116TH CONGRESS  
1ST SESSION  

H. R. ______

To amend the Small Business Act to reauthorize the SCORE program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mr. KEVIN HERN of Oklahoma (for himself and Ms. CRAIG) introduced the following bill; which was referred to the Committee on

A BILL

To amend the Small Business Act to reauthorize the SCORE program, and for other purposes.

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

SECTION 1. SHORT TITLE.

This title may be cited as the “SCORE for Small Business Act of 2019”.

SEC. 2. SCORE PROGRAM PROVISIONS AND REQUIREMENTS.

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

(1) in subsection (b)(1)(B)—

(A) by striking “a Service Corps of Retired Executives (SCORE)” and inserting “the SCORE program described in subsection (c)”;

and

(B) by striking “SCORE may” and inserting “the SCORE Association (as defined in subsection (c)) may”; and

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

“(c) SCORE PROGRAM.—

“(1) DEFINITIONS.—In this subsection:

“(A) SCORE ASSOCIATION.—The term ‘SCORE Association’ means the Service Corps of Retired Executives Association or any successor or other organization that enters into a cooperative agreement (as described under paragraph (2)) with the Administrator to operate the SCORE program.

“(B) SCORE FOUNDATION.—The term ‘SCORE Foundation’ means an organization
with a mission to support the SCORE Association and volunteers of the SCORE program.

“(C) SCORE PROGRAM.—The term ‘SCORE program’ means the SCORE program authorized by subsection (b)(1)(B).

“(2) COOPERATIVE AGREEMENT.—The Administrator shall enter into a cooperative agreement with the SCORE Association to carry out the SCORE program, which shall include the following requirements:

“(A) ADMINISTRATOR DUTIES.—The Administrator shall—

“(i) conduct an annual financial examination of the SCORE Association to ensure that any costs paid for with Federal funds are allowable, allocable, and reasonable;

“(ii) for contracts entered into by the SCORE Association to provide goods or services for the SCORE program of a value greater than an amount determined by the Administrator, review and approve such contracts;

“(iii) establish a system through which the SCORE Association can provide
documentation relating to such contracts; and

“(iv) within 30 days of the receipt of a quarterly report on the achievements of the SCORE program submitted by the SCORE Association, reconcile and differences between such report and the performance results of the SCORE program reported in a management information system of the Office of Entrepreneurial Development.

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

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

“(ii) develop guidance and provide annual training to employees of the SCORE Association on generating and using program income from the SCORE program;

“(iii) submit documentation to the Administrator verifying such annual training is completed;

“(iv) separate funds donated to the SCORE Association from program income
and funds received pursuant to a cooperative agreement; and

“(v) establish requirements for volunteers participating in the SCORE program, including requirements that each such volunteer shall—

“(I) based on the business experience and knowledge of the volunteer—

“(aa) provide personal counseling, mentoring, and coaching on the process of starting, expanding, managing, buying, and selling a business at no cost to individuals who own, or aspire to own, small business concerns; and

“(bb) facilitate free or low-cost education workshops for individuals who own, or aspire to own, small business concerns; and

“(II) as appropriate, use tools, resources, and expertise of other orga-
organizations to carry out the SCORE program.

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

“(i) develop and implement plans and goals to more effectively and efficiently provide services to individuals in rural areas, economically disadvantaged communities, or other traditionally underserved communities, including plans for electronic initiatives, web-based initiatives, chapter expansion, partnerships, and the development of new skills by volunteers participating in the SCORE program; and

“(ii) reinforce an inclusive culture by recruiting diverse volunteers for the chapters of the SCORE program.

“(3) ONLINE COMPONENT.—In carrying out this subsection, the SCORE Association shall make use of online counseling, including by developing and implementing webinars and an electronic mentoring platform to expand access to services provided under
this subsection and to further support entre-
preneurs.

“(4) ACCOUNTING.—Not later than 6 months
after the date of the enactment of this subsection,
the SCORE Association shall—

“(A) centralize all accounting and finance
systems of each chapter of the SCORE pro-
gram and develop a uniform policy and proce-
dures to manage Federal funds; and

“(B) designate an employee of the SCORE
Association to serve as a compliance officer to
ensure expenditures of the SCORE program are
fully compliant with any law, regulation, or co-
operative agreement relating to the SCORE
program.

