H. R. ______

To amend the Small Business Act to improve the small business development centers program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. GOLDEN (for himself and Mrs. RADEWAGEN) introduced the following bill; which was referred to the Committee on ______

A BILL

To amend the Small Business Act to improve the small business development centers program, and for other purposes.

1 Be it enacted by the Senate and House of Representa-
2 tives of the United States of America in Congress assembled,
3 SECTION 1. SHORT TITLE.
4 This subtitle may be cited as the “Small Business
5 Development Centers Improvement Act of 2019”.
SEC. 2. USE OF AUTHORIZED ENTREPRENEURIAL DEVELOPMENT PROGRAMS.

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

(1) by redesignating section 49 as section 50;

and

(2) by inserting after section 48 the following new section:

“SEC. 49. USE OF AUTHORIZED ENTREPRENEURIAL DEVELOPMENT PROGRAMS.

“(a) EXPANDED SUPPORT FOR ENTREPRENEURS.—

“(1) IN GENERAL.—Notwithstanding any other provision of law, the Administrator shall only deliver entrepreneurial development services, entrepreneurial education, and support for the development and maintenance of the Regional Innovation Clusters Program (or similar business training services) through a program authorized under—

“(A) section 7(j), 7(m), 8(a), 8(b)(1), 21, 22, 29, or 32 of this Act; or

“(B) sections 358 or 389 of the Small Business Investment Act of 1958.

“(2) EXCEPTION.—This section shall not apply to services provided to assist small business concerns owned by an Indian tribe (as such term is defined in section 8(a)(13)).
“(b) ANNUAL REPORT.—Beginning on the first December 1 after the date of the enactment of this section, 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 the following:

“(1) All entrepreneurial development activities undertaken during the fiscal year preceding the date of the report through a program described in subsection (a), including—

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

“(B) operating circulars, manuals, and standard operating procedures for each program;

“(C) a description of the process used to award grants under such programs;

“(D) a list of all recipients of awards under a program described in subsection (a), contractors, and vendors (including organization name and location) and the amount of awards provided during the fiscal year preceding the date of the report for such programs and activities performed under such programs;
“(E) the total amount of funding obligated
for such programs and activities for the fiscal
year preceding the date of the report; and
“(F) the names and titles of the individ-
uals responsible for such programs.
“(2) For entrepreneurial development activities
undertaken during the fiscal year preceding the date
of the report through the Small Business Develop-
ment Center Program (in this section referred to as
the ‘Program’)—
“(A) the number of individuals counseled
or trained through the Program;
“(B) the total number of hours of coun-
seling and training services provided through
the Program;
“(C) the demographics of participants the
Program, which shall include the gender, race,
and age of each such participant;
“(D) the number of participants in the
Program who are veterans;
“(E) the number of new businesses started
by participants in the Program;
“(F) to the extent practicable, the number
of jobs supported, created, or retained with as-

sistance from small business development centers;

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

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

“(I) 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;

“(J) the number of referrals to other resources and programs of the Administration;

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

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


(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 imple-
ment such recommendations.

SEC. 5. FEES FROM PRIVATE PARTNERSHIPS AND CO-
SPONSORSHIPS.

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 CO-
SPONSORSHIPS.—A small business development center
that participates in a private partnership or cosponsor-
ship, in which the Administrator or designee of the Admin-
istrator also participates, may collect fees or other income
related to the operation of such private partnership or co-
sponsorship.”.

SEC. 6. EQUITY FOR SMALL BUSINESS DEVELOPMENT CEN-
TERS.

Subclause (I) of section 21(a)(4)(C)(v) of the Small
to read as follows:

“(I) IN GENERAL.—Of the
amounts made available in any fiscal
year to carry out this section, 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 inserting “, telephone number, or email address”; and

(2) by inserting “, or the nature or content of such assistance, to any State, local, or Federal agency, 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”;

(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 authorized in subparagraph (A)), and carried out’’;

(2) in subparagraph (A), by striking ‘‘and develop’’ and inserting ‘‘and negotiate the development of’’; and

(3) in subparagraph (C)—

(A) by striking ‘‘Whereas’’;

(B) by inserting ‘‘Program’’ after ‘‘Center’’;

(C) by striking ‘‘National’’ and inserting ‘‘national’’; and

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

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

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 fiscal years 2020 through 2023’’; and

(2) in clause (viii), by striking ‘‘shall reserve not less than $1,000,000’’ and inserting ‘‘shall reserve not more than $2,000,000’’.