 tion and Sustainment,” after “appraisals),”.

19 **SEC. 408. SOLE SOURCE THRESHOLDS.**

20 The Small Business Act (15 U.S.C. 631 et seq.) is  
21 amended—

22 (1) in section 8 (15 U.S.C. 637)—

23 (A) in subsection (a)(1)(D)(i), by striking  
24 subclause (II) and inserting the following:

1                   “(II) the anticipated award price  
2 of the contract (including options and  
3 options periods) will exceed—

4                   “(aa) \$12,000,000 in the  
5 case of a contract opportunity as-  
6 signed a North American Indus-  
7 try Classification System code for  
8 research and development, except  
9 that such amount shall be  
10 \$14,000,000 if the small business  
11 concern is a participating or  
12 graduated mentor in, or a joint  
13 venture established under, the  
14 mentor-protege program under  
15 section 45;

16                   “(bb) \$14,000,000 (or  
17 \$16,000,000, if the small busi-  
18 ness concern is a participating or  
19 graduated mentor in, or a joint  
20 venture established under, the  
21 mentor-protege program under  
22 section 45) in the case of a con-  
23 tract opportunity described in  
24 item (aa), if the small business  
25 concern subcontracts with an in-

1                   stitution of higher education de-  
2                   scribed in section 371(a) of the  
3                   Higher Education Act of 1965  
4                   (20 U.S.C. 1067q(a)), for which  
5                   the limitations on subcontracting  
6                   under section 46 shall not apply;  
7                   or

8                   “*(cc)* \$14,000,000 in the  
9                   case of a contract opportunity as-  
10                  signed a North American Indus-  
11                  try Classification System code for  
12                  manufacturing, except that such  
13                  amount shall be \$16,000,000 if  
14                  the small business concern is a  
15                  participating or graduated men-  
16                  tor in, or a joint venture estab-  
17                  lished under, the mentor-protege  
18                  program under section 45; or

19                  “*(dd)* \$10,000,000 in the  
20                  case of any other contract oppor-  
21                  tunity, except that such amount  
22                  shall be \$12,000,000 if the small  
23                  business concern is a partici-  
24                  pating or graduated mentor in,  
25                  or a joint venture established

1 under, the mentor-protege pro-  
2 gram under section 45.”; and

3 (B) in subsection (m)—

4 (i) in paragraph (7)(B), by striking  
5 clauses (i) and (ii) and inserting the fol-  
6 lowing:

7 “(i) \$12,000,000 in the case of a con-  
8 tract opportunity assigned a North Amer-  
9 ican Industry Classification System code  
10 for research and development;

11 “(ii) \$14,000,000 in the case of a con-  
12 tract opportunity described in item (aa), if  
13 the small business concern partners with  
14 an institution of higher education de-  
15 scribed in section 371(a) of the Higher  
16 Education Act of 1965 (20 U.S.C.  
17 1067q(a));

18 “(iii) \$14,000,000 in the case of a  
19 contract opportunity assigned a North  
20 American Industry Classification System  
21 code for manufacturing; or

22 “(iv) \$10,000,000 in the case of any  
23 other contract opportunity; and”;

1 (ii) in paragraph (8)(B), by striking  
2 clauses (i) and (ii) and inserting the fol-  
3 lowing:

4 “(i) \$12,000,000 in the case of a con-  
5 tract opportunity assigned a North Amer-  
6 ican Industry Classification System code  
7 for research and development;

8 “(ii) \$14,000,000 in the case of a con-  
9 tract opportunity described in item (aa), if  
10 the small business concern partners with  
11 an institution of higher education de-  
12 scribed in section 371(a) of the Higher  
13 Education Act of 1965 (20 U.S.C.  
14 1067q(a));

15 “(iii) \$14,000,000 in the case of a  
16 contract opportunity assigned a North  
17 American Industry Classification System  
18 code for manufacturing; or

19 “(iv) \$10,000,000 in the case of any  
20 other contract opportunity; and”;

21 (2) in section 31(c)(2)(A)(ii) (15 U.S.C.  
22 657a(c)(2)(A)(ii)), by striking subclauses (I) and  
23 (II) and inserting the following:

24 “(I) \$12,000,000 in the case of a  
25 contract opportunity assigned a North

1 American Industry Classification Sys-  
2 tem code for research and develop-  
3 ment;

4 “(II) \$14,000,000 in the case of  
5 a contract opportunity described in  
6 item (aa), if the qualified HUBZone  
7 small business concern partners with  
8 an institution of higher education de-  
9 scribed in section 371(a) of the High-  
10 er Education Act of 1965 (20 U.S.C.  
11 1067q(a));

12 “(III) \$14,000,000 in the case of  
13 a contract opportunity assigned a  
14 North American Industry Classifica-  
15 tion System code for manufacturing;  
16 or

17 “(IV) \$10,000,000 in the case of  
18 any other contract opportunity; and”;  
19 and

20 (3) in section 36(c)(2) (15 U.S.C. 657f(c)(2)),  
21 by striking subparagraphs (A) and (B) and inserting  
22 the following:

23 “(A) \$12,000,000 in the case of a contract  
24 opportunity assigned a North American Indus-

1 try Classification System code for research and  
2 development;

3 “(B) \$14,000,000 in the case of a contract  
4 opportunity described in item (aa), if the small  
5 business concern partners with an institution of  
6 higher education described in section 371(a) of  
7 the Higher Education Act of 1965 (20 U.S.C.  
8 1067q(a));

9 “(C) \$14,000,000 in the case of a contract  
10 opportunity assigned a North American Indus-  
11 try Classification System code for manufac-  
12 turing; or

13 “(D) \$10,000,000 in the case of any other  
14 contract opportunity; and”.

15 **SEC. 409. MENTOR-PROTEGE PROGRAM.**

16 (a) REMOVAL OF RESTRICTION ON NUMBER OF  
17 MENTORS.—

18 (1) IN GENERAL.—Section 45(b)(3)(A) of the  
19 Small Business Act (15 U.S.C. 657r(b)(3)(A)) is  
20 amended by striking “, including any restrictions”  
21 and all that follows through the end of the subpara-  
22 graph and inserting a period.

23 (2) REGULATIONS.—The Administrator shall  
24 issue regulations to provide that there is no restric-  
25 tion on the number of mentors under section 45 of

1 the Small Business Act (15 U.S.C. 657r) that a  
2 small business concern participating in the program  
3 established under section 8(a) of the Small Business  
4 Act (15 U.S.C. 637(a)) may have while participating  
5 in the program, if the mentor-protege relationships  
6 do not conflict or compete with each other.

7 (b) DATABASE.—The Administrator shall create an  
8 online centralized database for mentors and proteges (as  
9 defined in section 45 of the Small Business Act (15 U.S.C.  
10 657r)) to foster connection and support business develop-  
11 ment between the 2 groups.

12 (c) STREAMLINED PROCESS.—The Administrator  
13 shall issue regulations to streamline the process for apply-  
14 ing to the mentor-protege program established under sec-  
15 tion 45 of the Small Business Act (15 U.S.C. 657r).

16 **SEC. 410. CERTIFICATION PROCESS.**

17 (a) REGULATIONS.—Not later than 1 year after the  
18 date of enactment of this Act, the Administrator shall  
19 issue regulations to streamline the certification process for  
20 small business concerns seeking to become certified as—

21 (1) a participant in the program established  
22 under section 8(a) of the Small Business Act (15  
23 U.S.C. 637(a));

24 (2) a small business concern owned and con-  
25 trolled by women;

1           (3) a qualified HUBZone small business con-  
2           cern; or

3           (4) a small business concern owned and con-  
4           trolled by service-disabled veterans.

5           (b) REPORT.—Not later than 180 days after the date  
6 of enactment of this Act, the Administrator shall submit  
7 to the appropriate committees of Congress a report that  
8 outlines how the Administrator plans to streamline the  
9 certification process described in subsection (a).

10 **SEC. 411. REPEAL OF BONAFIDE OFFICE RULE.**

11           Section 8(a) of the Small Business Act (15 U.S.C.  
12 637(a)) is amended by repealing paragraph (11).

13 **SEC. 412. REPORTS.**

14           (a) DEMOGRAPHIC DATA.—Not later than 180 days  
15 after the date of enactment of this Act, and annually  
16 thereafter, the Administrator shall—

17           (1) make publicly available on the website of  
18           the Administration—

19           (A) disaggregated data on the size and  
20           number of contracts in total by the Federal  
21           Government and by each Federal agency to  
22           small business concerns by demographics, in-  
23           cluding, at a minimum, the gender, race, and  
24           ethnicity categories published by the Adminis-  
25           tration in the disaggregated Federal contracting

1 data in December 2021, and the size of the  
2 small business concern; and

3 (B) data on the number of small business  
4 concerns owned and controlled by disabled indi-  
5 viduals that are participating in the program  
6 established under section 8(a); and

7 (2) with consultation with the Administrator of  
8 General Services, include on SAM.gov the ability for  
9 small business concerns to report the data described  
10 in paragraph (1)(B).

11 (b) REVIEW OF SIZE STANDARDS.—Not later than  
12 180 days after the date of enactment of this Act, the Ad-  
13 ministrator shall conduct a review of and submit to Con-  
14 gress a report on the size standards applicable to partici-  
15 pants in the program established under section 8(a) of the  
16 Small Business Act (15 U.S.C. 637(a)), and outline ways  
17 in which the Administration can modify size standards to  
18 allow program participants to grow and continue to exist  
19 after exiting the program.

20 (c) ABILITY TO OBTAIN SET-ASIDE AND SOLE  
21 SOURCE CONTRACTS.—Not later than 1 year after the  
22 date of enactment of this Act, the Administrator shall sub-  
23 mit to Congress a report on—

24 (1) the ability of small business concerns par-  
25 ticipating in the program established under 8(a) of

1 the Small Business Act (15 U.S.C. 637(a)) that are  
2 not owned by Alaska Native Corporations or Native  
3 Hawaiian Organizations to compete for and success-  
4 fully obtain set-aside contracts, including by report-  
5 ing data comparing the distribution of awarded set-  
6 aside contracts among—

7 (A) small business concerns participating  
8 in that program that are not owned by Alaska  
9 Native Corporations or Native Hawaiian Orga-  
10 nizations; and

11 (B) small business concerns participating  
12 in that program that are owned by Alaska Na-  
13 tive Corporations or Native Hawaiian Organiza-  
14 tions; and

15 (2) the best sole source thresholds to enable  
16 small business concerns participating in the program  
17 established under 8(a) of the Small Business Act  
18 (15 U.S.C. 637(a)) to secure available sole source  
19 contracts.

20 (d) CHANGES TO 8(A) PROGRAM.—Not later than  
21 180 days after the date of enactment of this Act, the Ad-  
22 ministrator shall submit to Congress a report on a plan  
23 to implement the changes to the program established  
24 under section 8(a) of the Small Business Act (15 U.S.C.

1 637(a)) required under this title and the amendments  
2 made by this title.

3 **SEC. 413. AUTHORIZATION OF APPROPRIATIONS.**

4 There is authorized to be appropriated to the Admin-  
5 istration—

6 (1) for fiscal year 2023 and every fiscal year  
7 thereafter—

8 (A) \$20,000,000 to increase the number of  
9 procurement center representatives under sec-  
10 tion 15(l) of the Small Business Act (15 U.S.C.  
11 644(l)) and commercial marketing representa-  
12 tives, of which \$2,000,000 of those amounts  
13 shall be used to provide those individuals with  
14 increased training on the process to be awarded  
15 a sole-source contract;

16 (B) \$20,000,000 to increase the number of  
17 district office business specialists available  
18 under the program established under section  
19 8(a) of the Small Business Act (15 U.S.C.  
20 637(a));

21 (C) \$5,000,000 for costs related to certi-  
22 fying small business concerns as small business  
23 concerns owned and controlled by women; and

24 (D) \$400,000 for costs related to proc-  
25 essing applications to participate in the mentor-

1           protege program established under section 45 of  
2           the Small Business Act (15 U.S.C. 657r); and  
3           (2) for fiscal year 2023, to remain available  
4           until expended, \$2,500,000 to replace the dynamic  
5           small business search database of the Administra-  
6           tion.

