

Union Calendar No. 190

116TH CONGRESS
1ST SESSION

H. R. 4405

[Report No. 116–239]

To amend the Small Business Act to improve the women’s business center program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 19, 2019

Ms. DAVIDS of Kansas (for herself and Mr. HAGEDORN) introduced the following bill; which was referred to the Committee on Small Business

OCTOBER 17, 2019

Additional sponsors: Mr. FITZPATRICK, Mr. EVANS, Ms. HOULAHAN, Mr. PAPPAS, Mr. MCGOVERN, Ms. NORTON, Mr. HUFFMAN, Mr. CASE, Mr. STAUBER, Ms. MENG, Mr. HIGGINS of New York, Mr. LUJÁN, Ms. ESCOBAR, Mr. CARBAJAL, Ms. MOORE, and Ms. STEVENS

OCTOBER 17, 2019

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 improve the women's
business center 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 Act may be cited as the “Women’s Business
 5 Centers Improvements Act of 2019”.

6 **SEC. 2. AMENDMENTS TO WOMEN’S BUSINESS CENTER**
 7 **PROGRAM.**

8 Section 29 of the Small Business Act (15 U.S.C. 656)
 9 is amended to read as follows:

10 **“SEC. 29. WOMEN’S BUSINESS CENTER PROGRAM.**

11 **“(a) DEFINITIONS.—**In this section:

12 **“(1) ASSISTANT ADMINISTRATOR.—**The term
 13 ‘Assistant Administrator’ means the Assistant Ad-
 14 ministrator of the Office of Women’s Business Own-
 15 ership established under subsection (k).

16 **“(2) ELIGIBLE ENTITY.—**The term ‘eligible en-
 17 tity’ means—

18 **“(A)** an organization described in section
 19 501(c) of the Internal Revenue Code of 1986
 20 and exempt from taxation under section 501(a)
 21 of such Code;

22 **“(B)** a State, regional, or local economic
 23 development organization, so long as the orga-
 24 nization certifies that grant funds received

1 under this section will not be commingled with
2 other funds;

3 “(C) an institution of higher education (as
4 defined in section 101 of the Higher Education
5 Act of 1965 (20 U.S.C. 1001)), unless such in-
6 stitution is currently receiving a grant under
7 section 21;

8 “(D) a development, credit, or finance cor-
9 poration chartered by a State, so long as the
10 corporation certifies that grant funds received
11 under this section will not be commingled with
12 other funds; or

13 “(E) any combination of entities listed in
14 subparagraphs (A) through (D).

15 “(3) SMALL BUSINESS CONCERN OWNED AND
16 CONTROLLED BY WOMEN.—The term ‘small business
17 concern owned and controlled by women’ has the
18 meaning given under section 3(n).

19 “(4) WOMEN’S BUSINESS CENTER.—The term
20 ‘women’s business center’ means the location at
21 which counseling and training on the management,
22 operations (including manufacturing, services, and
23 retail), access to capital, international trade, Govern-
24 ment procurement opportunities, and any other mat-
25 ter that is needed to start, maintain, or expand a

1 small business concern owned and controlled by
2 women.

3 “(5) WOMEN’S BUSINESS CENTER ASSOCIA-
4 TION.—The term ‘Women’s Business Center Asso-
5 ciation’ means a membership organization formed by
6 women’s business centers to pursue matters of com-
7 mon concern.

8 “(b) AUTHORITY.—

9 “(1) ESTABLISHMENT.—There is established a
10 Women’s Business Center Program under which the
11 Administrator may provide a grant to any eligible
12 entity to operate one or more women’s business cen-
13 ters for the benefit of small business concerns owned
14 and controlled by women.

