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(Original Signature of Member)

115TH CONGRESS
2D SESSION

H. R. 5178

To amend the Small Business Act to provide for small business concerns located in Puerto Rico, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

To amend the Small Business Act to provide for small business concerns located in Puerto Rico, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Puerto Rico Small
5 Business Contracting Assistance Act of 2018”.

1 **SEC. 2. DEFINITION OF PUERTO RICO BUSINESS.**

2 Section 3 of the Small Business Act (15 U.S.C. 632)
3 is amended by adding at the end the following new sub-
4 section:

5 “(ee) PUERTO RICO BUSINESS.—In this Act, the
6 term ‘Puerto Rico business’ means a small business con-
7 cern that has its principal office located in the Common-
8 wealth of Puerto Rico.”.

9 **SEC. 3. SMALL BUSINESS CREDIT FOR PUERTO RICO BUSI-**
10 **NESSES.**

11 Section 15 of the Small Business Act (15 U.S.C. 644)
12 is amended by adding at the end the following new sub-
13 section:

14 “(w) SMALL BUSINESS CREDIT FOR PUERTO RICO
15 BUSINESSES.—

16 “(1) CREDIT FOR MEETING CONTRACTING
17 GOALS.—If an agency awards a prime contract to
18 Puerto Rico business during the period beginning on
19 the date of enactment of this subsection and ending
20 on the date that is 4 years after such date of enact-
21 ment, the value of the contract shall be doubled for
22 purposes of determining compliance with the goals
23 for procurement contracts under subsection
24 (g)(1)(A)(i) during such period.

25 “(2) REPORT.—Along with the report required
26 under subsection (h)(1), the head of each Federal

1 agency shall submit to the Administrator, and make
2 publicly available on the scorecard described in sec-
3 tion 868(b) of the National Defense Authorization
4 Act for Fiscal Year 2016 (15 U.S.C. 644 note), an
5 analysis of the number and dollar amount of prime
6 contracts awarded pursuant to paragraph (1) for
7 each fiscal year of the period described in such para-
8 graph.”.

9 **SEC. 4. PRIORITY FOR SURPLUS PROPERTY TRANSFERS.**

10 Section 7(j)(13)(F) of the Small Business Act (15
11 U.S.C. 636(j)(13)(F)) is amended by adding at the end
12 the following new clause:

13 “(iii)(I) In this clause, the term ‘covered period’
14 means the period beginning on the date of enact-
15 ment of this clause and ending on the date on which
16 the Oversight Board established under section 101
17 of the Puerto Rico Oversight, Management, and
18 Economic Stability Act (48 U.S.C. 2121) termi-
19 nates.

20 “(II) The Administrator may transfer tech-
21 nology or surplus property under clause (i) to a
22 Puerto Rico business if the Puerto Rico business
23 meets the requirements for such a transfer, without
24 regard to whether the Puerto Rico business is a Pro-
25 gram Participant.”.

1 **SEC. 5. CONTRACTING INCENTIVES FOR PROTEGE FIRMS**
2 **THAT ARE PUERTO RICO BUSINESSES.**

3 (a) IN GENERAL.—Section 45(a) of the Small Busi-
4 ness Act (15 U.S.C. 657r(a)) is amended by adding at
5 the end the following new paragraph:

6 “(3) PUERTO RICO BUSINESSES.—During the
7 period beginning on the date of enactment of this
8 paragraph and ending on the date on which the
9 Oversight Board established under section 101 of
10 the Puerto Rico Oversight, Management, and Eco-
11 nomic Stability Act (48 U.S.C. 2121) terminates,
12 the Administrator shall identify potential incentives
13 to a covered mentor that awards a subcontract to its
14 covered protege, including—

15 “(A) positive consideration in any past per-
16 formance evaluation of the covered mentor;

17 “(B) the application of costs incurred for
18 providing training to such covered protege to
19 the subcontracting plan (as required under
20 paragraph (4) or (5) of section 8(d)) of the cov-
21 ered mentor; and

22 “(C) such other incentives as the Adminis-
23 trator determines appropriate.”.

24 (b) DEFINITIONS.—Section 45(d) of the Small Busi-
25 ness Act (15 U.S.C. 657r(d)) is amended by adding at
26 the end the following new paragraphs:

1 “(4) COVERED MENTOR.—The term ‘covered
2 mentor’ means a mentor that enters into an agree-
3 ment under this Act, or under any mentor-protege
4 program approved under subsection (b)(1), with a
5 covered protege.

6 “(5) COVERED PROTEGE.—The term ‘covered
7 protege’ means a protege of a covered mentor that
8 is a Puerto Rico business.”.

9 **SEC. 6. ADDITIONAL MENTOR-PROTEGE RELATIONSHIPS**
10 **FOR PROTEGE FIRMS THAT ARE PUERTO**
11 **RICO BUSINESSES.**

12 Section 45(b)(3)(A) of the Small Business Act (15
13 U.S.C. 657r(b)(3)(A)) is amended by inserting “, except
14 that such restrictions shall not apply to up to 2 mentor-
15 protege relationships if such relationships are between a
16 covered protege and covered mentor” after “each partici-
17 pant”.