7           **TITLE V—COMMUNITY ADVAN-**  
8           **TAGE LOAN PROGRAM PER-**  
9           **MANENCY ACT OF 2022**

10          **SEC. 501. SHORT TITLE.**

11           This title may be cited as the “Community Advantage  
12          Loan Program Permanency Act of 2022”.

13          **SEC. 502. FINDINGS.**

14           Congress finds that—

15           (1) capital access remains one of the largest  
16           barriers to overcome for socially and economically  
17           disadvantaged business owners as well as for the  
18           smallest small businesses;

19           (2) according to the Double Jeopardy: COVID–  
20           19’s Concentrated Health and Wealth Effects in  
21           Black Communities study conducted by the Federal  
22           Reserve banks, in 2020—

23           (A) firms owned by people of color are  
24           more likely to have weak capitalizations, limited

1 bank relationships, and little in cash reserves;  
2 and

3 (B) 51 percent of Black-owned businesses  
4 have less than 3 months of cash reserves in  
5 case of an emergency, which is nearly 7 per-  
6 centage points higher than their peers;

7 (3) according to the Small Business Credit Sur-  
8 vey conducted by the Federal Reserve banks, in  
9 2021—

10 (A) 31 percent of firms that sought financ-  
11 ing received the full financing sought by the  
12 firm;

13 (B) firms owned by people of color were  
14 least likely to receive the full amount of financ-  
15 ing sought by the firm, with 15 percent of  
16 Asian-owned businesses, 16 percent of Black-  
17 owned businesses, and 19 percent of Hispanic-  
18 owned businesses receiving full financing, as op-  
19 posed to 35 percent of non-Hispanic White-  
20 owned businesses receiving full financing; and

21 (C) firms with fewer employees were also  
22 least likely to receive the full financing sought  
23 by the firm, with 23 percent of businesses with  
24 1 to 4 employees and 37 percent of businesses  
25 with 5 to 49 employees receiving full financing,

1 as opposed to 55 percent of businesses with 50  
2 to 499 employees receiving full financing;

3 (4) the Community Advantage Pilot Program of  
4 the Administration has helped increase lending  
5 backed by the Administration to firms owned by peo-  
6 ple of color, women, and veterans and firms classi-  
7 fied as start ups;

8 (5) from fiscal year 2018 to fiscal year 2022—

9 (A) 13 percent of loans under the Commu-  
10 nity Advantage Pilot Program went to Black  
11 business owners, while 4 percent of loans under  
12 the loan program under section 7(a) of the  
13 Small Business Act (15 U.S.C. 636(a)) (in this  
14 section referred to as the “7(a) loan program”)  
15 went to Black business owners;

16 (B) 15 percent of loans under the Commu-  
17 nity Advantage Pilot Program went to Hispanic  
18 business owners, while 8 percent of loans under  
19 the 7(a) loan program went to Hispanic busi-  
20 ness owners;

21 (C) 20 percent of loans under the Commu-  
22 nity Advantage Pilot Program went to women  
23 business owners, while 17 percent of loans  
24 under the 7(a) loan program went to women  
25 business owners; and

1 (D) 9 percent of loans under the Commu-  
2 nity Advantage Pilot Program went to veteran  
3 business owners, while 5 percent of loans under  
4 the 7(a) loan program went to veteran business  
5 owners; and

6 (6) from fiscal year 2020 to fiscal year 2021,  
7 14 percent of loans under the Community Advantage  
8 Pilot Program went to startup business owners,  
9 while 7 percent of loans under the 7(a) loan pro-  
10 gram went to startup business owners.

11 **SEC. 503. COMMUNITY ADVANTAGE LOAN PROGRAM.**

12 (a) IN GENERAL.—Section 7(a) of the Small Busi-  
13 ness Act (15 U.S.C. 636(a)) is amended by adding at the  
14 end the following:

15 “(38) COMMUNITY ADVANTAGE LOAN PRO-  
16 GRAM.—

17 “(A) PURPOSES.—The purposes of the  
18 Community Advantage Loan Program are—

19 “(i) to create a mission-oriented loan  
20 guarantee program that builds on the dem-  
21 onstrated success of the Community Ad-  
22 vantage Pilot Program of the Administra-  
23 tion, as established in 2011, to reach more  
24 underserved small business concerns;

1           “(ii) to increase lending to small busi-  
2           ness concerns in underserved and rural  
3           markets, including veterans and members  
4           of the military community, socially and  
5           economically disadvantaged individuals, as  
6           described in paragraphs (5) and (6)(A) of  
7           section 8(a), respectively, women, and new  
8           businesses;

9           “(iii) to ensure that the program  
10          under this subsection expands inclusion  
11          and more broadly meets congressional in-  
12          tent to reach borrowers who are unable to  
13          get credit elsewhere on reasonable terms  
14          and conditions;

15          “(iv) to help underserved small busi-  
16          ness concerns become bankable by utilizing  
17          the small dollar financing and business  
18          support experience of mission-oriented  
19          lenders;

20          “(v) to allow certain mission-oriented  
21          lenders, primarily financial intermediaries  
22          focused on economic development in under-  
23          served markets, access to guarantees for  
24          loans under this subsection (in this para-  
25          graph referred to as ‘7(a) loans’) of not

1 more than \$350,000 and provide manage-  
2 ment and technical assistance to small  
3 business concerns as needed;

4 “(vi) to provide certainty for the lend-  
5 ing partners that make loans under this  
6 subsection and to attract new lenders;

7 “(vii) to encourage collaboration be-  
8 tween mission-oriented and conventional  
9 lenders under this subsection in order to  
10 support underserved small business con-  
11 cerns; and

12 “(viii) to assist covered institutions  
13 with providing business support services  
14 and technical assistance to small business  
15 concerns, when needed.

16 “(B) DEFINITIONS.—In this paragraph—

17 “(i) the term ‘Community Advantage  
18 Network Partner’—

19 “(I) means a nonprofit, mission-  
20 oriented organization that acts as a  
21 Referral Agent to covered institutions  
22 in order to expand the reach of the  
23 program to small businesses in under-  
24 served markets; and

1 “(II) does not include a covered  
2 institution making loans under the  
3 program;

4 “(ii) the term ‘covered institution’  
5 means an entity that—

6 “(I) is—

7 “(aa) a development com-  
8 pany, as defined in section 103 of  
9 the Small Business Investment  
10 Act of 1958 (15 U.S.C. 662),  
11 participating in the 504 Loan  
12 Guaranty program established  
13 under title V of that Act (15  
14 U.S.C. 695 et seq.);

15 “(bb) a nonprofit inter-  
16 mediary, as defined in subsection  
17 (m)(11), participating in the  
18 microloan program under sub-  
19 section (m);

20 “(cc) a non-Federally regu-  
21 lated entity or a lending institu-  
22 tion certified as a community de-  
23 velopment financial institution by  
24 the Community Development Fi-  
25 nancial Institutions Fund estab-



1 date on which a loan is made to the small  
2 business concern under the program;

3 “(v) the term ‘program’ means the  
4 Community Advantage Loan Program es-  
5 tablished under subparagraph (C);

6 “(vi) the term ‘Referral Agent’ has  
7 the meaning given the term in section  
8 103.1(f) of title 13, Code of Federal Regu-  
9 lations, or any successor regulation;

10 “(vii) the term ‘rural area’ means any  
11 county that the Bureau of the Census has  
12 defined as mostly rural or completely rural  
13 in the most recent decennial census; and

14 “(viii) the term ‘small business con-  
15 cern in an underserved market’ means a  
16 small business concern—

17 “(I) that is located in—

18 “(aa) a low- to moderate-in-  
19 come community;

20 “(bb) a HUBZone, as that  
21 term is defined in section 31(b);

22 “(cc) a rural area; or

23 “(dd) any area for which a  
24 disaster declaration or determina-  
25 tion described in subparagraph

1 (A), (B), (C), or (E) of sub-  
2 section (b)(2) has been made  
3 that has not terminated more  
4 than 2 years before the date (or  
5 later, as determined by the Ad-  
6 ministrator) on which a loan is  
7 made to the small business con-  
8 cern under the program, except  
9 that, in the case of a major dis-  
10 aster described in subsection  
11 (b)(2)(A), that period shall be 5  
12 years;

13 “(II) for which more than 50  
14 percent of the employees reside in a  
15 low- or moderate-income community;

16 “(III) that is a new business;

17 “(IV) owned and controlled by  
18 socially and economically disadvan-  
19 taged individuals, as described in  
20 paragraphs (5) and (6)(A) of section  
21 8(a), respectively, which the Adminis-  
22 trator, in carrying out the program,  
23 shall presume includes Black Ameri-  
24 cans, Hispanic Americans, Native

1 Americans, Asian Pacific Americans,  
2 and other minorities;

3 “(V) owned and controlled by  
4 women;

5 “(VI) owned and controlled by  
6 veterans or spouses of veterans;

7 “(VII) owned and controlled by a  
8 member of an Indian Tribe individ-  
9 ually identified (including parentheti-  
10 cally) in the most recent list published  
11 pursuant to section 104 of the Feder-  
12 ally Recognized Indian Tribe List Act  
13 of 1994 (25 U.S.C. 5131);

14 “(VIII) owned and controlled by  
15 an individual who has completed a  
16 term of imprisonment in a Federal,  
17 State, or local jail or prison;

18 “(IX) owned and controlled by an  
19 individual with a disability, as that  
20 term is defined in section 3 of the  
21 Americans with Disabilities Act of  
22 1990 (42 U.S.C. 12102); or

23 “(X) as otherwise determined by  
24 the Administrator.

1           “(C) ESTABLISHMENT.—There is estab-  
2           lished a Community Advantage Loan Program  
3           under which the Administration may guarantee  
4           loans made by covered institutions under this  
5           subsection, with an emphasis on loans made to  
6           small business concerns in underserved mar-  
7           kets.

8           “(D) PROGRAM LEVELS.—In fiscal year  
9           2023 and each fiscal year thereafter, not more  
10          than 10 percent of the number of loans guaran-  
11          teed under this subsection may be guaranteed  
12          under the program.

13          “(E) GRANDFATHERING OF EXISTING  
14          LENDERS.—Any covered institution that ac-  
15          tively participated in the Community Advantage  
16          Pilot Program of the Administration and is in  
17          good standing, as determined by the Adminis-  
18          tration, on the day before the date of enactment  
19          of this paragraph—

20                 “(i) shall retain designation in the  
21                 program;

22                 “(ii) shall not be required to submit  
23                 an application to participate in the pro-  
24                 gram; and

1                   “(iii) for the purpose of determining  
2                   the loan loss reserve amount of the covered  
3                   institution, shall have participation in the  
4                   Community Advantage Pilot Program in-  
5                   cluded in the calculation under subpara-  
6                   graph (J).

7                   “(F) REQUIREMENT TO MAKE LOANS TO  
8                   UNDERSERVED MARKETS.—Not less than 70  
9                   percent of loans made by a covered institution  
10                  under the program shall consist of loans made  
11                  to small business concerns in underserved mar-  
12                  kets.

13                  “(G) MAXIMUM LOAN AMOUNT.—The max-  
14                  imum loan amount for a loan guaranteed under  
15                  the program is \$350,000.

16                  “(H) INTEREST RATES.—The maximum  
17                  allowable interest rate prescribed by the Admin-  
18                  istration on any financing made on a deferred  
19                  basis pursuant to the program shall not exceed  
20                  the maximum allowable interest rate under sec-  
21                  tions 120.213 and 120.214 of title 13, Code of  
22                  Federal Regulations, or any successor regula-  
23                  tions.

24                  “(I) REFINANCING OF COMMUNITY ADVAN-  
25                  TAGE PROGRAM LOANS.—A loan guaranteed

1 under the program or guaranteed under the  
2 Community Advantage Pilot Program of the  
3 Administration may be refinanced into another  
4 7(a) loan made by lender that does not partici-  
5 pate in the program.

