

Union Calendar No. 113

110TH CONGRESS
1ST SESSION

H. R. 2284

[Report No. 110-192]

To amend the Small Business Act to expand and improve the assistance provided by Small Business Development Centers to Indian tribe members, Alaska Natives, and Native Hawaiians.

IN THE HOUSE OF REPRESENTATIVES

MAY 10, 2007

Mr. UDALL of New Mexico (for himself, Mr. ABERCROMBIE, Mr. RENZI, Mr. MORAN of Virginia, Mr. MICHAUD, Mr. GRIJALVA, Ms. HERSETH SANDLIN, Mr. HONDA, Ms. MCCOLLUM of Minnesota, Mr. WU, and Mr. MOORE of Kansas) introduced the following bill; which was referred to the Committee on Small Business

JUNE 15, 2007

Additional sponsor: Mr. BRALEY of Iowa

JUNE 15, 2007

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

To amend the Small Business Act to expand and improve the assistance provided by Small Business Development Centers to Indian tribe members, Alaska Natives, and Native Hawaiians.

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. FINDINGS AND PURPOSES.**

4 (a) FINDINGS.—Congress finds the following:

5 (1) The rate for American Indians and Alaskan
6 Natives living below 50 percent the poverty level is
7 11.2 percent, nearly double the rate of the general
8 population.

9 (2) The unemployment rate for American Indi-
10 ans and Alaskan Natives 16 years and over is 13.6
11 percent, nearly double the rate of the general popu-
12 lation.

13 (3) Indian tribe members and Alaska Natives
14 own more than 201,000 businesses and generate
15 more than \$26,000,000,000 in revenues. The con-
16 struction industry accounted for 16 percent of these
17 businesses and 22.5 percent of their total receipts.
18 The next largest was the service industry (13.2 per-
19 cent and 3.4 percent, respectively). The third largest
20 was the health care and social assistance industry
21 (12.1 percent and 4.6 percent, respectively).

22 (4) The Small Business Development Center
23 program is cost effective. Clients receiving long-term
24 counseling under the program in 2005 generated ad-
25 ditional tax revenues of \$248,000,000, nearly 2.8

1 times the cost of the program to the Federal Gov-
2 ernment.

3 (5) Using the existing infrastructure of the
4 Small Business Development Center program, small
5 businesses owned by Indian tribe members, Alaska
6 Natives, and Native Hawaiians receiving services
7 under the program will have a higher survival rate
8 than the average small business not receiving such
9 services.

10 (6) Business counseling and technical assist-
11 ance is critical on Indian lands where similar serv-
12 ices are scarce and expensive.

13 (7) Increased assistance through counseling
14 under the Small Business Development Center pro-
15 gram has been shown to reduce the default rate as-
16 sociated with lending programs of the Small Busi-
17 ness Administration.

18 (b) PURPOSES.—The purposes of this Act are as fol-
19 lows:

20 (1) To stimulate economies on Indian lands.

21 (2) To foster economic development on Indian
22 lands.

23 (3) To assist in the creation of new small busi-
24 nesses owned by Indian tribe members, Alaska Na-

1 tives, and Native Hawaiians and expand existing
2 ones.

3 (4) To provide management, technical, and re-
4 search assistance to small businesses owned by In-
5 dian tribe members, Alaska Natives, and Native Ha-
6 waiians.

7 (5) To seek the advice of local Tribal Councils
8 on where small business development assistance is
9 most needed.

10 (6) To ensure that Indian tribe members, Alas-
11 ka Natives, and Native Hawaiians have full access
12 to existing business counseling and technical assist-
13 ance available through the Small Business Develop-
14 ment Center program.

15 **SEC. 2. SMALL BUSINESS DEVELOPMENT CENTER ASSIST-**
16 **ANCE TO INDIAN TRIBE MEMBERS, ALASKA**
17 **NATIVES, AND NATIVE HAWAIIANS.**

18 (a) IN GENERAL.—Section 21(a) of the Small Busi-
19 ness Act (15 U.S.C. 648(a)) is amended by adding at the
20 end the following:

21 “(8) ADDITIONAL GRANT TO ASSIST INDIAN
22 TRIBE MEMBERS, ALASKA NATIVES, AND NATIVE HA-
23 WAIANS.—

24 “(A) IN GENERAL.—Any applicant in an
25 eligible State that is funded by the Administra-

1 tion as a Small Business Development Center
2 may apply for an additional grant to be used
3 solely to provide services described in subsection
4 (c)(3) to assist with outreach, development, and
5 enhancement on Indian lands of small business
6 startups and expansions owned by Indian tribe
7 members, Alaska Natives, and Native Hawai-
8 ians.

9 “(B) ELIGIBLE STATES.—For purposes of
10 subparagraph (A), an eligible State is a State
11 that has a combined population of Indian tribe
12 members, Alaska Natives, and Native Hawai-
13 ians that comprises at least 1 percent of the
14 State’s total population, as shown by the latest
15 available census.