15 “(2) USE OF FUNDS.—The women’s business
16 centers shall be designed to provide counseling and
17 training that meets the needs of the small business
18 concerns owned and controlled by women, especially
19 socially or economically disadvantaged women, and
20 shall provide—

21 “(A) financial assistance, including train-
22 ing and counseling in how to apply for and se-
23 cure business credit and investment capital,
24 preparing and presenting financial statements,

1 and managing cash flow and other financial op-
2 erations of a small business concern;

3 “(B) management assistance, including
4 training and counseling in how to plan, orga-
5 nize, staff, direct, and control each major activ-
6 ity and function of a small business concern;
7 and

8 “(C) marketing assistance, including train-
9 ing and counseling in identifying and seg-
10 menting domestic and international market op-
11 portunities, preparing and executing marketing
12 plans, developing pricing strategies, locating
13 contract opportunities, negotiating contracts,
14 and utilizing varying public relations and adver-
15 tising techniques.

16 “(3) TYPES OF GRANTS.—

17 “(A) INITIAL GRANT.—The amount of an
18 initial grant, which shall be for a 5-year term,
19 provided under this subsection to an eligible en-
20 tity shall be not more than \$300,000 annually
21 (as such amount is annually adjusted by the
22 Administrator to reflect the change in infla-
23 tion).

24 “(B) CONTINUATION GRANTS.—The Ad-
25 ministrator may award a continuation grant,

1 which shall be for a 5-year term, of not more
2 than \$300,000 annually (as such amount is an-
3 nually adjusted by the Administrator to reflect
4 the change in inflation) to an eligible entity
5 that received an initial grant under subpara-
6 graph (A). There shall be no limitation on the
7 number of continuation grants an eligible entity
8 may receive under this section.

9 “(c) APPLICATION.—

10 “(1) INITIAL GRANTS AND CONTINUATION
11 GRANTS.—To receive an initial grant or continuation
12 grant under this section, an eligible entity shall sub-
13 mit an application to the Administrator in such
14 form, in such manner, and containing such informa-
15 tion as the Administrator may require, including—

16 “(A) a certification that the eligible enti-
17 ty—

18 “(i) has designated an executive direc-
19 tor or program manager, who may be com-
20 pensated using grant funds awarded under
21 this section or other sources, to manage
22 the women’s business center for which a
23 grant under subsection (b) is sought; and

1 “(ii) meets accounting and reporting
2 requirements established by the Director of
3 the Office of Management and Budget;

4 “(B) information demonstrating the expe-
5 rience and effectiveness of the eligible entity
6 in—

7 “(i) providing counseling and training
8 described under subsection (b)(2);

9 “(ii) providing training and services to
10 a representative number of women who are
11 socially or economically disadvantaged; and

12 “(iii) working with resource partners
13 of the Administration and other entities;
14 and

15 “(C) a 5-year plan that—

16 “(i) includes information relating to
17 the assistance to be provided by the wom-
18 en’s business center in the area in which
19 the women’s business center is located;

20 “(ii) describes the ability of the eligi-
21 ble entity to meet the needs of the market
22 to be served by the women’s business cen-
23 ter, including the ability to obtain the
24 matching funds required under subsection
25 (e); and

1 “(iii) describes the ability of the eligi-
2 ble entity to provide counseling and train-
3 ing described under subsection (b)(2), in-
4 cluding to a representative number of
5 women who are socially or economically
6 disadvantaged.

7 “(2) RECORD RETENTION.—

8 “(A) IN GENERAL.—The Administrator
9 shall maintain a copy of each application sub-
10 mitted under this subsection for not less than
11 5 years.

12 “(B) PAPERWORK REDUCTION.—The Ad-
13 ministrator shall take steps to reduce, to the
14 maximum extent practicable, the paperwork
15 burden associated with carrying out subpara-
16 graph (A).

