

TITLE X: COMMITTEE ON SMALL BUSINESS

SUBTITLE A—INCREASING FEDERAL CONTRACTING OPPORTUNITIES FOR SMALL BUSINESSES

SEC. 100101. VETERAN FEDERAL PROCUREMENT ENTREPRENEURSHIP TRAINING PROGRAM

This section provides \$35 million for the creation of a grant for non-profits to operate federal procurement entrepreneurship training programs to assist veteran small business contractors from fiscal years 2022 through 2028.

SEC. 100102. EXPANDING SURETY BOND PROGRAM

This section provides funding to raise SBA's guarantee on federal contracts from \$10 million to \$20 million, raise the guarantee on non-federal contracts from \$6.5 million to \$10 million, and directly appropriates \$100 million to the Surety Bond Guarantees Revolving Fund to remain available until September 30, 2031.

SEC. 100103. UPLIFT ACCELERATOR AND BUSINESS DEVELOPMENT ACADEMY

This section establishes the Uplift Accelerator and Business Development Academy program, which are designed to invest in small business contractors.

Subsection (a) provides \$1 billion over a 10-year period to establish the Uplift Accelerator Program, a national network of government contracting incubators at Historically Black Colleges and Universities (HBCUs) and Minority Serving Institutions (MSIs) for underrepresented small businesses.

Subsection (b) provides \$725 million over a 10-year period to establish the Business Development Academy, a grant program for HBCUs and MSIs to develop and establish a 12-month executive mentoring and training program for small business contractors.

SEC. 100104. PATHWAY TO PRIME GRANT PROGRAM

This section invests \$525 million over 10 years to implement the Pathway to Prime Grant Program to provide more assistance to small subcontractors in an effort to enhance their ability to become prime government contractors. Specifically, it provides \$75 million for HBCU and MSI grantees and \$450 million for state, local, and Tribal government grantees to assist small business subcontractors to become prime contractors in a hub and spoke model.

SUBTITLE B—EMPOWERING SMALL BUSINESS CREATION AND EXPANSION IN UNDERREPRESENTED COMMUNITIES

SEC. 100201. GRANTS FOR BUSINESS INCUBATORS

This section provides \$1 billion over a 10-year period to establish a national network of business incubators. The program establishes a program to support incubator spaces for Main Street small businesses to spur economic development in underrepresented communities and grow the nation's next generation of entrepreneurs across the country.

SEC. 100202. OFFICE OF NATIVE AMERICAN AFFAIRS

This section invests \$20 million over a 10-year period to enhance the Small Business Administration's Office of Native American Affairs to establish a Native American Outreach Program to target SBA programs and assistance to these communities.

SEC. 100203. OFFICE OF RURAL AFFAIRS

This section provides \$20 million over a 10-year period to establish Rural Small Business Conferences within the Small Business Administration's Office of Rural Affairs to promote policies and programs to support rural businesses and entrepreneurs.

SEC. 100204. OFFICE OF EMERGING MARKETS

This section provides \$20 million over 10 years and establishes an Office of Emerging Markets within the Office of Capital Access to coordinate all access to capital initiatives dealing with small businesses in emerging markets.

SEC. 100205. STATE TRADE EXPANSION PROGRAM

This section provides \$120 million over a four-year period to the Small Business Administration's State Trade Expansion Program (STEP) which provides grants to states to assist small businesses in export development.

SUBTITLE C—ENCOURAGING SMALL BUSINESSES TO FULLY ENGAGE IN THE INNOVATION ECONOMY

SEC. 100301. GROWTH ACCELERATOR COMPETITION

This section provides \$400 million over 10 years to provide cash grants of not less than \$100,000 to growth accelerators to expand their capabilities to assist small businesses focused on technology, research, and development. The grant recipient must assist at new small businesses and specifically prioritize small business owners that are underrepresented.

SEC. 100302. BUILDING A NATIONAL INNOVATION SUPPORT ECOSYSTEM NETWORK

This section provides \$525 million to establish a national innovation support ecosystem network by making grants to, or entering into contracts or cooperative agreements with universities, resource partners, growth accelerators and business incubators to address the needs of eligible businesses to expand, accelerate, and grow the pipeline of innovative startups.

This section invests \$150 million to facilitate fellowships and internships in the fields of science, technology, engineering, and mathematics, prioritizing underrepresented individuals through partnerships with or supplemental grants or awards to provide opportunities at the Undergraduate, Baccalaureate, Graduate, and Postdoctoral levels.

