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

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

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

1 Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

2 SECTION 1. SHORT TITLE.

3 This Act may be cited as the “Small Business Development Centers Improvement Act of 2022”.

(Original Signature of Member)
SEC. 2. ANNUAL REPORT ON ENTREPRENEURIAL DEVELOPMENT PROGRAMS.

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

“(i) ANNUAL REPORT ON ENTREPRENEURIAL DEVELOPMENT PROGRAMS.—

“(1) REPORT REQUIRED.—The Administrator shall include in the comprehensive annual report required under subsection (a) the following data:

“(A) A list of all entrepreneurial development activities undertaken during the fiscal year preceding the date of the report through a covered program, including—

“(i) a description and operating details for each such covered program and the activities performed under each such covered program;

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

“(iii) a description of the process used to make awards relating to the provision of entrepreneurial development activities under each such covered program;
“(iv) a list of all recipients of awards under each such covered program and the amount of each such award; and

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

“(B) The total amount of funding obligated for a covered program and the entrepreneurial development activities conducted under each such covered program for the fiscal year preceding the date of the report.

“(C) The names and titles of the individuals responsible for carrying out a covered program.

“(D) For entrepreneurial development activities undertaken during the fiscal year preceding the date of the report through the Small Business Development Center Program established under section 21 (in this section referred to as the ‘Program’)—

“(i) the number of individuals counseled or trained through the Program;

“(ii) the total number of hours of counseling and training services provided through the Program;
“(iii) the demographics of participants in the Program, which shall include the gender, race, and age of each such participant;

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

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

“(vi) to the extent practicable, the number of jobs supported, created, or retained with assistance from the Program;

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

“(viii) the number of participants in the Program receiving financial assistance, including the type and dollar amount, under a loan program of the Administration;

“(ix) an estimate of gross receipts, including (to the extent practicable) a description of any change in revenue, of small business concerns assisted through the Program;
“(x) the number of referrals of individuals to other resources and programs of the Administration;

“(xi) the results of satisfaction surveys of participants in the Program, including a summary of any comments received from such participants; and

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

“(2) DEFINITIONS.—In this subsection:

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

“(B) ENTREPRENEURIAL DEVELOPMENT ACTIVITY.—The term ‘entrepreneurial development activity’ means an activity related to the delivery of entrepreneurial development services, entrepreneurial education, or support for the development and maintenance of business training services carried out through a covered program.”.
SEC. 3. MARKETING OF SERVICES.

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

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

SEC. 4. DATA COLLECTION BY THE SMALL BUSINESS DEVELOPMENT CENTER ASSOCIATION.

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

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

and

(2) by inserting before the period at the end the following: “, and (iv) governing data collection activities related to applicants receiving grants under this section”.

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

“(p) ANNUAL REPORT ON DATA COLLECTION.—The Administrator shall annually submit to the Committee on Small Business of the House of Representatives and the
Committee on Small Business and Entrepreneurship of the Senate a report on any data collection activities related to the Small Business Development Center Program.’’. 

(c) WORKING GROUP TO IMPROVE DATA COLLECTION.—

(1) ESTABLISHMENT AND STUDY.—The Administrator of the Small Business Administration shall establish a group to be known as the “Data Collection Working Group” consisting of entrepreneurial development grant recipients, the associations and organizations representing such recipients, and officials from the Small Business Administration, to carry out a study to determine the best methods for conducting data collection activities and create or revise existing systems dedicated to data collection.

(2) REPORT.—Not later than the end of the 180-day period beginning on the date of the enactment of this Act, the Data Collection Working Group shall issue a report to the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate containing the findings and determinations made in carrying out the study required under paragraph (1), including—
(A) recommendations for revising existing data collection practices for the Small Business Development Center Program; and

(B) a proposed plan for the Administrator of the Small Business Administration to implement such recommendations.

SEC. 5. FEES FROM PRIVATE PARTNERSHIPS AND COSPONSORSHIPS.

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

“(D) FEES FROM PRIVATE PARTNERSHIPS AND COSPONSORSHIPS.—A small business development center that participates in a private partnership or cosponsorship, in which the Administrator or designee of the Administrator also participates, may collect fees or other income related to the operation of such private partnership or cosponsorship.”.

SEC. 6. EQUITY FOR SMALL BUSINESS DEVELOPMENT CENTERS.

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

“(I) IN GENERAL.—Of the amounts made available in any fiscal year to carry out this sec-
tion, not more than $600,000 may be used by
the Administration to pay expenses enumerated
in subparagraphs (B) through (D) of section
20(a)(1).”.

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

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

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

SEC. 8. LIMITATION ON AWARD OF GRANTS TO SMALL
BUSINESS DEVELOPMENT CENTERS.
(a) In General.—Section 21 of the Small Business
Act (15 U.S.C. 648), as amended by section 4, is further
amended—

(1) in subsection (a)(1)—

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

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

(C) by striking “and women’s business
centers operating pursuant to section 29”; and
(2) by adding at the end the following:

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

“(1) received a grant or contract from, or entered into a cooperative agreement with, the Administrator under this section before the date of the enactment of this subsection; and

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

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

SEC. 9. MANAGEMENT OF PROGRAM ACTIVITIES.

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

(1) in the matter preceding subparagraph (A), by striking “upon, with full participation of both
parties,” and inserting “upon with the full participa-
tion of all parties (including the association author-
ized in subparagraph (A)), and carried out’’;

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

(3) in subparagraph (C)—

(A) by striking “Whereas’’;

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

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

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

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

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

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

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

SEC. 11. REQUIREMENTS RELATING TO MATCHING FUNDS.

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

SEC. 12. CONTRACT PREREQUISITES.

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

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

Section 21(h)(2) of the Small Business Act (15 U.S.C. 648(h)(2)) is amended by adding at the end the following new subparagraph:
“(C) MARKETING.—The Associate Administrator for Small Business Development Centers shall market and advertise the Small Business Development Center Program and participants in such Program as a resource available to any Federal program providing assistance to small business concerns, including the FAST program established under section 34.”.

SEC. 14. DETERMINATION OF BUDGETARY EFFECTS.

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