17 “(d) SELECTION OF ELIGIBLE ENTITIES.—

18 “(1) IN GENERAL.—In selecting recipients of
19 initial grants, the Administrator shall consider—

20 “(A) the experience of the applicant in pro-
21 viding entrepreneurial training;

22 “(B) the amount of time needed for the
23 applicant to commence operation of a women’s
24 business center;

1 “(C) in consultation with a Women’s Busi-
2 ness Center Association, the capacity of the ap-
3 plicant to meet the accreditation standards es-
4 tablished under subsection (k)(4) in a timely
5 manner;

6 “(D) the ability of the applicant to sustain
7 operations, including the applicant’s ability to
8 obtain sufficient non-Federal funds, for a 5-
9 year period;

10 “(E) the proposed location of a women’s
11 business center to be operated by the applicant
12 and the location’s proximity to Veteran Busi-
13 ness Outreach Centers and to recipients of
14 grants under section 8(b)(1) or 21;

15 “(F) the population density of the area to
16 be served by the women’s business center oper-
17 ated by the applicant; and

18 “(G) the advice and counsel of a Women’s
19 Business Center Association to determine areas
20 with unmet needs and the likelihood that the
21 recipient will become accredited.

22 “(2) SELECTION CRITERIA.—

23 “(A) RULEMAKING.—The Administrator
24 shall issue regulations to specify the criteria for

1 review and selection of applicants under this
2 subsection.

3 “(B) MODIFICATIONS PROHIBITED AFTER
4 ANNOUNCEMENT.—With respect to a public an-
5 nouncement of any opportunity to be awarded
6 a grant under this section made by the Admin-
7 istrator pursuant to subsection (l)(1), the Ad-
8 ministrator may not modify regulations issued
9 pursuant to subparagraph (A) with respect to
10 such opportunity unless required to do so by an
11 Act of Congress or an order of a Federal court.

12 “(C) RULE OF CONSTRUCTION.—Nothing
13 in this paragraph may be construed as prohib-
14 iting the Administrator from modifying the reg-
15 ulations issued pursuant to subparagraph (A)
16 (after providing an opportunity for notice and
17 comment) as such regulations apply to an op-
18 portunity to be awarded a grant under this sec-
19 tion that the Administrator has not yet publicly
20 announced pursuant to subsection (l)(1).

21 “(e) MATCHING REQUIREMENTS.—

22 “(1) IN GENERAL.—Subject to paragraph (5),
23 upon approval of an application submitted under
24 subsection (c), the eligible entity shall agree to ob-
25 tain contributions from non-Federal sources—

1 “(A) in the first and second year of the
2 term of an initial grant, if applicable, 1 non-
3 Federal dollar for each 2 Federal dollars; and

4 “(B) in each subsequent year of the term
5 of an initial grant, if applicable, or for the term
6 of a continuation grant, 1 non-Federal dollar
7 for each Federal dollar.

8 “(2) FORM OF MATCHING FUNDS.—Not more
9 than one-half of non-Federal matching funds de-
10 scribed under paragraph (1) may be in the form of
11 in-kind contributions that are budget line items only,
12 including office equipment and office space.

13 “(3) SOLICITATION.—Notwithstanding any
14 other provision of law, an eligible entity may—

15 “(A) solicit cash and in-kind contributions
16 from private individuals and entities to be used
17 to operate a women’s business center; and

18 “(B) use amounts made available by the
19 Administrator under this section for the cost of
20 such solicitation and management of the con-
21 tributions received.

22 “(4) DISBURSEMENT OF FUNDS.—The Admin-
23 istrator may disburse an amount not greater than
24 25 percent of the total amount of a grant awarded
25 to an eligible entity before such eligible entity ob-

1 tains the non-Federal matching funds described
2 under paragraph (1).

3 “(5) FAILURE TO OBTAIN MATCHING FUNDS.—

4 If an eligible entity fails to obtain the required
5 matching funds described under paragraph (1), the
6 eligible entity may not be eligible to receive advance
7 disbursements pursuant to paragraph (4) during the
8 remainder of the term, if applicable, of an initial
9 grant awarded under this section. Before approving
10 such eligible entity for a continuation grant under
11 this section, the Administrator shall make a written
12 determination, including the reasons for such deter-
13 mination, of whether the Administrator believes that
14 the eligible entity will be able to obtain the requisite
15 funding under paragraph (1) for such continuation
16 grant.

