

110TH CONGRESS
2D SESSION

S. 3342

To improve access to technology by and increase entrepreneurship among small businesses located in rural communities, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 26, 2008

Ms. LANDRIEU introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

A BILL

To improve access to technology by and increase entrepreneurship among small businesses located in rural communities, 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 Act may be cited as the “Rural Small Business
5 Enhancement Act of 2008”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act, the terms “Administration” and “Admin-
8 istrator” mean the Small Business Administration and the
9 Administrator thereof, respectively.

1 **SEC. 3. RURAL AREAS.**

2 Section 34(e)(2) of the Small Business Act (15
3 U.S.C. 6657d(e)(2)) is amended—

4 (1) by redesignating subparagraphs (C) and
5 (D) as subparagraphs (D) and (E), respectively; and

6 (2) by inserting after subparagraph (B) the fol-
7 lowing:

8 “(C) RURAL AREAS.—

9 “(i) IN GENERAL.—Except as pro-
10 vided in clause (ii), the non-Federal share
11 of the cost of the activity carried out using
12 an award or under a cooperative agree-
13 ment under this section shall be 50 cents
14 for each Federal dollar that will be directly
15 allocated by a recipient described in para-
16 graph (A) to serve small business concerns
17 located in a rural area.

18 “(ii) SBIR AWARDS.—For a recipient
19 located in a rural area that is located in a
20 States as described in subparagraph (A)(i),
21 the non-Federal share of the cost of the
22 activity carried out using an award or
23 under a cooperative agreement under this
24 section shall be 35 cents for each Federal
25 dollar that will be directly allocated by a
26 recipient described in paragraph (A) to

1 serve small business concerns located in
2 the rural area.

3 “(iii) DEFINITION OF RURAL AREA.—

4 In this subparagraph, the term ‘rural area’
5 has the meaning given that term in section
6 1393(a)(2)) of the Internal Revenue Code
7 of 1986.”.

8 **SEC. 4. RURAL OUTREACH PROGRAM.**

9 Section 9 of the Small Business Act (15 U.S.C. 638)
10 is amended by inserting after subsection (r) the following:

11 “(s) OUTREACH.—

12 “(1) DEFINITION OF ELIGIBLE STATE.—In this
13 subsection, the term ‘eligible State’ means a State—

14 “(A) if the total value of contracts award-
15 ed to the State during fiscal year 2004 under
16 this section was less than \$10,000,000; and

17 “(B) that certifies to the Administration
18 described in paragraph (2) that the State will,
19 upon receipt of assistance under this sub-
20 section, provide matching funds from non-Fed-
21 eral sources in an amount that is not less than
22 50 percent of the amount provided under this
23 subsection.

24 “(2) PROGRAM AUTHORITY.—Of amounts made
25 available to carry out this section for each of the fis-

1 cal years 2009 through 2020, the Administrator
2 may expend with eligible States not more than
3 \$2,000,000 in each such fiscal year in order to in-
4 crease the participation of small business concerns
5 located in those States in the programs under this
6 section.

7 “(3) AMOUNT OF ASSISTANCE.—The amount of
8 assistance provided to an eligible State under this
9 subsection in any fiscal year—

10 “(A) shall be equal to twice the total
11 amount of matching funds from non-Federal
12 sources provided by the State; and

13 “(B) shall not exceed \$100,000.

14 “(4) USE OF ASSISTANCE.—Assistance provided
15 to an eligible State under this subsection shall be
16 used by the State, in consultation with State and
17 local departments and agencies, for programs and
18 activities to increase the participation of small busi-
19 ness concerns located in the State in the programs
20 under this section, including—

21 “(A) the establishment of quantifiable per-
22 formance goals, including goals relating to—

23 “(i) the number of program awards
24 under this section made to small business
25 concerns in the State; and

1 “(ii) the total amount of Federal re-
2 search and development contracts awarded
3 to small business concerns in the State;

4 “(B) the provision of competition outreach
5 support to small business concerns in the State
6 that are involved in research and development;
7 and

8 “(C) the development and dissemination of
9 educational and promotional information relat-
10 ing to the programs under this section to small
11 business concerns in the State.”.