SUBTITLE D—INCREASING EQUITY OPPORTUNITIES FOR SMALL MANUFACTURERS

SEC. 100401. INCREASING EQUITY INVESTMENT BY THE SBIC PROGRAM

This section creates subprograms of the Small Business Investment Company (SBIC) program.

The first subsection provides \$9.5 billion to establish a subprogram within the SBIC program to provide patient capital to underserved markets and critical industries, such as infrastructure, child care, and manufacturing, titled the Venture Small Business Investment Companies (VSBICs) program.

The second subsection provides \$20 million to implement the Emerging Managers Program which is a mentorship program to pair less-experienced fund managers interested in getting their first SBIC license with highly-experienced SBIC managers to provide guidance and advice.

SEC. 100402. MICROCAP SMALL BUSINESS INVESTMENT COMPANY LICENSE

This section provides \$40 million to implement the MicroCap SBIC license subprogram to increase SBIC diversity. This license allows for less initial private sector investment to receive SBA leverage, requires a percentage of investments be made in underserved markets, and increases the pool of eligible fund manager applicants.

SEC. 100403. FUNDING FOR SBIC OUTREACH AND EDUCATION

This section invests \$2.5 million to be used for outreach and education to expand awareness and utilization of the program.

SEC. 100404. SBIC WORKING GROUP

This section provides \$2 million to establish a group to provide recommendations to Congress on how to increase demographic and geographic diversity in the management and investments of SBIC funds.

SUBTITLE E—INCREASING ACCESS TO LENDING AND INVESTMENT CAPITAL

SEC. 100501. FUNDING FOR COMMUNITY ADVANTAGE LOAN PROGRAM

This section provides \$600 million over 10 years to enhance, improve, and expand the Community Advantage program. It also gives SBA authority to partner with mission-oriented, nonprofit lenders to deliver capital through the 7(a) Loan Program. It invests \$5 million into free or low-cost program training.

SEC. 100502. FUNDING FOR CREDIT ENHANCEMENT AND SMALL DOLLAR LOAN FUNDING

This section provides \$4.465 billion over a 10-year period to fund a direct loan product under the current 7(a) lending program administered by the SBA.

SEC. 100503. EXTENSION OF TEMPORARY FEE REDUCTIONS

This section invests an additional \$1 billion to the temporary fee reduction levels enacted in the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act, which apply to the SBA 7(a) and 504 lending programs. Funding is available until September 30, 2026 to reduce waiver fees.

SEC. 100504. FUNDING FOR COOPERATIVES

This section provides \$500 million to fund a pilot program for eligible cooperatives and employee-owned businesses to receive SBA loan products without the requirement of a personal or entity guarantee.

SEC. 100505. FUNDING FOR DIRECT DEBENTURES

This section invests \$2.746 billion over 10 years to establish a direct lending subprogram under the 504/CDC lending program to allow CDCs to make loans to small contractors, small

manufacturers, and small businesses in underrepresented markets without financing from third parties.

SUBTITLE F-SUPPORTING ENTREPRENEURIAL SECOND CHANCES

SEC. 100601. REENTRY ENTREPRENEURSHIP COUNSELING AND TRAINING FOR INCARCERATED AND FORMERLY INCARCERATED INDIVIDUALS

This section provides \$70 million over 7 years to invest in initiatives through Women Business Centers, Small Business Development Centers, and other entities for formally incarcerated individuals.

The first subsection provides funding for assistance to incarcerated and formerly incarcerated individuals through trainings covering how to start or expand a small business and the tools, skills, and knowledge necessary to identify a business opportunity.

The second subsection provides funding for mentoring formerly incarcerated individuals in their small business ventures and connecting them to local resources and SBA programs.

SEC. 100602. NEW START ENTREPRENEURIAL DEVELOPMENT PROGRAM FOR FORMERLY INCARCERATED INDIVIDUALS

This section provides \$35 million over a 7-year period for the SBA to establish a pilot program to award grants to organizations or partnerships of organizations to support existing entrepreneurial development programs for formerly incarcerated individuals to gain assistance to job training, business assistance, and access to capital.

SUBTITLE G—ADMINISTRATIVE AND OVERSIGHT FUNDING

SEC. 100701. ADMINISTRATIVE FUNDING

This section provides \$1.25 billion to the Small Business Administration over 10 years to carry out Title X, including issuing rules. This section includes rescission language to ensure all money is spent or rescinded within the 10-year window.

SEC. 100702. SBA OFFICE OF INSPECTOR GENERAL FUNDING

This section provides \$25 million for SBA's Office of Inspector General for oversight, to remain available until September 30, 2031.