17 “(6) WAIVER OF NON-FEDERAL SHARE.—

18 “(A) IN GENERAL.—Upon request by an
19 eligible entity, and in accordance with this para-
20 graph, the Administrator may waive, in whole
21 or in part, the requirement to obtain non-Fed-
22 eral matching funds for a grant awarded under
23 this section for the eligible entity for a one-year
24 term of the grant. The Administrator may not

1 issue such a waiver for more than a total of 2
2 consecutive one-year terms.

3 “(B) CONSIDERATIONS.—In determining
4 whether to issue a waiver under this paragraph,
5 the Administrator shall consider—

6 “(i) the economic conditions affecting
7 the eligible entity;

8 “(ii) the demonstrated ability of the
9 eligible entity to raise non-Federal funds;
10 and

11 “(iii) the performance of the eligible
12 entity under the initial grant.

13 “(C) LIMITATION.—The Administrator
14 may not issue a waiver under this paragraph if
15 the Administrator determines that granting the
16 waiver would undermine the credibility of the
17 Women’s Business Center Program.

18 “(7) EXCESS NON-FEDERAL DOLLARS.—The
19 amount of non-Federal dollars obtained by an eligi-
20 ble entity that is above the amount that is required
21 to be obtained by the eligible entity under this sub-
22 section shall not be subject to the requirements of
23 part 200 of title 2, Code of Federal Regulations, or
24 any successor thereto, if such amount of non-Fed-
25 eral dollars—

1 “(A) is not used as matching funds for
2 purposes of implementing the Women’s Busi-
3 ness Center Program; and

4 “(B) was not obtained using funds from
5 the Women’s Business Center Program.

6 “(8) CARRYOVER.—Excess non-Federal dollars
7 described in paragraph (7) may be used to satisfy
8 the matching funds requirement under paragraph
9 (1) for the subsequent one-year grant term, if appli-
10 cable, except that such amounts shall be subject to
11 the requirements of part 200 of title 2, Code of Fed-
12 eral Regulations, or any successor thereto.

13 “(f) OTHER REQUIREMENTS.—

14 “(1) SEPARATION OF FUNDS.—An eligible enti-
15 ty shall—

16 “(A) operate a women’s business center
17 under this section separately from other
18 projects, if any, of the eligible entity; and

19 “(B) separately maintain and account for
20 any grants received under this section.

21 “(2) EXAMINATION OF ELIGIBLE ENTITIES.—

22 “(A) REQUIRED SITE VISIT.—Before re-
23 ceiving an initial grant under this section, each
24 applicant shall have a site visit by an employee
25 of the Administration, in order to ensure that

1 the applicant has sufficient resources to provide
2 the services for which the grant is being pro-
3 vided.

4 “(B) ANNUAL REVIEW.—An employee of
5 the Administration shall—

6 “(i) conduct an annual programmatic
7 and financial examination of each eligible
8 entity, as described in subsection (g); and

9 “(ii) provide the results of such exam-
10 ination to the eligible entity.

11 “(3) REMEDIATION OF PROBLEMS.—

12 “(A) PLAN OF ACTION.—If an examination
13 of an eligible entity conducted under paragraph
14 (2)(B) identifies any problems, the eligible enti-
15 ty shall, within 45 calendar days of receiving a
16 copy of the results of such examination, provide
17 the Assistant Administrator with a plan of ac-
18 tion, including specific milestones, for cor-
19 recting such problems.

