

106TH CONGRESS
1ST SESSION

S. 791

AN ACT

To amend the Small Business Act with respect to the women's business center program.

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 “Women’s Business
5 Centers Sustainability Act of 1999”.

1 **SEC. 2. PRIVATE NONPROFIT ORGANIZATIONS.**

2 Section 29 of the Small Business Act (15 U.S.C. 656)
3 is amended—

4 (1) in subsection (a)—

5 (A) by redesignating paragraphs (2) and
6 (3) as paragraphs (3) and (4), respectively; and

7 (B) by inserting after paragraph (1) the
8 following:

9 “(2) the term ‘private nonprofit organization’
10 means an entity that is described in section 501(c)
11 of the Internal Revenue Code of 1986 and exempt
12 from taxation under section 501(a) of such Code;”
13 and

14 (2) in subsection (b), by inserting “nonprofit”
15 after “private”.

16 **SEC. 3. INCREASED MANAGEMENT OVERSIGHT AND RE-**
17 **VIEW OF WOMEN’S BUSINESS CENTERS.**

18 Section 29 of the Small Business Act (15 U.S.C. 656)
19 is amended—

20 (1) by striking subsection (h) and inserting the
21 following:

22 “(h) PROGRAM EXAMINATION.—

23 “(1) IN GENERAL.—The Administration shall—

24 “(A) develop and implement an annual
25 programmatic and financial examination of
26 each women’s business center established pur-

1 suant to this section, pursuant to which each
2 such center shall provide to the
3 Administration—

4 “(i) an itemized cost breakdown of ac-
5 tual expenditures for costs incurred during
6 the preceding year; and

7 “(ii) documentation regarding the
8 amount of matching assistance from non-
9 Federal sources obtained and expended by
10 the center during the preceding year in
11 order to meet the requirements of sub-
12 section (c) and, with respect to any in-kind
13 contributions described in subsection (c)(2)
14 that were used to satisfy the requirements
15 of subsection (c), verification of the exist-
16 ence and valuation of those contributions;
17 and

18 “(B) analyze the results of each such ex-
19 amination and, based on that analysis, make a
20 determination regarding the programmatic and
21 financial viability of each women’s business cen-
22 ter.

23 “(2) CONDITIONS FOR CONTINUED FUNDING.—

24 In determining whether to award a contract (as a
25 sustainability grant) under subsection (l) or to

1 renew a contract (either as a grant or cooperative
 2 agreement) under this section with a women's busi-
 3 ness center, the Administration—

4 “(A) shall consider the results of the most
 5 recent examination of the center under para-
 6 graph (1); and

7 “(B) may withhold such award or renewal,
 8 if the Administration determines that—

9 “(i) the center has failed to provide
 10 any information required to be provided
 11 under clause (i) or (ii) of paragraph
 12 (1)(A), or the information provided by the
 13 center is inadequate; or

14 “(ii) the center has failed to provide
 15 any information required to be provided by
 16 the center for purposes of the report of the
 17 Administration under subsection (j), or the
 18 information provided by the center is inad-
 19 equate.”; and

20 (2) by striking subsection (j) and inserting the
 21 following:

22 “(j) MANAGEMENT REPORT.—

23 “(1) IN GENERAL.—The Administration shall
 24 prepare and submit to the Committees on Small
 25 Business of the House of Representatives and the

1 Senate a report on the effectiveness of all projects
2 conducted under this section.

3 “(2) CONTENTS.—Each report submitted under
4 paragraph (1) shall include information concerning,
5 with respect to each women’s business center estab-
6 lished pursuant to this section—

7 “(A) the number of individuals receiving
8 assistance;

9 “(B) the number of startup business con-
10 cerns formed;

11 “(C) the gross receipts of assisted con-
12 cerns;

13 “(D) the employment increases or de-
14 creases of assisted concerns;

15 “(E) to the maximum extent practicable,
16 increases or decreases in profits of assisted con-
17 cerns; and

18 “(F) the most recent analysis, as required
19 under subsection (h)(1)(B), and the subsequent
20 determination made by the Administration
21 under that subsection.”.