6 “(J) LOAN LOSS RESERVE REQUIRE-  
7 MENTS.—

8 “(i) LOAN LOSS RESERVE ACCOUNT  
9 FOR COVERED INSTITUTIONS.—A covered  
10 institution—

11 “(I) with not more than 5 years  
12 of participation in the program shall  
13 maintain a loan loss reserve account  
14 with an amount equal to 5 percent of  
15 the outstanding amount of the  
16 unguaranteed portion of the loan  
17 portfolio of the covered institution  
18 under the program; and

19 “(II) with more than 5 years of  
20 participation in the program shall  
21 maintain a loan loss reserve account  
22 with an amount equal to the average  
23 repurchase rate of the covered institu-  
24 tion over the preceding 36-month pe-  
25 riod.

1                   “(ii) ADDITIONAL LOAN LOSS RE-  
2                   SERVE AMOUNT FOR SELLING LOANS ON  
3                   THE SECONDARY MARKET.—In addition to  
4                   the amount required in the loan loss re-  
5                   serve account under clause (i), a covered  
6                   institution that sells a program loan on the  
7                   secondary market shall be required to  
8                   maintain the following additional amounts  
9                   in the loan loss reserve account:

10                   “(I) An amount equal to 2 per-  
11                   cent of the guaranteed portion of each  
12                   program loan sold on the secondary  
13                   market for lenders with less than 5  
14                   years experience selling program loans  
15                   on the secondary market.

16                   “(II) An amount equal to the av-  
17                   erage repurchase rate for loans sold  
18                   by the lender on the secondary market  
19                   over the preceding 36 months for  
20                   lenders with more than 5 years experi-  
21                   ence selling program loans on the sec-  
22                   ondary market.

23                   “(iii) RECALCULATION.—The loan  
24                   loss reserve required under clauses (i) and

1 (ii) shall be recalculated on October 1 of  
2 each year.

3 “(K) TRAINING.—The Administration—

4 “(i) shall provide accessible upfront  
5 and ongoing training for covered institu-  
6 tions making loans under the program to  
7 support program compliance and improve  
8 the interface between the covered institu-  
9 tions and the Administration, which shall  
10 include—

11 “(I) guidance for following the  
12 regulations of the Administration; and

13 “(II) guidance specific to mis-  
14 sion-oriented lending that is intended  
15 to help lenders effectively reach and  
16 support underserved small business  
17 concerns, including management and  
18 technical assistance delivery;

19 “(ii) shall ensure that the training de-  
20 scribed in clause (i) is provided for free or  
21 at a low-cost;

22 “(iii) may enter into a contract to  
23 provide the training described in clause (i)  
24 with an organization with expertise in  
25 lending under this subsection and pri-

1 marily specializing in mission-oriented  
2 lending, and lending to underserved mar-  
3 kets; and

4 “(iv) shall provide training for the  
5 employees and contractors of the Adminis-  
6 tration that regularly engage with covered  
7 institutions or borrowers in the program.

8 “(L) COMMUNITY ADVANTAGE OUTREACH  
9 AND EDUCATION.—The Administrator—

10 “(i) shall develop and implement a  
11 program to promote to, conduct outreach  
12 to, and educate prospective covered institu-  
13 tions about the program, with a focus on  
14 women- and minority-owned covered insti-  
15 tutions; and

16 “(ii) may enter into a contract with 1  
17 or more nonprofit organizations experi-  
18 enced in working with and training mission  
19 driven lenders to provide the outreach and  
20 education described in clause (i).

21 “(M) COMMUNITY ADVANTAGE NETWORK  
22 PARTNER PARTICIPATION.—

23 “(i) IN GENERAL.—A covered institu-  
24 tion that uses a Community Advantage  
25 Network Partner shall abide by policies

1 and procedures of the Administration con-  
2 cerning the use of Referral Agent fees per-  
3 mitted by the Administration and diselo-  
4 sure of those fees.

5 “(ii) PAYMENT OF FEES.—Notwith-  
6 standing any other provision of law, all  
7 fees described in clause (i) shall be paid by  
8 the covered institution to the Community  
9 Advantage Network Partner upon dis-  
10 bursement of the applicable program loan.

11 “(N) DELEGATED AUTHORITY.—A covered  
12 institution is not eligible to receive delegated  
13 authority from the Administration under the  
14 program until the covered institution has ap-  
15 proved and fully disbursed not less than 10  
16 loans under the program and the Administra-  
17 tion had evaluated the ability of the covered in-  
18 stitution to fulfill program requirements.

19 “(O) REPORTING.—

20 “(i) WEEKLY REPORTS.—

21 “(I) IN GENERAL.—The Admin-  
22 istration shall report on the website of  
23 the Administration, as part of the  
24 weekly reports on lending approvals  
25 under this subsection—

1                   “(aa) on and after the date  
2                   of enactment of this paragraph,  
3                   the number and dollar amount of  
4                   loans guaranteed under the Com-  
5                   munity Advantage Pilot Program  
6                   of the Administration; and

7                   “(bb) on and after the date  
8                   on which the Administration be-  
9                   gins to approve loans under the  
10                  program, the number and dollar  
11                  amount of loans guaranteed  
12                  under the program.

13                  “(II) SEPARATE ACCOUNTING.—  
14                  The number and dollar amount of  
15                  loans reported in a weekly report  
16                  under subclause (I) for loans guaran-  
17                  teed under the Community Advantage  
18                  Pilot Program of the Administration  
19                  and under the program shall include a  
20                  breakdown by the categories of race,  
21                  ethnicity, and gender of the owners of  
22                  the small business concerns, by wheth-  
23                  er the small business concern is a new  
24                  or existing small business concern,  
25                  and by whether the small business

1 concern is located in an urban or  
2 rural area, and broken down by—

3 “(aa) loans of not more than  
4 \$50,000;

5 “(bb) loans of more than  
6 \$50,000 and not more than  
7 \$150,000;

8 “(cc) loans of more than  
9 \$150,000 and not more than  
10 \$250,000; and

11 “(dd) loans of more than  
12 \$250,000 and not more than  
13 \$350,000.

14 “(ii) ANNUAL REPORTS.—

15 “(I) IN GENERAL.—For each fis-  
16 cal year in which the program is in ef-  
17 fect, the Administration shall submit  
18 to the Committee on Small Business  
19 and Entrepreneurship of the Senate  
20 and the Committee on Small Business  
21 of the House of Representatives, and  
22 make publicly available on the inter-  
23 net, information about loans provided  
24 under the program and under the

1 Community Advantage Pilot Program  
2 of the Administration.

3 “(II) CONTENTS.—Each report  
4 submitted and made publicly available  
5 under subclause (I) shall include—

6 “(aa) the number and dollar  
7 amounts of loans provided to  
8 small business concerns under  
9 the program, including a break-  
10 down by—

11 “(AA) the gender of the  
12 owners of the small business  
13 concern;

14 “(BB) the race and  
15 ethnicity of the owners of  
16 the small business concern,  
17 disaggregated in a manner  
18 that captures all the racial  
19 groups specified in the  
20 American Community Sur-  
21 vey conducted by the Bu-  
22 reau of the Census;

23 “(CC) whether the  
24 small business concern is lo-

1 cated in an urban or rural  
2 area; and

3 “(DD) whether the  
4 small business concern is an  
5 existing business or a new  
6 business, as provided in the  
7 weekly reports on lending  
8 approvals under this sub-  
9 section;

10 “(bb) the proportion of loans  
11 described in item (aa) compared  
12 to—

13 “(AA) other 7(a) loans  
14 of any amount;

15 “(BB) other 7(a) loans  
16 of similar amounts;

17 “(CC) express loans  
18 provided under paragraph  
19 (31) of similar amounts; and

20 “(DD) other 7(a) loans  
21 of similar amounts provided  
22 to small business concerns  
23 in underserved markets;

24 “(cc) a comparison of the  
25 number and dollar amounts of

1 loans provided to small business  
2 concerns under the program and  
3 under each category of loans de-  
4 scribed in item (aa), broken down  
5 by—

6 “(AA) loans of not  
7 more than \$50,000;

8 “(BB) loans of more  
9 than \$50,000 and not more  
10 than \$150,000;

11 “(CC) loans of more  
12 than \$150,000 and not more  
13 than \$250,000; and

14 “(DD) loans of more  
15 than \$250,000 and not more  
16 than \$350,000;

17 “(dd) the number and dollar  
18 amounts of loans provided to  
19 small business concerns under  
20 the program by State, and the  
21 jobs created or retained within  
22 each State;

23 “(ee) a list of covered insti-  
24 tutions participating in the pro-  
25 gram and the Community Advan-

1                   tage Pilot Program of the Ad-  
2                   ministration, including—

3                   “(ff) the name, location, and  
4                   contact information, such as the  
5                   website and telephone number, of  
6                   each covered institution; and

7                   “(gg) a breakdown by the  
8                   number and dollar amount of the  
9                   loans approved for small business  
10                  concerns; and

11                  “(hh) the benchmarks estab-  
12                  lished by the Community Advan-  
13                  tage Working Group under sub-  
14                  paragraph (O)(i).

15                  “(III) TIMING.—An annual re-  
16                  port required under this clause  
17                  shall—

18                  “(aa) be submitted and  
19                  made publicly available not later  
20                  than December 1 of each year;  
21                  and

22                  “(bb) cover the lending ac-  
23                  tivity for the fiscal year that  
24                  ended on September 30 of that  
25                  same year.

1           “(P) GAO REPORT.—Not later than 5  
2 years after the date of enactment of this para-  
3 graph, the Comptroller General of the United  
4 States shall submit to the Administrator, the  
5 Committee on Small Business and Entrepre-  
6 neurship of the Senate, and the Committee on  
7 Small Business of the House of Representatives  
8 a report—

9                   “(i) assessing—

10                           “(I) the extent to which the pro-  
11 gram fulfills the requirements of this  
12 paragraph; and

13                           “(II) the performance of covered  
14 institutions participating in the pro-  
15 gram; and

16                   “(ii) providing recommendations on  
17 the administration of the program and the  
18 findings under subclauses (I) and (II) of  
19 clause (i).

20           “(Q) COMMUNITY ADVANTAGE WORKING  
21 GROUP.—

22                   “(i) IN GENERAL.—Not later than 90  
23 days after the date of enactment of this  
24 paragraph, the Administrator shall estab-

1           lish a Community Advantage Working  
2           Group, which shall—

3                   “(I) include—

4                           “(aa) a geographically di-  
5                           verse representation of members  
6                           from among covered institutions  
7                           participating in the program; and

8                           “(bb) representatives from  
9                           the Office of Capital Access of  
10                           the Administration, including the  
11                           Office of Credit Risk Manage-  
12                           ment, the Office of Financial As-  
13                           sistance, and the Office of Eco-  
14                           nomic Opportunity;

15                   “(II) develop recommendations  
16                   on how the Administration can effec-  
17                   tively manage, support, and promote  
18                   the program and the mission of the  
19                   program;

20                   “(III) establish metrics of suc-  
21                   cess and benchmarks that reflect the  
22                   mission and population served by cov-  
23                   ered institutions under the program,  
24                   which the Administration shall use to

1 evaluate the performance of those cov-  
2 ered institutions;

3 “(IV) establish criteria assessing  
4 the business support services and  
5 technical assistance needs of bor-  
6 rowers and methods to assess lender  
7 expertise to provide necessary services  
8 and assistance; and

9 “(V) institute regular and sus-  
10 tainable systems of communication be-  
11 tween the Administration and covered  
12 institutions participating in the pro-  
13 gram.

14 “(ii) REPORT.—Not later than 1 year  
15 after the date of enactment of this para-  
16 graph, the Administrator shall submit to  
17 the Committee on Small Business and En-  
18 trepreneurship of the Senate and the Com-  
19 mittee on Small Business of the House of  
20 Representatives a report that includes—

21 “(I) the recommendations of the  
22 Community Advantage Working  
23 Group established under clause (i);  
24 and

1                   “(II) a recommended plan and  
2                    timeline for implementation of those  
3                    recommendations.