20 “(B) PLAN OF ACTION REVIEW BY THE AS-
21 SISTANT ADMINISTRATOR.—The Assistant Ad-
22 ministrator shall review each plan of action sub-
23 mitted under subparagraph (A) within 30 cal-
24 endar days of receiving such plan. If the Assist-
25 ant Administrator determines that such plan—

1 “(i) will bring the eligible entity into
2 compliance with all the terms of the grant
3 agreement, the Assistant Administrator
4 shall approve such plan; or

5 “(ii) is inadequate to remedy the
6 problems identified in the annual examina-
7 tion to which the plan of action relates, the
8 Assistant Administrator shall set forth
9 such reasons in writing and provide such
10 determination to the eligible entity within
11 15 calendar days of such determination.

12 “(C) AMENDMENT TO PLAN OF ACTION.—

13 An eligible entity receiving a determination
14 under subparagraph (B)(ii) shall have 30 cal-
15 endar days from the receipt of the determina-
16 tion to amend the plan of action to satisfy the
17 problems identified by the Assistant Adminis-
18 trator and resubmit such plan to the Assistant
19 Administrator.

20 “(D) AMENDED PLAN REVIEW BY THE AS-
21 SISTANT ADMINISTRATOR.—Within 15 calendar
22 days of the receipt of an amended plan of ac-
23 tion under subparagraph (C), the Assistant Ad-
24 ministrator shall either approve or reject such

1 plan and provide such approval or rejection in
2 writing to the eligible entity.

3 “(E) APPEAL OF ASSISTANT ADMINIS-
4 TRATOR DETERMINATION.—

5 “(i) IN GENERAL.—If the Assistant
6 Administrator rejects an amended plan
7 under subparagraph (D), the eligible entity
8 shall have the opportunity to appeal such
9 decision to the Administrator, who may
10 delegate such appeal to an appropriate of-
11 ficer of the Administration.

12 “(ii) OPPORTUNITY FOR EXPLA-
13 NATION.—Any appeal described under
14 clause (i) shall provide an opportunity for
15 the eligible entity to provide, in writing, an
16 explanation of why the eligible entity’s
17 amended plan remedies the problems iden-
18 tified in the annual examination conducted
19 under paragraph (2)(B).

20 “(iii) NOTICE OF DETERMINATION.—
21 The Administrator shall provide to the eli-
22 gible entity a determination of the appeal,
23 in writing, not later than 15 calendar days
24 after the eligible entity files an appeal
25 under this subparagraph.

1 “(iv) EFFECT OF FAILURE TO ACT.—

2 If the Administrator fails to act on an ap-
3 peal made under this subparagraph within
4 the 15-day period specified under clause
5 (iii), the eligible entity’s amended plan of
6 action submitted under subparagraph (C)
7 shall be deemed to be approved.

8 “(4) TERMINATION OF GRANT.—

9 “(A) IN GENERAL.—The Administrator
10 shall terminate a grant to an eligible entity
11 under this section if the eligible entity fails to
12 comply with—

13 “(i) a plan of action approved by the
14 Assistant Administrator under paragraph
15 (3)(B)(i); or

16 “(ii) an amended plan of action ap-
17 proved by the Assistant Administrator
18 under paragraph (3)(D) or approved on
19 appeal under paragraph (3)(E).

20 “(B) APPEAL OF TERMINATION.—An eligi-
21 ble entity shall have the opportunity to chal-
22 lenge the termination of a grant under subpara-
23 graph (A) on the record and after an oppor-
24 tunity for a hearing.

1 “(C) FINAL AGENCY ACTION.—A deter-
2 mination made pursuant to subparagraph (B)
3 shall be considered final agency action for the
4 purposes of chapter 7 of title 5, United States
5 Code.