1 **SEC. 4. WOMEN'S BUSINESS CENTERS SUSTAINABILITY**
2 **PILOT PROGRAM.**

3 (a) IN GENERAL.—Section 29 of the Small Business
4 Act (15 U.S.C. 656) is amended by adding at the end the
5 following:

6 “(1) SUSTAINABILITY PILOT PROGRAM.—

7 “(1) IN GENERAL.—There is established a 4-
8 year pilot program under which the Administration
9 is authorized to award grants (referred to in this
10 section as ‘sustainability grants’) on a competitive
11 basis for an additional 5-year project under this sec-
12 tion to any private nonprofit organization (or a divi-
13 sion thereof)—

14 “(A) that has received financial assistance
15 under this section pursuant to a grant, con-
16 tract, or cooperative agreement; and

17 “(B) that—

18 “(i) is in the final year of a 5-year
19 project; or

20 “(ii) has completed a project financed
21 under this section (or any predecessor to
22 this section) and continues to provide as-
23 sistance to women entrepreneurs.

24 “(2) CONDITIONS FOR PARTICIPATION.—In
25 order to receive a sustainability grant, an organiza-

1 tion described in paragraph (1) shall submit to the
2 Administration an application, which shall include—

3 “(A) a certification that the applicant—

4 “(i) is a private nonprofit organiza-
5 tion;

6 “(ii) employs a full-time executive di-
7 rector or program manager to manage the
8 center; and

9 “(iii) as a condition of receiving a sus-
10 tainability grant, agrees—

11 “(I) to a site visit as part of the
12 final selection process and to an an-
13 nual programmatic and financial ex-
14 amination; and

15 “(II) to the maximum extent
16 practicable, to remedy any problems
17 identified pursuant to that site visit or
18 examination;

19 “(B) information demonstrating that the
20 applicant has the ability and resources to meet
21 the needs of the market to be served by the
22 women’s business center site for which a sus-
23 tainability grant is sought, including the ability
24 to fundraise;

1 “(C) information relating to assistance
2 provided by the women’s business center site
3 for which a sustainability grant is sought in the
4 area in which the site is located, including—

5 “(i) the number of individuals as-
6 sisted;

7 “(ii) the number of hours of coun-
8 seling, training, and workshops provided;
9 and

10 “(iii) the number of startup business
11 concerns formed;

12 “(D) information demonstrating the effec-
13 tive experience of the applicant in—

14 “(i) conducting financial, manage-
15 ment, and marketing assistance programs,
16 as described in paragraphs (1), (2), and
17 (3) of subsection (b), designed to impart or
18 upgrade the business skills of women busi-
19 ness owners or potential owners;

20 “(ii) providing training and services to
21 a representative number of women who are
22 both socially and economically disadvan-
23 taged;

1 “(iii) using resource partners of the
2 Administration and other entities, such as
3 universities;

4 “(iv) complying with the cooperative
5 agreement of the applicant; and

6 “(v) the prudent management of fi-
7 nances and staffing, including the manner
8 in which the performance of the applicant
9 compared to the business plan of the appli-
10 cant and the manner in which grant funds
11 awarded under subsection (b) were used by
12 the applicant; and

13 “(E) a 5-year plan that projects the ability
14 of the women’s business center site for which a
15 sustainability grant is sought—

16 “(i) to serve women business owners
17 or potential owners in the future by im-
18 proving fundraising and training activities;
19 and

20 “(ii) to provide training and services
21 to a representative number of women who
22 are both socially and economically dis-
23 advantaged.

24 “(3) REVIEW OF APPLICATIONS.—

1 “(A) IN GENERAL.—The Administration
2 shall—

3 “(i) review each application submitted
4 under paragraph (2) based on the informa-
5 tion provided under in subparagraphs (D)
6 and (E) of that paragraph, and the criteria
7 set forth in subsection (f);

8 “(ii) as part of the final selection
9 process, conduct a site visit at each wom-
10 en’s business center for which a sustain-
11 ability grant is sought; and

12 “(iii) approve or disapprove applica-
13 tions for sustainability grants simulta-
14 neously with applications for grants under
15 subsection (b).