12 **SEC. 5. RURAL SMALL BUSINESS TECHNOLOGY PILOT PRO-**
13 **GRAM.**

14 (a) DEFINITIONS.—In this section—

15 (1) the term “qualified small business concern”
16 means a small business concern located in a rural
17 area;

18 (2) the term “rural area” has the meaning
19 given that term in section 1393(a)(2) of the Internal
20 Revenue Code of 1986; and

21 (3) the term “small business concern” has the
22 same meaning as under section 3 of the Small Busi-
23 ness Act (15 U.S.C. 632).

24 (b) REPORT.—Not later than 120 days after the date
25 of enactment of this Act, the Administrator, in coordina-

1 tion with the Administrator of General Services, shall sub-
2 mit to the Committee on Small Business and Entrepre-
3 neurship of the Senate and the Committee on Small Busi-
4 ness of the House of Representatives a report describing—

5 (1) the number of Government-owned com-
6 puters in the possession of the Administration, in-
7 cluding the number of working computers, non-
8 working computers, desktop computers, and laptop
9 computers;

10 (2) the number of Government-owned com-
11 puters disposed of by the Administration during the
12 5-year period ending on the date of enactment of
13 this Act, including the number of such computers
14 that were working computers, nonworking com-
15 puters, desktop computers, or laptop computers;

16 (3) the procedures of the Administration for the
17 disposal of Government-owned computers; and

18 (4) the plans of the Administrator for carrying
19 out the pilot program under subsection (c).

20 (c) PILOT PROGRAM.—

21 (1) ESTABLISHMENT.—Not later than 180 days
22 after the date of enactment of this Act, the Adminis-
23 trator shall establish a pilot program to provide not
24 more than 1,000 excess Government-owned com-

1 puters each year to qualified small business concerns
2 at no cost or a reduced cost.

3 (2) PURPOSES OF PROGRAM.—The pilot pro-
4 gram established under paragraph (1) shall be de-
5 signed to—

6 (A) encourage entrepreneurship in rural
7 areas;

8 (B) assist small business concerns in ac-
9 cessing technology; and

10 (C) accelerate the growth of qualified small
11 business concerns.

12 (3) TERMINATION.—The authority to conduct
13 the pilot program under this subsection shall termi-
14 nate 3 years after the date of enactment of this Act.

15 (d) AUTHORIZATION OF APPROPRIATIONS.—There
16 are authorized to be appropriated to the Administrator
17 such sums as are necessary to carry out this section.

18 **SEC. 6. OFFICE OF TECHNOLOGY.**

19 (a) IN GENERAL.—The Administrator shall hire not
20 less than 5 additional full-time equivalent employees for
21 the Office of Technology of the Administration.

22 (b) AUTHORIZATION OF APPROPRIATIONS.—There
23 are authorized to be appropriated to the Administrator
24 such sums as are necessary to carry out this section.

1 **SEC. 7. RURAL LENDING OUTREACH PROGRAM.**

2 Section 7(a) of the Small Business Act (15 U.S.C.
3 636(a)) is amended—

4 (1) by striking paragraph (25)(C);

5 (2) by redesignating paragraph (32) relating to
6 increased veteran participation, as added by section
7 208 of the Military Reservist and Veteran Small
8 Business Reauthorization and Opportunity Act of
9 2008 (Public Law 110–186; 122 Stat. 631), as
10 paragraph (33); and

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

12 “(34) RURAL LENDING OUTREACH PROGRAM.—

13 “(A) IN GENERAL.—The Administrator
14 shall carry out a rural lending outreach pro-
15 gram to provide not more than an 85 percent
16 guaranty for loans of not more than \$250,000.
17 The program shall be carried out only through
18 lenders located in rural areas (as the term
19 ‘rural’ is defined in section 501(f) of the Small
20 Business Investment Act of 1958 (15 U.S.C.
21 695(f))).

22 “(B) LOAN TERMS.—For a loan made
23 through the program under this paragraph—

24 “(i) the Administrator shall approve
25 or disapprove the loan within 36 hours of

1 the time the Administrator receives the ap-
2 plication;

3 “(ii) the program shall use abbre-
4 viated application and documentation re-
5 quirements; and

6 “(iii) minimum credit standards, as
7 the Administrator considers necessary to
8 limit the rate of default on loans made
9 under the program, shall apply.”.

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