6 “(5) CONSULTATION WITH MAJORITY WOMEN’S
7 BUSINESS CENTER ASSOCIATION.—If a majority of
8 women’s business centers that are operating pursu-
9 ant to agreements with the Administration are mem-
10 bers of an individual Women’s Business Center As-
11 sociation, the Administrator shall—

12 “(A) recognize the existence and activities
13 of such Association; and

14 “(B) consult with the Association on, and
15 negotiate with the Association in the develop-
16 ment of documents with respect to—

17 “(i) announcing the annual scope of
18 activities pursuant to this section;

19 “(ii) requesting proposals to deliver
20 assistance as provided in this section; and

21 “(iii) governing the general operations
22 and administration of women’s business
23 centers, specifically including the develop-
24 ment of regulations and a uniform nego-
25 tiated cooperative agreement for use on an

1 annual basis when entering into individual
2 negotiated agreements with women’s busi-
3 ness centers.

4 “(g) PROGRAM EXAMINATION.—

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

6 “(A) develop and implement an annual
7 programmatic and financial examination of
8 each eligible entity receiving a grant under this
9 section, under which each such eligible entity
10 shall provide to the Administration—

11 “(i) an itemized cost breakdown of ac-
12 tual expenditures for costs incurred during
13 the preceding year; and

14 “(ii) documentation regarding the
15 amount of matching assistance from non-
16 Federal sources obtained and expended by
17 the eligible entity during the preceding
18 year in order to meet the requirements of
19 subsection (e) and, with respect to any in-
20 kind contributions described in subsection
21 (e)(2) that were used to satisfy the re-
22 quirements of subsection (e), verification of
23 the existence and valuation of those con-
24 tributions; and

1 “(B) analyze the results of each such ex-
2 amination and, based on that analysis, make a
3 determination regarding the programmatic and
4 financial viability of each women’s business cen-
5 ter operated by the eligible entity.

6 “(2) CONDITIONS FOR CONTINUED FUNDING.—

7 In determining whether to award a continuation
8 grant to an eligible entity, the Administrator—

9 “(A) shall consider the results of the most
10 recent examination of the eligible entity under
11 paragraph (1);

12 “(B) shall determine if—

13 “(i) the eligible entity has failed to
14 provide, or provided inadequate, informa-
15 tion under paragraph (1)(A); or

16 “(ii) the eligible entity has failed to
17 provide any information required to be pro-
18 vided by the women’s business center for
19 purposes of the management report under
20 subsection (m)(1), or the information pro-
21 vided by the center is inadequate; and

22 “(C) shall consider the accreditation status
23 as described in subsection (k)(4).

24 “(h) NOTICE AND COMMENT REQUIRED.—The Ad-
25 ministrator may only make a change to the standards by

1 which an eligible entity obtains or maintains grants under
2 this section, the standards for accreditation, or any other
3 requirement for the operation of a women’s business cen-
4 ter if the Administrator first provides notice and the op-
5 portunity for public comment, as set forth in section
6 553(b) of title 5, United States Code, without regard to
7 any exceptions provided for under such section.

8 “(i) CONTRACT AUTHORITY.—

9 “(1) ELIGIBLE ENTITY.—An eligible entity that
10 receives a grant under this section may enter into a
11 contract with a Federal department or agency to
12 provide specific assistance to small business concerns
13 owned and controlled by women and other under-
14 served small business concerns, if performance of
15 such a contract does not hinder the ability of the eli-
16 gible entity to carry out the terms of a grant re-
17 ceived under this section.

18 “(2) ADMINISTRATOR.—The authority of the
19 Administrator to enter into contracts shall be in ef-
20 fect for each fiscal year only to the extent and in the
21 amounts as are provided in advance in appropria-
22 tions Acts. After the Administrator has entered into
23 a contract, either as a grant or a cooperative agree-
24 ment, with any applicant under this section, the Ad-
25 ministrator shall not suspend, terminate, or fail to

1 renew or extend any such contract unless the Ad-
2 ministrator provides the applicant with written noti-
3 fication setting forth the reasons therefore and af-
4 fords the applicant an opportunity for a hearing, ap-
5 peal, or other administrative proceeding under chap-
6 ter 5 of title 5, United States Code.