16 “(C) GRANT APPLICATIONS.—An applicant
17 for a grant under subparagraph (A) shall sub-
18 mit to the Administration an application that is
19 in such form as the Administration may re-
20 quire. The application shall include information
21 regarding the applicant’s goals and objectives
22 for the services to be provided using the grant,
23 including—

24 “(i) the capability of the applicant to
25 provide training and services to a rep-

1 representative number of Indian tribe mem-
2 bers, Alaska Natives, and Native Hawai-
3 ians;

4 “(ii) the location of the Small Busi-
5 ness Development Center site proposed by
6 the applicant;

7 “(iii) the required amount of grant
8 funding needed by the applicant to imple-
9 ment the program; and

10 “(iv) the extent to which the applicant
11 has consulted with local Tribal Councils.

12 “(D) APPLICABILITY OF GRANT REQUIRE-
13 MENTS.—An applicant for a grant under sub-
14 paragraph (A) shall comply with all of the re-
15 quirements of this section, except that the
16 matching funds requirements under paragraph
17 (4)(A) shall not apply.

18 “(E) MAXIMUM AMOUNT OF GRANTS.—No
19 applicant may receive more than \$300,000 in
20 grants under this paragraph for one fiscal year.

21 “(F) REGULATIONS.—After providing no-
22 tice and an opportunity for comment and after
23 consulting with the Association recognized by
24 the Administration pursuant to paragraph
25 (3)(A) (but not later than 180 days after the

1 date of enactment of this paragraph), the Ad-
2 ministration shall issue final regulations to
3 carry out this paragraph, including regulations
4 that establish—

5 “(i) standards relating to educational,
6 technical, and support services to be pro-
7 vided by Small Business Development Cen-
8 ters receiving assistance under this para-
9 graph; and

10 “(ii) standards relating to any work
11 plan that the Administration may require a
12 Small Business Development Center receiv-
13 ing assistance under this paragraph to de-
14 velop.

15 “(G) DEFINITIONS.—In this section, the
16 following definitions apply:

17 “(i) INDIAN LANDS.—The term ‘In-
18 dian lands’ has the meaning given the term
19 ‘Indian country’ in section 1151 of title 18,
20 United States Code, the meaning given the
21 term ‘Indian reservation’ in section 151.2
22 of title 25, Code of Federal Regulations
23 (as in effect on the date of enactment of
24 this paragraph), and the meaning given
25 the term ‘reservation’ in section 4 of the

1 Indian Child Welfare Act of 1978 (25
2 U.S.C. 1903).

3 “(ii) INDIAN TRIBE.—The term ‘In-
4 dian tribe’ means any band, nation, or or-
5 ganized group or community of Indians lo-
6 cated in the contiguous United States, and
7 the Metlakatla Indian Community, whose
8 members are recognized as eligible for the
9 services provided to Indians by the Sec-
10 retary of the Interior because of their sta-
11 tus as Indians.

12 “(iii) INDIAN TRIBE MEMBER.—The
13 term ‘Indian tribe member’ means a mem-
14 ber of an Indian tribe (other than a Alaska
15 Native).

16 “(iv) ALASKA NATIVE.—The term
17 ‘Alaska Native’ has the meaning given the
18 term ‘Native’ in section 3(b) of the Alaska
19 Native Claims Settlement Act (43 U.S.C.
20 1602(b)).

21 “(v) NATIVE HAWAIIAN.—The term
22 ‘Native Hawaiian’ means any individual
23 who is—

24 “(I) a citizen of the United
25 States; and

1 “(II) a descendant of the aborigi-
2 nal people, who prior to 1778, occu-
3 pied and exercised sovereignty in the
4 area that now constitutes the State of
5 Hawaii.

6 “(vi) TRIBAL ORGANIZATION.—The
7 term ‘tribal organization’ has the meaning
8 given that term in section 4(l) of the In-
9 dian Self-Determination and Education
10 Assistance Act (25 U.S.C. 450b(l)).

11 “(H) AUTHORIZATION OF APPROPRIA-
12 TIONS.—There is authorized to be appropriated
13 to carry out this paragraph \$7,000,000 for each
14 of fiscal years 2008 through 2010.

15 “(I) FUNDING LIMITATIONS.—

16 “(i) NONAPPLICABILITY OF CERTAIN
17 LIMITATIONS.—Funding under this para-
18 graph shall be in addition to the dollar
19 program limitations specified in paragraph
20 (4).

21 “(ii) LIMITATION ON USE OF
22 FUNDS.—The Administration may carry
23 out this paragraph only with amounts ap-
24 propriated in advance specifically to carry
25 out this paragraph.”.

1 **SEC. 3. STATE CONSULTATION WITH TRIBAL ORGANIZA-**
2 **TIONS.**

3 Section 21(c) of the Small Business Act (15 U.S.C.
4 648(c)) is amended by adding at the end the following:

5 “(9) **ADVICE OF LOCAL TRIBAL ORGANIZA-**
6 **TIONS.**—A Small Business Development Center re-
7 ceiving a grant under this section shall request the
8 advice of tribal organization on how best to provide
9 assistance to Indian tribe members, Alaska Natives,
10 and Native Hawaiians and where to locate satellite
11 centers to provide such assistance.”.

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