4                   “(R) REGULATIONS.—

5                    “(i) IN GENERAL.—Not later than  
6                    180 days after the date of enactment of  
7                    this paragraph, the Administrator shall  
8                    promulgate regulations governing the pro-  
9                    gram, including metrics for lender per-  
10                   formance, metrics of success and bench-  
11                   marks of the program, and criteria for ap-  
12                   propriate management and technical as-  
13                   sistance.

14                   “(ii) UPDATES.—The Administrator  
15                   shall consult the report issued under sub-  
16                   paragraph (P) and, not later than 180  
17                   days after submission of the report, pro-  
18                   mulgate any necessary changes to existing  
19                   regulations of the Administration based on  
20                   the recommendations contained in the re-  
21                   port.

22                   “(S) AUTHORIZATION OF APPROPRIA-  
23                   TIONS.—There is authorized to be appropriated  
24                   such sums as may be necessary to conduct out-

1 reach and education described in subparagraph  
2 (L).”.

3 (b) PARTICIPATION.—Section 7(a)(2) of the Small  
4 Business Act (15 U.S.C. 636(a)(2)) is amended—

5 (1) in subparagraph (A), in the matter pre-  
6 ceding clause (i), by striking “and (F)” and insert-  
7 ing “(F), and (G)”; and

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

9 “(G) PARTICIPATION IN THE COMMUNITY  
10 ADVANTAGE LOAN PROGRAM.—In an agreement  
11 to participate in a loan on a deferred basis  
12 under paragraph (38), the participation by the  
13 Administration shall be—

14 “(i) 80 percent of the balance of the  
15 financing outstanding at the time of the  
16 disbursement of the loan, if that balance is  
17 more than \$150,000 and not more than  
18 \$350,000; or

19 “(ii) 90 percent of the balance of the  
20 financing outstanding at the time of the  
21 disbursement of the loan, if that balance is  
22 not more than \$150,000.”.

1     **TITLE VI—STEP IMPROVEMENT**  
2                             **ACT OF 2022**

3     **SEC. 601. SHORT TITLE.**

4             This title may be cited as the “STEP Improvement  
5 Act of 2022”.

6     **SEC. 602. STATE TRADE EXPANSION PROGRAM.**

7             (a) APPLICATION REQUIREMENTS.—Section 22(l)(3)  
8 of the Small Business Act (15 U.S.C. 649(l)(3)) is amend-  
9 ed—

10                     (1) in subparagraph (D)—

11                             (A) in clause (i), by inserting “, including  
12 a budget plan for use of funds awarded under  
13 this subsection” before the period at the end;  
14 and

15                             (B) by adding at the end the following:

16                                     “(iii) TIMING.—The Associate Admin-  
17 istrator shall—

18   “(I) publish information on how  
19 to apply for a grant under this sub-  
20 section, including specific calculations  
21 and other determinations used to  
22 award such a grant, not later than  
23 March 31 of each year;

24   “(II) establish a deadline for the  
25 submission of applications that is not

1 earlier than 60 days after the date on  
2 which the information is published  
3 under subclause (I) and that is not  
4 later than May 31; and

5 “(III) announce grant recipients  
6 not later than August 31 of each  
7 year.”; and

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

9 “(E) APPLICATION INFORMATION.—The  
10 Associate Administrator shall clearly commu-  
11 nicate to applicants and grant recipients any in-  
12 formation about State Trade Expansion Pro-  
13 gram, including—

14 “(i) for each unsuccessful applicant  
15 for a grant awarded under this subsection,  
16 recommendations to improve a subsequent  
17 application for such a grant; and

18 “(ii) for each successful applicant for  
19 such a grant, an explanation for the  
20 amount awarded, if different from the  
21 amount requested in the application.

22 “(F) BUDGET PLAN REVISIONS.—

23 “(i) IN GENERAL.—A State receiving  
24 a grant under this subsection may revise  
25 the budget plan of the State submitted

1 under subparagraph (D) after the dis-  
2 bursal of grant funds if—

3 “(I) the revision complies with al-  
4 lowable uses of grant funds under this  
5 subsection; and

6 “(II) such State submits notifica-  
7 tion of the revision to the Associate  
8 Administrator.

9 “(ii) EXCEPTION.—If a revision under  
10 clause (i) reallocates 10 percent or more of  
11 the amounts described in the budget plan  
12 of the State submitted under subparagraph  
13 (D), the State may not implement the re-  
14 vised budget plan without the approval of  
15 the Associate Administrator, unless the As-  
16 sociate Administrator fails to approve or  
17 deny the revised plan within 20 days after  
18 receipt of such revised plan.”.

19 (b) SURVEY.—Section 22(l) of the Small Business  
20 Act (15 U.S.C. 649(l)) is amended—

21 (1) by redesignating paragraphs (7) through  
22 (9) as paragraphs (8) through (10), respectively;  
23 and

24 (2) by inserting after paragraph (6) the fol-  
25 lowing:

1           “(7) SURVEY.—The Associate Administrator  
2 shall conduct an annual survey of each State that  
3 received a grant under this subsection during the  
4 preceding year to solicit feedback on the program  
5 and develop best practices for grantees.”.

6           (c) ANNUAL REPORT.—Paragraph (8)(B) of section  
7 22(l) of the Small Business Act (15 U.S.C. 649(l)), as  
8 redesignated by subsection (b), is amended—

9           (1) in clause (i)—

10           (A) in subclause (III), by inserting “, in-  
11 cluding the total number of eligible small busi-  
12 ness concerns assisted by the program  
13 (disaggregated by socially and economically dis-  
14 advantaged small business concerns, small busi-  
15 ness concerns owned and controlled by women,  
16 and rural small business concerns)” before the  
17 semicolon at the end;

18           (B) in subclause (IV), by striking “and” at  
19 the end;

20           (C) in subclause (V)—

21           (i) by striking “description of best  
22 practices” and inserting “detailed descrip-  
23 tion of best practices”; and

24           (ii) by striking the period at the end  
25 and inserting a semicolon; and

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

2 “(VI) an analysis of the perform-  
3 ance metrics described in clause (iii),  
4 including a determination of whether  
5 or not any goals relating to such per-  
6 formance metrics were met, and an  
7 analysis of the survey described in  
8 paragraph (7); and

9 “(VII) a description of lessons  
10 learned by grant recipients under this  
11 subsection that may apply to other as-  
12 sistance provided by the Administra-  
13 tion.”; and

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

15 “(iii) PERFORMANCE METRICS.—An-  
16 nually, the Associate Administrator shall  
17 collect data on eligible small business con-  
18 cerns assisted by the program for the fol-  
19 lowing performance metrics:

20 “(I) Total number of such con-  
21 cerns, disaggregated by socially and  
22 economically disadvantaged small  
23 business concerns, small business con-  
24 cerns owned and controlled by women,  
25 and rural small business concerns.

1                   “(II) Total dollar amount of ex-  
2                   port sales by eligible small business  
3                   concerns assisted by the program.

4                   “(III) Number of such concerns  
5                   that have not previously participated  
6                   in an activity described in paragraph  
7                   (2).

8                   “(IV) Number of such concerns  
9                   that, because of participation in the  
10                  program, have accessed a new market.

11                  “(V) Number of such concerns  
12                  that, because of participation in the  
13                  program, have created new jobs.

14                  “(VI) Number of such concerns  
15                  participating in foreign trade missions  
16                  or trade show exhibitions,  
17                  disaggregated by socially and eco-  
18                  nomically disadvantaged small busi-  
19                  ness concerns, small business concerns  
20                  owned and controlled by women, and  
21                  rural small business concerns.”.

22                  (d) EXPANSION OF DEFINITION OF ELIGIBLE SMALL  
23 BUSINESS CONCERN.—Section 22(l)(1)(A) of the Small  
24 Business Act (15 U.S.C. 649(l)(1)(A)) is amended—

1           (1) in clause (iii)(II), by adding “and” at the  
2           end;

3           (2) by striking clause (iv); and

4           (3) by redesignating clause (v) as clause (iv).

5           (e) AUTHORIZATION OF APPROPRIATIONS.—Para-  
6 graph (10) of section 22(l) of the Small Business Act (15  
7 U.S.C. 649(l)), as redesignated by subsection (b), is  
8 amended by striking “fiscal years 2016 through 2020”  
9 and inserting “fiscal years 2023 through 2026”.

10          (f) REPORT TO CONGRESS.—Not later than 1 year  
11 after the date of enactment of this Act, the Associate Ad-  
12 ministrator for International Trade of the Administration  
13 shall submit to Congress a report on the State Trade Ex-  
14 pansion Program established under section 22(l) of the  
15 Small Business Act (15 U.S.C. 649(l)) that includes a de-  
16 scription of—

17           (1) the process developed for review of revised  
18           budget plans submitted under subparagraph (F) of  
19           section 22(l)(3) of the Small Business Act (15  
20           U.S.C. 649(l)(3)), as added by this title;

21           (2) any changes made to streamline the applica-  
22           tion process to remove duplicative requirements and  
23           create a more transparent process;

24           (3) the process developed to share best prac-  
25           tices by States described in paragraph (8)(B)(i)(V)

1 of section 22(l) of the Small Business Act (15  
2 U.S.C. 649(l)), as redesignated by this title, particu-  
3 larly for first-time grant recipients under the State  
4 Trade Expansion Program or grant recipients that  
5 are facing problems using grant funds; and

6 (4) the process developed to communicate, both  
7 verbally and in writing, relevant information about  
8 the State Trade Expansion Program to all grant re-  
9 cipients in a timely manner.

## 10 **TITLE VII—VETERANS** 11 **PROGRAMS**

### 12 **SEC. 701. VETERAN FEDERAL PROCUREMENT ENTREPRE-** 13 **NEURSHIP TRAINING PROGRAM.**

14 (a) IN GENERAL.—Section 32 of the Small Business  
15 Act (15 U.S.C. 657b) is amended by striking subsection  
16 (f) and inserting the following:

17 “(f) VETERAN FEDERAL PROCUREMENT ENTREPRE-  
18 NEURSHIP TRAINING PROGRAM.—The Administrator, act-  
19 ing through the Associate Administrator, shall make  
20 grants to, or enter into a cooperative agreement with, not  
21 more than 1 nonprofit entity to operate a Federal procure-  
22 ment entrepreneurship training program to provide assist-  
23 ance to small business concerns owned and controlled by  
24 veterans regarding how to increase the likelihood of being  
25 awarded contracts with the Federal Government—

1           “(1) which shall be made to or entered into  
2           with a nonprofit entity that has a track record of  
3           successfully providing educational and job training  
4           services to targeted veteran populations from diverse  
5           locations;

6           “(2) under which the nonprofit entity may, at  
7           the discretion of the Administrator, be required to  
8           match any Federal funds received for the program  
9           with State, local, or private sector funds; and

10           “(3) under which the nonprofit entity shall use  
11           a diverse group of professional service experts, such  
12           as Federal, State, and local contracting experts and  
13           private sector industry experts with first-hand expe-  
14           rience in Federal Government contracting, to provide  
15           instruction to small business concerns owned and  
16           controlled by veterans.”.

17           (b) **AUTHORIZATION OF APPROPRIATIONS.**—There  
18           are authorized to be appropriated to the Administration,  
19           \$1,000,000 for each of fiscal years 2023 through 2027  
20           to carry out section 32 of the Small Business Act (15  
21           U.S.C. 657b), as amended by subsection (a).

22           **SEC. 702. BOOTS TO BUSINESS PROGRAM.**

23           Section 32 of the Small Business Act (15 U.S.C.  
24           657b) is amended by adding at the end the following:

25           “(h) **BOOTS TO BUSINESS PROGRAM.**—

1           “(1) COVERED INDIVIDUAL DEFINED.—In this  
2 subsection, the term ‘covered individual’ means—

3           “(A) a member of the Armed Forces, in-  
4 cluding the National Guard or Reserves;

5           “(B) an individual who is participating in  
6 the Transition Assistance Program established  
7 under section 1144 of title 10, United States  
8 Code;

9           “(C) an individual who—

10           “(i) served on active duty in any  
11 branch of the Armed Forces, including the  
12 National Guard or Reserves; and

13           “(ii) was discharged or released from  
14 such service under conditions other than  
15 dishonorable; and

16           “(D) a spouse or dependent of an indi-  
17 vidual described in subparagraph (A), (B), or  
18 (C).