16 “(B) DATA COLLECTION.—Consistent with
17 the annual report to Congress under subsection
18 (j), each women’s business center site that is
19 awarded a sustainability grant shall, to the
20 maximum extent practicable, collect information
21 relating to—

22 “(i) the number of individuals as-
23 sisted;

1 “(ii) the number of hours of coun-
2 seling and training provided and work-
3 shops conducted;

4 “(iii) the number of startup business
5 concerns formed;

6 “(iv) any available gross receipts of
7 assisted concerns; and

8 “(v) the number of jobs created,
9 maintained, or lost at assisted concerns.

10 “(C) RECORD RETENTION.—The Adminis-
11 tration shall maintain a copy of each applica-
12 tion submitted under this subsection for not
13 less than 10 years.

14 “(4) NON-FEDERAL CONTRIBUTION.—

15 “(A) IN GENERAL.—Notwithstanding any
16 other provision of this section, as a condition of
17 receiving a sustainability grant, an organization
18 described in paragraph (1) shall agree to ob-
19 tain, after its application has been approved
20 under paragraph (3) and notice of award has
21 been issued, cash and in-kind contributions
22 from non-Federal sources for each year of addi-
23 tional program participation in an amount
24 equal to 1 non-Federal dollar for each Federal
25 dollar.

1 “(B) FORM OF NON-FEDERAL CONTRIBU-
2 TIONS.—Not more than 50 percent of the non-
3 Federal assistance obtained for purposes of sub-
4 paragraph (A) may be in the form of in-kind
5 contributions that are budget line items only,
6 including office equipment and office space.

7 “(5) TIMING OF REQUESTS FOR PROPOSALS.—
8 In carrying out this subsection, the Administration
9 shall issue requests for proposals for women’s busi-
10 ness centers applying for the pilot program under
11 this subsection simultaneously with requests for pro-
12 posals for grants under subsection (b).”.

13 (b) AUTHORIZATION OF APPROPRIATIONS.—Section
14 29(k) of the Small Business Act (15 U.S.C. 656(k)) is
15 amended—

16 (1) by striking paragraph (1) and inserting the
17 following:

18 “(1) IN GENERAL.—There is authorized to be
19 appropriated, to remain available until the expiration
20 of the pilot program under subsection (1)—

21 “(A) \$12,000,000 for fiscal year 2000;

22 “(B) \$12,800,000 for fiscal year 2001;

23 “(C) \$13,700,000 for fiscal year 2002; and

24 “(D) \$14,500,000 for fiscal year 2003.”;

25 (2) in paragraph (2)—

1 (A) by striking “Amounts made” and in-
2 serting the following:

3 “(A) IN GENERAL.—Except as provided in
4 subparagraph (B), amounts made”; and

5 (B) by adding at the end the following:

6 “(B) EXCEPTIONS.—Of the amount made
7 available under this subsection for a fiscal year,
8 the following amounts shall be available for se-
9 lection panel costs, post-award conference costs,
10 and costs related to monitoring and oversight:

11 “(i) For fiscal year 2000, 2 percent.

12 “(ii) For fiscal year 2001, 1.9 per-
13 cent.

14 “(iii) For fiscal year 2002, 1.9 per-
15 cent.

16 “(iv) For fiscal year 2003, 1.6 per-
17 cent.”; and

18 (3) by adding at the end the following:

19 “(4) RESERVATION OF FUNDS FOR SUSTAIN-
20 ABILITY PILOT PROGRAM.—

21 “(A) IN GENERAL.—Subject to subpara-
22 graph (B), of the total amount made available
23 under this subsection for a fiscal year, the fol-
24 lowing amounts shall be reserved for sustain-
25 ability grants under subsection (1):

1 “(i) For fiscal year 2000, 17 percent.

2 “(ii) For fiscal year 2001, 18.8 per-
3 cent.

4 “(iii) For fiscal year 2002, 30.2 per-
5 cent.