“(5) COMPENSATION.—

“(A) SALARIES.—The salary of an em-
ployee of the SCORE Association may not ex-
ceed the equivalent of the maximum rate of pay
allowable for an individual in the career Senior
Executive Service employed at the Small Busi-
ness Administration.

“(B) PERFORMANCE AWARDS.—The
SCORE Association may spend up to 1.5 per-
cent of the aggregate salaries of employees of
the SCORE Association on individual performance awards to employees of the SCORE Association, to be disbursed before the last day of the fiscal year, if not later than 60 days before disbursement the SCORE Association submits to the Administrator a report on the number and amount of such awards to be disbursed.

“(C) SCORE FOUNDATION.—A member of the Board of Directors of the SCORE Association or an employee of the SCORE Association may not simultaneously serve on the Board of Directors of, or receive compensation from, the SCORE Foundation without written approval from the Administrator.

“(6) WHISTLEBLOWER PROTECTION REQUIREMENTS.—The SCORE Association shall—

“(A) annually update all manuals or other documents applicable to employees and volunteers of the SCORE Association or the SCORE program to include requirements relating to reporting procedures and protectors for whistleblowers; and

“(B) conduct an annual training for employees and volunteers of the SCORE Association or the SCORE program on the require-
ments described in paragraph (1) and empha-
size the use of the hotline established by the Of-
vice of the Inspector General of the Small Busi-
ness Administration to submit whistleblower re-
ports.

“(7) Published materials.—The SCORE
Association shall ensure all published materials in-
clude written acknowledgment of Small Business Ad-
ministration support of the SCORE program if such
materials are paid for in whole or in part by Federal
funds.

“(8) Privacy requirements.—

“(A) In general.—Neither the Adminis-
trator nor the SCORE Association may disclose
the name, address, or telephone number of any
individual or small business concern receiving
assistance from the SCORE Association with-
out the consent of such individual or small busi-
ness concern, unless—

“(i) the Administrator is ordered to
make such a disclosure by a court in any
civil or criminal enforcement action initi-
ated by a Federal or State agency; or

“(ii) the Administrator determines
such a disclosure to be necessary for the
purpose of conducting a financial audit of the SCORE program, in which case disclosure shall be limited to the information necessary for the audit.

“(B) Administrator use of Information.—This paragraph shall not—

“(i) restrict the access of the Administrator to SCORE program activity data; or

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

“(C) Standards.—

“(i) In General.—The Administrator shall, after the opportunity for notice and comment, establish standards for—

“(I) disclosures with respect to financial audits under subparagraph (A)(ii); and

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

“(ii) Maximum Privacy Protection.—The standards issued under this subparagraph shall, to the extent prac-
ticable, provide for the maximum amount
of privacy protection.

“(9) ANNUAL REPORT.—Not later than 180
days after the date of the enactment of this sub-
section and annually thereafter, the Administrator
shall submit to the Committee on Small Business
and Entrepreneurship of the Senate and the Com-
mittee on Small Business of the House of Rep-
resentatives a report on the performance and effec-
tiveness of the SCORE program, which may be in-
cluded as part of another report submitted to such
Committees by the Administrator, and which shall
include—

“(A) the number of individuals counseled
or trained under the SCORE program;

“(B) the number of hours of counseling
provided under the SCORE program;

“(C) the number of local workshops;

“(D) the number of clients attending on-
line and local workshops;

“(E) the number of unique clients served;

“(F) to the extent practicable, the demo-
graphics of SCORE program participants and
volunteers, which shall include the gender, race,
and age of each such participant or volunteer;
“(G) the cost to create a job, the cost to create a business, and return on investment;

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

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

“(J) the results of SCORE program participant satisfactory surveys, including a summary of any comments received from such participants;

“(K) the number of new businesses started up by SCORE program participants;

“(L) the number of such new businesses realizing revenue growth;

“(M) to the extent practicable, the number of jobs created with assistance from the SCORE program;

“(N) the total cost of the SCORE program;

“(O) any recommendations of the Administrator to improve the SCORE program; and

“(P) an explanation of how the SCORE program has been integrated with other re-
source partners and related resources of the
Administration.”.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS FOR THE
SCORE PROGRAM.