19           “(2) ESTABLISHMENT.—During the period be-  
20 ginning on the date of enactment of this subsection  
21 and ending on September 30, 2027, the Adminis-  
22 trator shall carry out a program to be known as the  
23 ‘Boots to Business Program’ to provide entrepre-  
24 neurship training to covered individuals.



1 to the foundations of self employment and  
2 ownership of a small business concern; and

3 “(iv) in-depth training delivered  
4 through online instruction, including an  
5 online course that leads to the creation of  
6 a business plan.

7 “(B) COLLABORATION.—The Adminis-  
8 trator may—

9 “(i) collaborate with public and pri-  
10 vate entities to develop course curricula for  
11 the Boots to Business Program; and

12 “(ii) modify program components in  
13 coordination with entities participating in a  
14 Warriors in Transition program, as defined  
15 in section 738(e) of the National Defense  
16 Authorization Act for Fiscal Year 2013  
17 (10 U.S.C. 1071 note).

18 “(C) USE OF RESOURCE PARTNERS AND  
19 DISTRICT OFFICES.—

20 “(i) IN GENERAL.—The Administrator  
21 shall—

22 “(I) ensure that Veteran Busi-  
23 ness Outreach Centers regularly par-  
24 ticipate, on a nationwide basis, in the  
25 Boots to Business Program; and

1                   “(II) to the maximum extent  
2                   practicable, use district offices of the  
3                   Administration and a variety of other  
4                   resource partners and entities in ad-  
5                   ministering the Boots to Business  
6                   Program.

7                   “(ii) GRANT AUTHORITY.—In carrying  
8                   out clause (i), the Administrator may make  
9                   grants to Veteran Business Outreach Cen-  
10                  ters, other resource partners, or other enti-  
11                  ties to carry out components of the Boots  
12                  to Business Program.

13                  “(D) AVAILABILITY TO DEPARTMENT OF  
14                  DEFENSE AND THE DEPARTMENT OF LABOR.—  
15                  The Administrator shall make available to the  
16                  Secretary of Defense and the Secretary of  
17                  Labor information regarding the Boots to Busi-  
18                  ness Program, including all course materials  
19                  and outreach materials related to the Boots to  
20                  Business Program, for inclusion on the websites  
21                  of the Department of Defense and the Depart-  
22                  ment of Labor relating to the Transition Assist-  
23                  ance Program, in the Transition Assistance  
24                  Program manual, and in other relevant mate-

1           rials available for distribution from the Sec-  
2           retary of Defense and the Secretary of Labor.

3           “(E) AVAILABILITY TO DEPARTMENT OF  
4           VETERANS AFFAIRS.—In consultation with the  
5           Secretary of Veterans Affairs, the Adminis-  
6           trator shall make available for distribution and  
7           display on the website of the Department of  
8           Veterans Affairs and at local facilities of the  
9           Department of Veterans Affairs outreach mate-  
10          rials regarding the Boots to Business Program,  
11          which shall, at a minimum—

12                   “(i) describe the Boots to Business  
13                   Program and the services provided; and

14                   “(ii) include eligibility requirements  
15                   for participating in the Boots to Business  
16                   Program.

17          “(F) AVAILABILITY TO OTHER PARTICI-  
18          PATING AGENCIES.—The Administrator shall  
19          ensure information regarding the Boots to  
20          Business program, including all course mate-  
21          rials and outreach materials related to the  
22          Boots to Business Program, is made available  
23          to other participating agencies in the Transition  
24          Assistance Program and upon request of other  
25          agencies.

1           “(5) COMPETITIVE BIDDING PROCEDURES.—  
2           The Administration shall use relevant competitive  
3           bidding procedures with respect to any contract or  
4           cooperative agreement executed by the Administra-  
5           tion under the Boots to Business Program.

6           “(6) PUBLICATION OF NOTICE OF FUNDING OP-  
7           PORTUNITY.—Not later than 30 days before the  
8           deadline for submitting applications for any funding  
9           opportunity under the Boots to Business Program,  
10          the Administration shall publish a notice of the  
11          funding opportunity.

12          “(7) REPORT.—Not later than 180 days after  
13          the date of enactment of this subsection, and not  
14          less frequently than annually thereafter, the Admin-  
15          istrator shall submit to the Committee on Small  
16          Business and Entrepreneurship of the Senate and  
17          the Committee on Small Business of the House of  
18          Representatives a report on the performance and ef-  
19          fectiveness of the Boots to Business Program,  
20          which—

21                 “(A) may be included as part of another  
22                 report submitted to such committees by the Ad-  
23                 ministrator related to the Office of Veterans  
24                 Business Development; and

1                   “(B) shall summarize available information  
2 relating to—

3                   “(i) grants awarded under paragraph  
4 (4)(C);

5                   “(ii) the total cost of the Boots to  
6 Business Program;

7                   “(iii) the number of program partici-  
8 pants using each component of the Boots  
9 to Business Program;

10                   “(iv) the completion rates for each  
11 component of the Boots to Business Pro-  
12 gram;

13                   “(v) to the extent possible—

14                   “(I) the demographics of pro-  
15 gram participants, to include gender,  
16 age, race, ethnicity, and relationship  
17 to military;

18                   “(II) the number of program  
19 participants that connect with a dis-  
20 trict office of the Administration, a  
21 Veteran Business Outreach Center, or  
22 another resource partner of the Ad-  
23 ministration;

1                   “(III) the number of program  
2 participants that start a small busi-  
3 ness concern;

4                   “(IV) the results of the Boots to  
5 Business and Boots to Business  
6 Reboot course quality surveys con-  
7 ducted by the Office of Veterans Busi-  
8 ness Development before and after at-  
9 tending each of those courses, includ-  
10 ing a summary of any comments re-  
11 ceived from program participants;

12                   “(V) the results of the Boots to  
13 Business Program outcome surveys  
14 conducted by the Office of Veterans  
15 Business Development, including a  
16 summary of any comments received  
17 from program participants; and

18                   “(VI) the results of other ger-  
19 mane participant satisfaction surveys;

20                   “(C) an evaluation of the overall effective-  
21 ness of the Boots to Business Program based  
22 on each geographic region covered by the Ad-  
23 ministration during the most recent fiscal year;

24                   “(D) an assessment of additional perform-  
25 ance outcome measures for the Boots to Busi-

1           ness Program, as identified by the Adminis-  
2           trator;

3           “(E) any recommendations of the Adminis-  
4           trator for improvement of the Boots to Busi-  
5           ness Program, which may include expansion of  
6           the types of individuals who are covered individ-  
7           uals;

8           “(F) an explanation of how the Boots to  
9           Business Program has been integrated with  
10          other transition programs and related resources  
11          of the Administration and other Federal agen-  
12          cies; and

13          “(G) any additional information the Ad-  
14          ministrator determines necessary.”.

15                   **TITLE VIII—SURETY BOND**  
16                   **PROGRAM**

17   **SEC. 801. EXPANDING SURETY BOND PROGRAM.**

18           Part B of title IV of the Small Business Investment  
19   Act of 1958 (15 U.S.C. 694a et seq.) is amended—

20           (1) in section 411(a) (15 U.S.C. 694b(a))—

21           (A) in paragraph (1)—

22           (i) in subparagraph (A), by striking

23           “\$6,500,000”           and           inserting

24           “\$10,000,000”; and

1 (ii) by amending subparagraph (B) to  
2 read as follows:

3 “(B) The Administrator may guarantee a  
4 surety under subparagraph (A) for a total work  
5 order or contract entered into by a Federal  
6 agency in an amount that does not exceed  
7 \$20,000,000.”; and

8 (2) in section 412 (15 U.S.C. 694c)—

9 (A) in subsection (a), in the third sentence,  
10 by striking “, excluding administrative ex-  
11 penses,” ; and

12 (B) by redesignating subsection (b) as sub-  
13 section (c); and

14 (C) by inserting after subsection (a) the  
15 following:

16 “(b) Not more than 5 percent of the amount that  
17 is in the fund described in subsection (a) at the beginning  
18 of each fiscal year may be obligated during that fiscal year  
19 to cover costs incurred by the Administration in connec-  
20 tion with the management and administration of this part,  
21 including information technology and systems, personnel  
22 costs, outreach activities, and contracts related thereto.”.

1           **TITLE IX—SBIC EMERGING**  
2           **MANAGERS PROGRAM**

3   **SEC. 901. BROADENING INVESTMENT BY THE SBIC PRO-**  
4           **GRAM.**

5           (a) SENSE OF CONGRESS.—It is the sense of Con-  
6   gress that the Office of Innovation and Investment should  
7   market to, engage with, and provide enhanced onboarding  
8   support to applicants for small business investment com-  
9   pany licenses, with a priority to reach those companies  
10 that are managed by—

11           (1) women;

12           (2) socially disadvantaged individuals, as de-  
13   scribed in section 8(a)(5) of the Small Business Act  
14   (15 U.S.C. 637(a)(5));

15           (3) economically disadvantaged individuals, as  
16   described in section 8(a)(6)(A) of the Small Busi-  
17   ness Act (15 U.S.C. 637(a)(6)(A));

18           (4) veterans, as defined in section 101 of title  
19   38, United States Code; or

20           (5) individuals in rural or low-income areas, as  
21   determined by the Administrator using the most re-  
22   cently available data from the Bureau of the Census.

23           (b) AMENDMENT.—Part A of title III of the Small  
24   Business Investment Act of 1958 (15 U.S.C. 681 et seq.)  
25   is amended by adding at the end the following:

1 **“SEC. 321. EMERGING MANAGERS PROGRAM.**

2 “(a) DEFINITIONS.—In this section:

3 “(1) COVERED INVESTMENTS.—The term ‘cov-  
4 ered investments’ means investments in—

5 “(A) infrastructure, including—

6 “(i) roads, bridges, and mass transit;

7 “(ii) water supply and sewer;

8 “(iii) the electrical grid;

9 “(iv) broadband and telecommuni-  
10 cations;

11 “(v) clean energy; or

12 “(vi) child care and elder care;

13 “(B) manufacturing;

14 “(C) low-income communities, as defined  
15 in section 45D(e) of the Internal Revenue Code  
16 of 1986;

17 “(D) HUBZones, as defined in section  
18 31(b) of the Small Business Act (15 U.S.C.  
19 657a(b));

20 “(E) small business concerns owned and  
21 controlled by a member of an Indian Tribe indi-  
22 vidually identified (including parenthetically) in  
23 the most recent list published pursuant to sec-  
24 tion 104 of the Federally Recognized Indian  
25 Tribe List Act of 1994 (25 U.S.C. 5131);

1           “(F) small business concerns owned and  
2           controlled by an individual with a disability, as  
3           defined in section 3 of the Americans with Dis-  
4           abilities Act of 1990 (42 U.S.C. 12102);

5           “(G) small business concerns owned and  
6           controlled by a veteran, as defined in section 3  
7           of the Small Business Act (15 U.S.C. 632); or

8           “(H) industries identified by the Adminis-  
9           trator.

10          “(2) EMERGING MANAGER COMPANY.—The  
11          term ‘emerging manager company’ means an invest-  
12          ment management firm that is focused on investing  
13          private equity and that meets not less than 2 of the  
14          following criteria:

15                 “(A) The partners of the firm have—

16                         “(i) an investment track record of less  
17                         than 10 years of combined investment ex-  
18                         perience; or

19                         “(ii) a documented record of success-  
20                         ful business experience.

21                 “(B) The firm has a focus on underserved  
22                 markets.

23                 “(C) The firm is not less than 50 percent  
24                 owned, managed, or controlled by—

25                         “(i) women;

1           “(ii) socially disadvantaged individ-  
2           uals, as described in section 8(a)(5) of the  
3           Small Business Act (15 U.S.C. 637(a)(5));

4           “(iii) economically disadvantaged indi-  
5           viduals, as described in section 8(a)(6)(A)  
6           of the Small Business Act (15 U.S.C.  
7           637(a)(6)(A));

8           “(iv) veterans, as defined in section  
9           101 of title 38, United States Code;

10           “(v) individuals in rural or low-income  
11           areas, as determined by the Administrator  
12           using the most recently available data from  
13           the Bureau of the Census; or

14           “(vi) individuals with disabilities, as  
15           defined in section 49 of the Small Business  
16           Act.