6 “(iv) For fiscal year 2003, 30.2 per-
7 cent.

8 “(B) USE OF UNAWARDED FUNDS FOR
9 SUSTAINABILITY PILOT PROGRAM GRANTS.—If
10 the amount reserved under subparagraph (A)
11 for any fiscal year is not fully awarded to pri-
12 vate nonprofit organizations described in sub-
13 section (l)(1)(B), the Administration is author-
14 ized to use the unawarded amount to fund addi-
15 tional women’s business center sites or to in-
16 crease funding of existing women’s business
17 center sites under subsection (b).”.

18 (c) GUIDELINES.—Not later than 30 days after the
19 date of enactment of this Act, the Administrator of the
20 Small Business Administration shall issue guidelines to
21 implement the amendments made by this section.

22 **SEC. 5. SENSE OF THE SENATE REGARDING GOVERNMENT**
23 **PROCUREMENT ACCESS FOR WOMEN-OWNED**
24 **SMALL BUSINESSES.**

25 (a) FINDINGS.—The Senate finds that—

1 (1) women-owned small businesses are a power-
2 ful force in the economy;

3 (2) between 1987 and 1996—

4 (A) the number of women-owned small
5 businesses in the United States increased by 78
6 percent, almost twice the rate of increase of all
7 businesses in the United States;

8 (B) the number of women-owned small
9 businesses increased in every State;

10 (C) total sales by women-owned small busi-
11 nesses in the United States increased by 236
12 percent;

13 (D) employment provided by women-owned
14 small businesses in the United States increased
15 by 183 percent; and

16 (E) the rates of growth for women-owned
17 small businesses in the United States for the
18 fastest growing industries were—

19 (i) 171 percent in construction;

20 (ii) 157 percent in wholesale trade;

21 (iii) 140 percent in transportation and
22 communications;

23 (iv) 130 percent in agriculture; and

24 (v) 112 percent in manufacturing;

1 (3) approximately 8,000,000 women-owned
2 small businesses in the United States provide jobs
3 for 15,500,000 individuals and generate almost
4 \$1,400,000,000,000 in sales each year;

5 (4) the participation of women-owned small
6 businesses in the United States in the procurement
7 market of the Federal Government is limited;

8 (5) the Federal Government is the largest pur-
9 chaser of goods and services in the United States,
10 spending more than \$200,000,000,000 each year;

11 (6) the majority of Federal Government pur-
12 chases are for items that cost \$25,000 or less; and

13 (7) the rate of Federal procurement for women-
14 owned small businesses is 2.2 percent.

15 (b) SENSE OF THE SENATE.—It is the sense of the
16 Senate that, not later than 1 year after the date of enact-
17 ment of this Act, the Comptroller General of the United
18 States should—

19 (1) conduct an audit of the Federal procure-
20 ment system regarding Federal contracting involving
21 women-owned small businesses for the 3 preceding
22 fiscal years;

23 (2) solicit from Federal employees involved in
24 the Federal procurement system any suggestions re-
25 garding how to increase the number of Federal con-

1 tracts awarded to women-owned small businesses;
2 and

3 (3) submit to Congress a report on the results
4 of that audit, which report shall include—

5 (A) an analysis of any identified trends in
6 Federal contracting with respect to women-
7 owned small businesses;

8 (B) any recommended means to increase
9 the number of Federal contracts awarded to
10 women-owned small businesses that the Comp-
11 troller General considers to be appropriate,
12 after taking into consideration any suggestions
13 received pursuant to a solicitation described in
14 paragraph (2), including any such means that
15 incorporate the concepts of teaming or
16 partnering; and

17 (C) a discussion of any barriers to the re-
18 ceipt of Federal contracts by women-owned
19 small businesses and other small businesses
20 that are created by legal or regulatory procure-
21 ment requirements or practices.

1 **SEC. 6. EFFECTIVE DATE.**

- 2 This Act and the amendments made by this Act shall
3 take effect on October 1, 1999.

Passed the Senate November 5, 1999.

Attest:

Secretary.

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AN ACT

To amend the Small Business Act with respect to
the women's business center program.