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

“(h) SCORE Program.—There are authorized to be
appropriated to the Administrator to carry out the
SCORE program authorized by section 8(b)(1) such sums
as are necessary for the Administrator to make grants or
enter into cooperative agreements in a total amount that
does not exceed $11,700,000 in each of fiscal years 2020,
2021, and 2022.”.

SEC. 4. REPORTING REQUIREMENTS.

(a) Study and Report on the Future Role of
the SCORE Program.—

(1) Study.—The SCORE Association shall
carry out a study on the future role of the SCORE
program and develop a strategic plan for how the
SCORE program will meet the needs of small busi-
ness concerns during the 5-year period beginning on
the date of the enactment of this Act, with specific
objectives for the first, third, and fifth years of the
5-year period.
(2) REPORT.—Not later than the end of the 6-month period beginning on the date of the enactment of this Act, the SCORE Association shall 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 containing—

(A) all findings and determination made in carrying out the study required under paragraph (1);

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

(C) an explanation of how the SCORE Association plans to achieve the strategic plan, assuming both stagnant and increased funding levels.

(b) ADMINISTRATOR REPORT ON LEASED SPACE.—The Administrator of the Small Business Administration shall 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 containing an assessment of the cost of leased space that is donated to the SCORE Association.

(c) ONLINE COMPONENT REPORT.—Before the last day of fiscal year 2020, the SCORE Association shall sub-
mit 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 effectiveness of the online counseling and webinars required under paragraph (3) of section 8(c) of the Small Business Act, as added by section 2 of this Act, including a description of—

(1) how the SCORE Association determines electronic mentoring and webinar needs, develops training for electronic mentoring, establishes webinar criteria curricula, and evaluates webinar and electronic mentoring results;

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

(3) performance metrics, including the number of small business concerns counseled by, the number of small business concerns created by, the number of jobs created and retained by, and the funding amounts directed towards such online counseling and webinars.

SEC. 5. TECHNICAL AND CONFORMING AMENDMENTS.

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

(1) in section 7 (15 U.S.C. 636)—

(A) in subsection (b)(12)—
(i) in the paragraph heading, by inserting “PROGRAM” after “SCORE”; and

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

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

(2) in section 22 (15 U.S.C. 649)—

(A) in subsection (b)—

(i) in paragraph (1), by striking “Service Corps of Retired Executives” and inserting “SCORE program”; and

(ii) in paragraph (3), by striking “Service Corps of Retired Executives” and inserting “SCORE program”; and

(B) in subsection (c)(12), by striking “Service Corps of Retired Executives” and inserting “SCORE program”.

(b) OTHER LAWS.—

program (as defined in section 8(c)(1) of the Small Business Act”).

(2) Veterans Entrepreneurship and Small Business Development Act of 1999.—Section 301 of the Veterans Entrepreneurship and Small Business Development Act of 1999 (15 U.S.C. 657b note) is amended by striking “Service Core of Retired Executives” and inserting “SCORE program”.


(A) in subsection (a), by striking paragraph (4) and inserting the following:

“(4) the term ‘SCORE program’ means the SCORE program authorized by section 8(b)(1)(B)
of the Small Business Act (15 U.S.C. 637(b)(1)(B)); and

(B) in subsection (b)(4)(A)(iv), by striking “Service Corps of Retired Executives” and inserting “SCORE program”.


SEC. 6. DEFINITIONS.

In this Act:

(1) ADMINISTRATION; ADMINISTRATOR.—The terms “Administration” and “Administrator” mean, respectively, the Small Business Administration and the Administrator thereof.

(2) SCORE ASSOCIATION; SCORE PROGRAM.— The terms “SCORE Association” and “SCORE program” have the meaning given those terms, respectively, under section 8(c)(1) of the Small Business Act, as added by section 2 of this Act.