17           “(b) ESTABLISHMENT.—The Administrator shall es-  
18           tablish an emerging managers program pursuant to which  
19           managers with substantial experience in operating small  
20           business investment companies—

21           “(1) may enter into a written agreement ap-  
22           proved by the Administrator to provide guidance and  
23           assistance to an applicant for a license for a small  
24           business investment company license that is to be  
25           managed by an emerging manager company; and

1           “(2) may hold a minority financial interest in  
2           the small business investment company described in  
3           paragraph (1).

4           “(c) LICENSING.—An applicant described in sub-  
5           section (b) shall apply for a license under section 301(c)  
6           and shall—

7           “(1) have private capital not to exceed  
8           \$100,000,000;

9           “(2) be managed by not less than two individ-  
10          uals;

11          “(3) be a second generation fund or earlier; and

12          “(4) focus its investment strategy on covered  
13          investments.

14          “(d) WAIVER OF MAXIMUM LEVERAGE.—The ap-  
15          proval of a written agreement under subsection (b) by the  
16          Administrator shall operate as a waiver of the require-  
17          ments of section 303(b)(2)(B) to the extent that such sec-  
18          tion would otherwise apply.

19          “(e) INCREASED LEVERAGE MAXIMUM.—An existing  
20          small business investment company that enters into a  
21          written agreement under subsection (b) may receive an in-  
22          crease in the maximum leverage cap of the company under  
23          section 303(b)(2)—

1           “(1) under subparagraph (A) of such section,  
2           with respect to a single license, by not more than  
3           \$17,500,000; and

4           “(2) under subparagraph (B) of such section,  
5           with respect to multiple licenses under common con-  
6           trol, by not more than \$35,000,000.”.

7           **TITLE X—NEW START ACT OF**  
8           **2022**

9           **SEC. 1001. SHORT TITLE.**

10           This title may be cited as the “Necessary Entrepre-  
11           neurship Workshops via the SBA to Transform and Assist  
12           Re-entry Training Act of 2022” or the “NEW START  
13           Act of 2022”.

14           **SEC. 1002. FINDINGS.**

15           Congress finds that—

16           (1) according to the Department of Justice,  
17           every year, over 600,000 individuals are released  
18           from prison and return home to their communities,  
19           and almost 77 percent of those individuals will re-  
20           offend within 5 years;

21           (2) according to the Brookings Institute, an es-  
22           timated 48.5 percent of formerly incarcerated indi-  
23           viduals will remain unemployed or earn a negligible  
24           income for a period of 1 year post-incarceration, in-  
25           creasing the risk for recidivism;

1           (3) according to the Florida State University  
2           Institute for Justice Research and Development, for-  
3           merly incarcerated individuals see a reduction in  
4           earnings of 25 percent since criminal records make  
5           it difficult to find stable employment;

6           (4) self-employment can provide economic sta-  
7           bility for those who are otherwise locked out of the  
8           labor market; and

9           (5) according to a paper entitled “Entrepre-  
10          neurship as a Response to Labor Market Discrimi-  
11          nation for Formerly Incarcerated People”—

12           (A) the average individual without a crimi-  
13           nal record has a 7.09 percent likelihood of be-  
14           coming an entrepreneur, but justice-impacted  
15           individuals were found to be more than 50 per-  
16           cent likely to choose entrepreneurship with a  
17           12.69 percent likelihood of becoming an entre-  
18           preneur;

19           (B) entrepreneurship reduces the likelihood  
20           of recidivism by 5.3 percent, which was a 32.5  
21           percent decrease from average recidivism rates  
22           for regular employees who have been previously  
23           incarcerated; and

24           (C) formerly incarcerated individuals who  
25           choose entrepreneurship make \$2,700 more an-

1 nually than formerly incarcerated employees  
2 and that the income gap between formerly in-  
3 carcerated entrepreneurs and entrepreneurs  
4 with no criminal record was 38 percent lower  
5 than the income gap between formerly incarcer-  
6 ated employees and employees with no criminal  
7 record.

8 **SEC. 1003. PILOT PROGRAM.**

9 (a) DEFINITIONS.—In this title:

10 (1) COVERED INDIVIDUAL.—The term “covered  
11 individual” means an individual who—

12 (A) completed a term of imprisonment in  
13 Federal, State, or local jail or prison; and

14 (B) meets the offense eligibility require-  
15 ments set forth in any applicable policy notice  
16 or other guidance issued by the Administration  
17 for the program established under section 7(m)  
18 of the Small Business Act (15 U.S.C. 636(m)).

19 (2) INTERMEDIARY; MICROLOAN.—The terms  
20 “intermediary” and “microloan” have the meanings  
21 given those terms in section 7(m)(11) of the Small  
22 Business Act (15 U.S.C. 636(m)(11)).

23 (3) MICROLOAN INTERMEDIARY.—The term  
24 “microloan intermediary” means an intermediary  
25 that is eligible to participate in the program estab-

1 lished under section 7(m) of the Small Business Act  
2 (15 U.S.C. 636(m)).

3 (4) PILOT PROGRAM.—The term “pilot pro-  
4 gram” means the pilot program established under  
5 subsection (b).

6 (b) ESTABLISHMENT.—Not later than 180 days after  
7 the date of enactment of this Act, the Administrator shall  
8 establish a pilot program to award grants to organizations  
9 over a 5-year period to create or support existing entrepre-  
10 neurship development programs to provide assistance to  
11 covered individuals.

12 (c) GRANT REQUIREMENTS.—The Administrator  
13 shall—

14 (1) award grants under the pilot program to or-  
15 ganizations, or partnerships of organizations, which  
16 shall each receive a grant in an amount greater than  
17 \$100,000 and less than \$500,000 annually over the  
18 5-year period in which the pilot program is in exist-  
19 ence; and

20 (2) allocate grants under the pilot program to  
21 ensure that the recipients are geographically varied  
22 throughout the United States.

23 (d) PARTNERSHIPS.—An applicant for a grant under  
24 the pilot program may form partnerships with other orga-  
25 nizations for the purposes of the application submitted

1 under subsection (e) and for conducting entrepreneurial  
2 development programming.

3 (e) APPLICATION.—

4 (1) IN GENERAL.—An organization or partner-  
5 ship of organizations desiring a grant under the  
6 pilot program shall submit an application to the Ad-  
7 ministrator in such form, in such manner, and con-  
8 taining such information as the Administrator may  
9 reasonably require.

10 (2) CONTENTS.—An application submitted  
11 under paragraph (1) shall—

12 (A) demonstrate that the applicant is a  
13 microloan intermediary or an organization that  
14 administers the Community Advantage Pilot  
15 Program of the Administration, or has a part-  
16 nership with such an intermediary or organiza-  
17 tion, that may provide microloans to qualified  
18 covered individuals, or, to the extent that the  
19 applicant is a national organization in multiple  
20 different markets, that a separate microloan  
21 intermediary may be used in each such market;

22 (B) demonstrate strong community ties,  
23 including those with the covered individual com-  
24 munity, local businesses, and political leaders;

1 (C) demonstrate an ability to provide a full  
2 range of entrepreneurial development program-  
3 ming on an ongoing basis;

4 (D) include a plan for reaching covered in-  
5 dividuals, including by identifying particular  
6 target populations within the community;

7 (E) clearly define entrepreneurial develop-  
8 ment capabilities, including coordination with  
9 existing local resource partners of the Adminis-  
10 tration for additional training as necessary;

11 (F) present an entrepreneurship develop-  
12 ment curriculum, which may be a nationally  
13 recognized model or based upon such a model;

14 (G) include a list of each partner organiza-  
15 tion; and

16 (H) include a comprehensive plan for the  
17 use of grant funds, including estimates for ad-  
18 ministrative and outreach costs of running and  
19 evaluating the entrepreneurship development  
20 program.

21 (f) PRIORITY.—In determining whether to award a  
22 grant under the pilot program, the Administrator may  
23 give priority to applicants based on—

24 (1) whether the application includes a commit-  
25 ment from an existing or new non-Federal funding

1 source to meet the matching requirement under sub-  
2 section (g);

3 (2) whether the application takes into account  
4 local economies and markets as a part of the edu-  
5 cational component of the entrepreneurship develop-  
6 ment program;

7 (3) the ability or plan of the applicant to pro-  
8 vide entrepreneurial development services concurrent  
9 with employment or job training services; and

10 (4) whether the applicant has a history of effec-  
11 tively providing entrepreneurial training or access to  
12 capital to covered individuals.

13 (g) MATCHING REQUIREMENT.—

14 (1) IN GENERAL.—As a condition of a grant  
15 provided under the pilot program, the Administrator  
16 shall require the recipient of the grant to contribute  
17 an amount equal to 25 percent of the amount of the  
18 grant, obtained solely from existing or new non-Fed-  
19 eral sources.

20 (2) FORM.—In addition to cash or other direct  
21 funding, the contribution required under paragraph  
22 (1) may include indirect costs or in-kind contribu-  
23 tions paid for under non-Federal programs.

24 (h) RESPONSIBILITIES.—A recipient of a grant under  
25 the pilot program shall, to the maximum extent possible,

1 connect covered individuals to a range of Federal re-  
2 sources, including—

3 (1) the program established under section 7(m)  
4 of the Small Business Act (15 U.S.C. 636(m));

5 (2) the Community Advantage Pilot Program of  
6 the Administration;

7 (3) small business development centers, as de-  
8 fined in section 3 of the Small Business Act (15  
9 U.S.C. 632);

10 (4) women’s business centers described in sec-  
11 tion 29 of the Small Business Act (15 U.S.C. 656);

12 (5) chapters of the Service Corps of Retired Ex-  
13 ecutives established under section 8(b)(1)(B) of the  
14 Small Business Act ((15 U.S.C. 637(b)(1)(B));

15 (6) Veteran Business Outreach Centers de-  
16 scribed in section 32 of the Small Business Act (15  
17 U.S.C. 657b); and

18 (7) business centers established by the Minority  
19 Business Development Agency.

20 (i) REPORTS.—

21 (1) IN GENERAL.—Not later than 1 year after  
22 the date on which the Administrator establishes the  
23 pilot program, and every year thereafter until the  
24 pilot program terminates, the Administrator shall

1 submit to Congress a report on the activities of the  
2 pilot program, including—

3 (A) a list of each grantee organization and  
4 each partner organization;

5 (B) the characteristics of covered individ-  
6 uals assisted under the entrepreneurship devel-  
7 opment programs, including race and ethnicity,  
8 gender, age, marital status, parental status,  
9 employment status, income, banking and credit  
10 history, and prior business experience;

11 (C) the participation and attendance rates  
12 for all components of the entrepreneurship de-  
13 velopment programs;

14 (D) the program retention rate;

15 (E) to the greatest extent practicable, the  
16 most common reasons why participants do not  
17 complete the program;

18 (F) the percentage of participants who re-  
19 main non-justice involved during the calendar  
20 year of the program;

21 (G) the level of the covered individuals' un-  
22 derstanding of business concepts and principles;

23 (H) the level of the covered individuals'  
24 greater confidence in leadership strengths, in-

1 including the results of an industry-recognized be-  
2 havioral assessment;

3 (I) the covered individuals' progress made  
4 toward establishing a business;

5 (J) the experiences and perceptions of the  
6 covered individuals;

7 (K) the number and dollar amount of loans  
8 made to covered individuals;

9 (L) the number and dollar amount of loans  
10 made or guaranteed by the Administration to  
11 covered individuals; and

12 (M) such additional information as the Ad-  
13 ministrator may require.

14 (2) GAO REPORT.—Not later than 1 year after  
15 the date on which the pilot program terminates, the  
16 Comptroller General of the United States shall sub-  
17 mit to the appropriate committees of Congress a re-  
18 port that evaluates—

19 (A) the services that grant recipients pro-  
20 vided to covered individuals assisted under en-  
21 trepreneurship development programs;

22 (B) oversight of the pilot program by the  
23 Administrator, including policies and proce-  
24 dures for monitoring the compliance by grant  
25 recipients with pilot program requirements and

1 an assessment of the effectiveness of the pilot  
2 program; and

3 (C) the overall performance of the pilot  
4 program and the impacts of the pilot program  
5 on grant recipients.

6 (j) **RULE OF CONSTRUCTION.**—Nothing in this title  
7 may be construed to affect the program established under  
8 section 7(m) of the Small Business Act (15 U.S.C.  
9 636(m)), including—

10 (1) the requirements of that program;

11 (2) the manner in which that program is car-  
12 ried out; or

13 (3) the use or availability of any amounts that  
14 have been made available to carry out that program.

15 (k) **AUTHORIZATION OF APPROPRIATIONS.**—There  
16 are authorized to be appropriated to the Administrator  
17 such sums as are necessary to carry out the pilot program.

18 (l) **TERMINATION.**—The pilot program shall termi-  
19 nate on the date that is 5 years after the date on which  
20 the Administrator establishes the pilot program.

## 21 **TITLE XI—UPLIFT ACT OF 2022**

### 22 **SEC. 1101. SHORT TITLE.**

23 This title may be cited as the “Ushering Progress by  
24 Leveraging Innovation and Future Technology Act of  
25 2022” or the “UPLIFT Act of 2022”.

1 **SEC. 1102. FINDINGS.**

2 Congress finds the following:

3 (1) Studies have found that incubators, accel-  
4 erators, and other similar models are effective at in-  
5 creasing revenues, the number of employees, and the  
6 likelihood that the business venture will be success-  
7 ful for participants.

8 (2) According to the Kauffman Foundation—

9 (A) minority-owned and women-owned  
10 businesses are 1/2 as likely to employ people  
11 than nonminority-owned and men-owned busi-  
12 nesses; and

13 (B) if minorities started businesses at the  
14 same rate as nonminorities, approximately  
15 9,500,000 jobs would be added to the economy  
16 of the United States.

17 (3) The Kauffman Foundation also found that  
18 the percentage of startups in rural communities has  
19 dropped from 20 percent in the 1980s to 12.2 per-  
20 cent.

21 (4) According to the Martin Prosperity Insti-  
22 tute, less than 1 percent of all venture capital fund-  
23 ing goes to businesses located in rural areas.

24 (5) According to PitchBook, around 2 percent  
25 of all venture capital funding goes to businesses with  
26 women founders.

1           (6) According to Crunchbase, less than 3 per-  
2           cent of all venture capital funding goes to businesses  
3           with Black and Hispanic founders.

4           (7) Historically Black colleges and universities,  
5           minority-serving institutions, and community col-  
6           leges are anchor institutions that serve populations  
7           that tend to be underrepresented in entrepreneur-  
8           ship, particularly in high-growth sectors.

9   **SEC. 1103. PURPOSES.**

10          The purposes of the Innovation Centers Program es-  
11          tablished under section 49 of the Small Business Act, as  
12          added by this title, are to—

13               (1) spur economic growth in underserved com-  
14               munities by creating good paying jobs and pathways  
15               to prosperity;

16               (2) increase prospects for success for small  
17               business concerns in underserved communities,  
18               which often suffer from higher business failure rates  
19               than the national average;

20               (3) help create a pipeline for small business  
21               concerns in underserved and rural markets into  
22               high-growth sectors, where they are generally under-  
23               represented;

24               (4) help address the multi-decade decline in the  
25               rate of new business creation;

1           (5) close the gaps that underserved small busi-  
2           ness concerns often have in terms of revenue and  
3           number of employees, which represent lost oppor-  
4           tunity for the economy of the United States; and

5           (6) encourage collaboration between the Admin-  
6           istration and institutions of higher learning that  
7           serve low-income and minority communities.

8 **SEC. 1104. INNOVATION CENTERS PROGRAM.**

9           (a) IN GENERAL.—The Small Business Act (15  
10 U.S.C. 631 et seq.) is amended—

11           (1) by redesignating section 49 (15 U.S.C. 631  
12           note) as section 50; and

13           (2) by inserting after section 48 (15 U.S.C.  
14           657u) the following:

15 **“SEC. 49. INNOVATION CENTERS PROGRAM.**

16           “(a) DEFINITIONS.—In this section:

17           “(1) ACCELERATOR.—The term ‘accelerator’  
18           means an organization—

19           “(A) that—

20                   “(i) works with a startup or growing  
21                   small business concern for a predetermined  
22                   period; and

23                   “(ii) provides mentorship and instruc-  
24                   tion to scale businesses; and

25           “(B) that may—

1 “(i) provide, but is not exclusively de-  
2 signed to provide, seed investment in ex-  
3 change for a small amount of equity; and

4 “(ii) offer startup capital or the op-  
5 portunity to raise capital from outside in-  
6 vestors.

7 “(2) FEDERALLY RECOGNIZED AREA OF ECO-  
8 NOMIC DISTRESS.—The term ‘federally recognized  
9 area of economic distress’ means—

10 “(A) a HUBZone, as that term is defined  
11 in section 31(b); or

12 “(B) an area that has been designated  
13 as—

14 “(i) an empowerment zone under sec-  
15 tion 1391 of the Internal Revenue Code of  
16 1986;

17 “(ii) a Promise Zone by the Secretary  
18 of Housing and Urban Development; or

19 “(iii) a low-income neighborhood or  
20 moderate-income neighborhood for pur-  
21 poses of the Community Reinvestment Act  
22 of 1977 (12 U.S.C. 2901 et seq.).

23 “(3) GROWING; NEWLY ESTABLISHED; START-  
24 UP.—The terms ‘growing’, ‘newly established’, and  
25 ‘startup’, with respect to a small business concern,

1 mean growing, newly established, and startup, re-  
2 spectively, within the meaning given those terms  
3 under section 7(m).

4 “(4) INCUBATOR.—The term ‘incubator’ means  
5 an organization—

6 “(A) that—

7 “(i) tends to work with startup and  
8 newly established small business concerns;  
9 and

10 “(ii) provides mentorship to startup  
11 and newly established small business con-  
12 cerns; and

13 “(B) that may—

14 “(i) provide a co-working environment  
15 or a month-to-month lease program; and

16 “(ii) work with a startup or newly es-  
17 tablished small business concern for a pre-  
18 determined period or an open-ended pe-  
19 riod.

20 “(5) INDIVIDUALS WITH DISABILITIES.—The  
21 term ‘individuals with a disability’ means more than  
22 1 individual with a disability, as defined in section  
23 3 of the Americans with Disabilities Act of 1990 (42  
24 U.S.C. 12102).



1           “(A) enter into cooperative agreements to  
2 provide financial assistance to eligible entities  
3 to conduct 5-year projects for the benefit of  
4 startup, newly established, or growing small  
5 business concerns; and

6           “(B) renew a cooperative agreement en-  
7 tered into under this section for additional 3-  
8 year periods, in accordance with paragraph (3).

9           “(2) PROJECT REQUIREMENTS.—A project con-  
10 ducted under a cooperative agreement under this  
11 section shall—

12           “(A) include operating as an accelerator,  
13 an incubator, or any other small business inno-  
14 vation-focused project as the Administrator ap-  
15 proves;

16           “(B) be carried out in such locations as to  
17 provide maximum accessibility and benefits to  
18 the small business concerns that the project is  
19 intended to serve;

20           “(C) have a full-time staff, including a  
21 full-time director who shall—

22           “(i) have the authority to make ex-  
23 penditures under the budget of the project;  
24 and

1                   “(ii) manage the activities carried out  
2                   under the project;

3                   “(D) include the joint provision of pro-  
4                   grams and services by the eligible entity and  
5                   the Administration, which—

6                   “(i) shall be jointly developed, nego-  
7                   tiated, and agreed upon, with full partici-  
8                   pation of both parties, pursuant to an exe-  
9                   cuted cooperative agreement between the  
10                  eligible entity and the Administration; and

11                  “(ii) shall include—

12                   “(I) one-to-one individual coun-  
13                   seling, as described in section  
14                   21(c)(3)(A); and

15                   “(II) a formal, structured  
16                   mentorship program;

17                  “(E) incorporate continuous upgrades and  
18                  modifications to the services and programs of-  
19                  fered under the project, as needed to meet the  
20                  changing and evolving needs of the business  
21                  community;

22                  “(F) involve working with underserved  
23                  groups, which include—

24                   “(i) women;

1                   “(ii) socially and economically dis-  
2                   advantaged individuals;

3                   “(iii) veterans;

4                   “(iv) individuals with disabilities; or

5                   “(v) startup, newly established, or  
6                   growing small business concerns located in  
7                   rural areas;

8                   “(G) not impose or otherwise collect a fee  
9                   or other compensation in connection with par-  
10                  ticipation in the programs and services de-  
11                  scribed in subparagraph (D)(ii); and

12                  “(H) ensure that small business concerns  
13                  participating in the project have access, includ-  
14                  ing through resource partners, to information  
15                  concerning Federal, State, and local regulations  
16                  that affect small business concerns.

17                  “(3) CONTINUED FUNDING.—

18                  “(A) IN GENERAL.—An eligible entity that  
19                  enters into an initial cooperative agreement or  
20                  a renewal of a cooperative under paragraph (1)  
21                  may submit an application for a 3-year renewal  
22                  of the cooperative agreement at such time, in  
23                  such manner, and accompanied by such infor-  
24                  mation as the Administrator may establish.

1                   “(B) APPLICATION AND APPROVAL CRI-  
2                   TERIA.—

3                   “(i) CRITERIA.—The Administrator  
4                   shall develop and publish criteria for the  
5                   consideration and approval of applications  
6                   for renewals by eligible entities under this  
7                   paragraph, which shall take into account  
8                   the structure and the stated goals of the  
9                   project.

10                  “(ii) NOTIFICATION.—Not later than  
11                  60 days after the date of the deadline to  
12                  submit applications for each fiscal year,  
13                  the Administrator shall approve or deny  
14                  any application under this paragraph and  
15                  notify the applicant for each such applica-  
16                  tion.

17                  “(C) PRIORITY.—In allocating funds made  
18                  available for cooperative agreements under this  
19                  section, the Administrator shall give applica-  
20                  tions under this paragraph priority over first-  
21                  time applications for cooperative agreements  
22                  under paragraph (1)(A).

23                  “(4) LIMIT ON USE OF FUNDS.—Amounts re-  
24                  ceived by an eligible entity under a cooperative  
25                  agreement under this section may not be used to

1 provide capital to a participant in the project carried  
2 out under the cooperative agreement.

3 “(5) SCOPE OF AUTHORITY.—

4 “(A) SUBJECT TO APPROPRIATIONS.—The  
5 authority of the Administrator to enter into co-  
6 operative agreements under this section shall be  
7 in effect for each fiscal year only to the extent  
8 and in the amounts as are provided in advance  
9 in appropriations Acts.

10 “(B) SUSPENSION, TERMINATION, AND  
11 FAILURE TO RENEW OR EXTEND.—After the  
12 Administrator has entered into a cooperative  
13 agreement with an eligible entity under this sec-  
14 tion, the Administrator may not suspend, termi-  
15 nate, or fail to renew or extend the cooperative  
16 agreement unless the Administrator provides  
17 the eligible entity with written notification set-  
18 ting forth the reasons for that action and af-  
19 fords the eligible entity an opportunity for a  
20 hearing, appeal, or other administrative pro-  
21 ceeding under chapter 5 of title 5, United  
22 States Code.

23 “(d) CRITERIA.—

24 “(1) IN GENERAL.—The Administrator shall—



1 “(IV) Federal agencies; and

2 “(V) for-profit organizations with  
3 an expertise in small business innova-  
4 tion;

5 “(B) make publicly available, including on  
6 the website of the Administration, and state in  
7 each solicitation for applications for cooperative  
8 agreements under this section, the selection cri-  
9 teria and ranking established under subpara-  
10 graph (A); and

11 “(C) evaluate and rank applicants for co-  
12 operative agreements under this section in ac-  
13 cordance with the selection criteria and ranking  
14 established under subparagraph (A).

15 “(2) CONTENTS.—The criteria established  
16 under paragraph (1)(A)—

17 “(A) for eligible entities that have in oper-  
18 ation an accelerator, incubator, or other small  
19 business innovation-focused project, shall in-  
20 clude the record of the eligible entity in assist-  
21 ing growing, newly established, and startup  
22 small business concerns, including, for each of  
23 the 3 full years before the date on which the eli-  
24 gible entity applies for a cooperative agreement  
25 under this section, or if the accelerator, incu-

1 bator, or other small business innovation-fo-  
2 cused project has been in operation for less  
3 than 3 years, for the most recent full year the  
4 accelerator, incubator, or other small business  
5 innovation-focused project was in operation—

6 “(i) the number and retention rate of  
7 growing, newly established, and startup  
8 business concerns in the program of the el-  
9 igible entity;

10 “(ii) the average period of participa-  
11 tion by growing, newly established, and  
12 startup small business concerns in the pro-  
13 gram of the eligible entity;

14 “(iii) the total and median capital  
15 raised by growing, newly established, and  
16 startup small business concerns partici-  
17 pating in the program of the eligible entity;

18 “(iv) the number of investments or  
19 loans received by growing, newly estab-  
20 lished, and startup small business concerns  
21 participating in the program of the eligible  
22 entity; and

23 “(v) the total and median number of  
24 employees of growing, newly established,  
25 and startup small business concerns par-

1            participating in the program of the eligible en-  
2            tity; and

3            “(B) for all eligible entities—

4                    “(i) shall include whether the eligible  
5            entity—

6                            “(I) indicates the structure and  
7                            goals of the project;

8                            “(II) demonstrates ties to the  
9                            business community;

10                           “(III) identifies the resources  
11                           available for the project;

12                           “(IV) describes the capabilities of  
13                           the project, including coordination  
14                           with local resource partners and local  
15                           or national lending partners of the  
16                           Administration;

17                           “(V) addresses the unique busi-  
18                           ness and economic challenges faced by  
19                           the community in which the eligible  
20                           entity is located and businesses in  
21                           that community; or

22                           “(VI) provides a proposed budget  
23                           and plan for use of funds; and

1                   “(ii) may include any other criteria  
2                   determined appropriate by the Adminis-  
3                   trator.

4           “(e) PROGRAM EXAMINATION.—

5                   “(1) IN GENERAL.—The Administrator shall—

6                           “(A) develop and implement an annual  
7                   programmatic and financial examination of  
8                   each project conducted under this section,  
9                   under which each eligible entity entering into a  
10                   cooperative agreement under this section shall  
11                   provide to the Administrator—

12                                   “(i) an itemized cost breakdown of ac-  
13                   tual expenditures for costs incurred during  
14                   the preceding year; and

15                                   “(ii) documentation regarding—

16   “(I) the amount of matching as-  
17                   sistance from non-Federal sources ob-  
18                   tained and expended by the eligible  
19                   entity during the preceding year in  
20                   order to meet the matching require-  
21                   ment under subsection (i); and

22   “(II) with respect to any in-kind  
23                   contributions that were used to satisfy  
24                   the matching requirement under sub-  
25                   section (i), verification of the existence

1                   and valuation of those contributions;  
2                   and

3                   “(B) analyze the results of each examina-  
4                   tion conducted under subparagraph (A) and,  
5                   based on that analysis, make a determination  
6                   regarding the programmatic and financial via-  
7                   bility of each eligible entity.

8                   “(2) CONDITIONS FOR CONTINUED FUNDING.—  
9                   In determining whether to continue or renew a coop-  
10                  erative agreement under this section, the Adminis-  
11                  trator—

12                   “(A) shall consider the results of the most  
13                   recent examination of the project under para-  
14                   graph (1); and

15                   “(B) may terminate or not renew a cooper-  
16                   ative agreement, if the Administrator deter-  
17                   mines that the eligible entity has failed to pro-  
18                   vide any information required to be provided  
19                   (including information provided for purposes of  
20                   the annual report by the Administrator under  
21                   subsection (m)) or the information provided by  
22                   the eligible entity is inadequate.

23                   “(f) TRAINING AND TECHNICAL ASSISTANCE.—The  
24                   Administrator—

1           “(1) shall provide in person or online training  
2           and technical assistance to each eligible entity enter-  
3           ing into a cooperative agreement under this section  
4           at the beginning of the participation of the eligible  
5           entity in the Innovation Centers Program in order to  
6           build the capacity of the eligible entity and ensure  
7           compliance with procedures established by the Ad-  
8           ministrators;

9           “(2) shall ensure that the training and tech-  
10          nical assistance described in paragraph (1) is pro-  
11          vided at no cost or at a low cost; and

12          “(3) may enter into a contract to provide the  
13          training or technical assistance described in para-  
14          graph (1) with 1 or more organizations with exper-  
15          tise in the entrepreneurial development programs of  
16          the Administration, innovation, and entrepreneurial  
17          development.

18          “(g) COORDINATION.—In carrying out a project  
19          under this section, an eligible entity may coordinate  
20          with—

21                 “(1) resource and lending partners of the Ad-  
22                 ministration;

23                 “(2) programs of State and local governments  
24                 that are concerned with aiding small business con-  
25                 cerns; and

1           “(3) other Federal agencies, including to pro-  
2           vide services to and assist small business concerns in  
3           participating in the SBIR and STTR programs, as  
4           defined in section 9(e).

5           “(h) FUNDING LIMIT.—The amount of financial as-  
6           sistance provided to an eligible entity under a cooperative  
7           agreement entered into under this section shall be not  
8           more than \$400,000 during each year.

9           “(i) MATCHING REQUIREMENT.—

10           “(1) IN GENERAL.—An eligible entity shall con-  
11           tribute toward the cost of the project carried out  
12           under a cooperative agreement under this section an  
13           amount equal to 50 percent of the amount received  
14           under the cooperative agreement.

15           “(2) IN-KIND CONTRIBUTIONS.—Not more than  
16           50 percent of the contribution of an eligible entity  
17           under paragraph (1) may be in the form of in-kind  
18           contributions.

19           “(3) WAIVER.—

20           “(A) IN GENERAL.—If the Administrator  
21           determines that an eligible entity is unable to  
22           meet the contribution requirement under para-  
23           graph (1), the Administrator may reduce the  
24           required contribution.

1           “(B) PRESUMPTION.—An eligible entity  
2 shall be presumed to be unable to meet the con-  
3 tribution requirement under paragraph (1) if  
4 the eligible entity has—

5                   “(i) long-term debt in an amount that  
6 is less than \$10,000,000;

7                   “(ii) an invested market endowment  
8 in an amount that is less than  
9 \$15,000,000; or

10                   “(iii) total net liquid assets in an  
11 amount that is less than \$15,000,000.

12           “(4) FAILURE TO OBTAIN NON-FEDERAL FUND-  
13 ING.—If an eligible entity fails to obtain the re-  
14 quired non-Federal contribution during any project,  
15 or the reduced non-Federal contribution, as deter-  
16 mined by the Administrator—

17                   “(A) the eligible entity shall not be eligible  
18 thereafter for any other project for which the  
19 eligible entity is or may be funded by the Ad-  
20 ministration; and

21                   “(B) before approving assistance for the  
22 eligible entity for any other project, the Admin-  
23 istrator shall specifically determine whether the  
24 Administrator believes that the eligible entity  
25 will be able to obtain the requisite non-Federal

1 funding and enter a written finding setting the  
2 forth the reasons for making that determina-  
3 tion.

4 “(5) RULE OF CONSTRUCTION.—The dem-  
5 onstrated inability of an eligible entity to meet the  
6 contribution requirement under paragraph (1) shall  
7 not disqualify the eligible entity from entering into  
8 a cooperative agreement under this section.

9 “(j) CONTRACT AUTHORITY.—

10 “(1) IN GENERAL.—An eligible entity may  
11 enter into a contract with a Federal department or  
12 agency to provide specific assistance to startup,  
13 newly established, or growing small business con-  
14 cerns.

15 “(2) PERFORMANCE.—Performance of a con-  
16 tract entered into under paragraph (1) may not  
17 hinder the applicable eligible entity in carrying out  
18 the terms of the cooperative agreement under this  
19 section.

20 “(3) EXEMPTION FROM MATCHING REQUIRE-  
21 MENT.—A contract entered into under paragraph  
22 (1) shall not be subject to the matching requirement  
23 under subsection (i).

24 “(4) ADDITIONAL PROVISION.—Notwith-  
25 standing any other provision of law, a contract for

1 assistance under paragraph (1) shall not be applied  
2 to any contracting goal for a Federal department or  
3 agency under section 15(g) with respect to small  
4 business concerns, small business concerns owned  
5 and controlled by women, or small business concerns  
6 owned and controlled by socially and economically  
7 disadvantaged individuals.

8 “(k) PRIVACY REQUIREMENTS.—

9 “(1) IN GENERAL.—An eligible entity may not  
10 disclose the name, address, or telephone number of  
11 any individual or small business concern receiving  
12 assistance under this section without the consent of  
13 that individual or small business concern, unless—

14 “(A) the Administrator is ordered to make  
15 such a disclosure by a court in any civil or  
16 criminal enforcement action initiated by a Fed-  
17 eral or State agency; or

18 “(B) the Administrator considers such a  
19 disclosure to be necessary for the purpose of  
20 conducting a financial audit of an eligible enti-  
21 ty, except that a disclosure under this subpara-  
22 graph shall be limited to the information nec-  
23 essary for that financial audit.

24 “(2) ADMINISTRATION USE OF INFORMATION.—

25 This subsection shall not—

1           “(A) restrict Administration access to pro-  
2           gram activity data; or

3           “(B) prevent the Administration from  
4           using client information (other than the infor-  
5           mation described in subparagraph (A)) to con-  
6           duct client surveys.

7           “(3) REGULATIONS.—The Administrator shall  
8           issue regulations to establish standards for requiring  
9           disclosures during a financial audit under paragraph  
10          (1)(B).

11          “(1) PUBLICATION OF INFORMATION.—The Adminis-  
12         trator shall—

13           “(1) publish information about the program  
14           under this section online, including—

15           “(A) on the website of the Administration;  
16           and

17           “(B) on the social media of the Adminis-  
18           tration; and

19           “(2) request that the resource and lending part-  
20           ners of the Administration and the district offices of  
21           the Administration publicize the program.

22          “(m) ANNUAL REPORTING.—Not later than 1 year  
23         after the date on which the Administrator establishes the  
24         program under this section, and annually thereafter, the

1 Administrator shall submit to Congress a report on the  
2 activities under the program, including—

3 “(1) the number of startup, newly established,  
4 and growing small business concerns participating in  
5 the project carried out by each eligible entity under  
6 a cooperative agreement under this section (referred  
7 to in this as ‘participants’), including a breakdown  
8 of the owners of the participants by race, gender,  
9 veteran status, and urban versus rural location;

10 “(2) the retention rate for participants;

11 “(3) the total and median amount of capital  
12 accessed by participants, including the type of cap-  
13 ital accessed;

14 “(4) the total and median number of employees  
15 of participants;

16 “(5) the number and median wage of jobs cre-  
17 ated by participants;

18 “(6) the number of jobs sustained by partici-  
19 pants; and

20 “(7) information regarding such other metrics  
21 as the Administrator determines appropriate.

22 “(n) FUNDING.—

23 “(1) AUTHORIZATION OF APPROPRIATIONS.—

24 There are authorized to be appropriated such sums  
25 as may be necessary to carry out this section.

1           “(2) ADMINISTRATIVE EXPENSES.—Of the  
2           amount made available to carry out this section for  
3           any fiscal year, not more than 10 percent may be  
4           used by the Administrator for administrative ex-  
5           penses.”.

6           (b) REGULATIONS.—The Administrator shall promul-  
7           gate regulations to carry out section 49 of the Small Busi-  
8           ness Act, as added by subsection (a).