7 “(j) PRIVACY REQUIREMENTS.—

8 “(1) IN GENERAL.—A women’s business center
9 may not disclose the name, address, or telephone
10 number of any individual or small business concern
11 receiving assistance under this section without the
12 consent of such individual or small business concern,
13 unless—

14 “(A) the Administrator orders such disclo-
15 sure after the Administrator is ordered to make
16 such a disclosure by a court in any civil or
17 criminal enforcement action initiated by a Fed-
18 eral or State agency; or

19 “(B) the Administrator considers such a
20 disclosure to be necessary for the purpose of
21 conducting a financial audit of a women’s busi-
22 ness center, except that such a disclosure shall
23 be limited to the information necessary for such
24 audit.

1 “(2) ADMINISTRATION USE OF INFORMATION.—

2 This subsection shall not—

3 “(A) restrict Administration access to
4 women’s business center data; or

5 “(B) prevent the Administration from
6 using information about individuals who use
7 women’s business centers to conduct surveys of
8 such individuals.

9 “(3) REGULATIONS.—The Administrator shall
10 issue regulations to establish standards for disclo-
11 sures for purposes of a financial audit described
12 under paragraph (1)(B).

13 “(k) OFFICE OF WOMEN’S BUSINESS OWNERSHIP.—

14 “(1) ESTABLISHMENT.—There is established
15 within the Administration an Office of Women’s
16 Business Ownership, which shall be responsible for
17 the administration of the Administration’s programs
18 for the development of women’s business enterprises
19 (as defined in section 408 of the Women’s Business
20 Ownership Act of 1988). The Office of Women’s
21 Business Ownership shall be administered by an As-
22 sistant Administrator, who shall be appointed by the
23 Administrator.

24 “(2) ASSISTANT ADMINISTRATOR OF THE OF-
25 FICE OF WOMEN’S BUSINESS OWNERSHIP.—

1 “(A) QUALIFICATION.—The position of As-
2 sistant Administrator shall be a Senior Execu-
3 tive Service position under section 3132(a)(2)
4 of title 5, United States Code. The Assistant
5 Administrator shall serve as a noncareer ap-
6 pointee (as defined in section 3132(a)(7) of
7 that title).

8 “(B) DUTIES.—The Assistant Adminis-
9 trator shall administer the programs and serv-
10 ices of the Office of Women’s Business Owner-
11 ship and perform the following functions:

12 “(i) Recommend the annual adminis-
13 trative and program budgets of the Office
14 and eligible entities receiving a grant
15 under the Women’s Business Center Pro-
16 gram.

17 “(ii) Review the annual budgets sub-
18 mitted by each eligible entity receiving a
19 grant under the Women’s Business Center
20 Program.

21 “(iii) Collaborate with other Federal
22 departments and agencies, State and local
23 governments, not-for-profit organizations,
24 and for-profit organizations to maximize
25 utilization of taxpayer dollars and reduce

1 (or eliminate) any duplication among the
2 programs overseen by the Office of Wom-
3 en’s Business Ownership and those of
4 other entities that provide similar services
5 to women entrepreneurs.

6 “(iv) Maintain a clearinghouse to pro-
7 vide for the dissemination and exchange of
8 information between women’s business cen-
9 ters.

10 “(v) Serve as the vice chairperson of
11 the Interagency Committee on Women’s
12 Business Enterprise and as the liaison for
13 the National Women’s Business Council.

14 “(3) MISSION.—The mission of the Office of
15 Women’s Business Ownership shall be to assist
16 women entrepreneurs to start, grow, and compete in
17 global markets by providing quality support with ac-
18 cess to capital, access to markets, job creation,
19 growth, and counseling by—

20 “(A) fostering participation of women en-
21 trepreneurs in the economy by overseeing a net-
22 work of women’s business centers throughout
23 States and territories;

24 “(B) creating public-private partnerships
25 to support women entrepreneurs and conduct

1 outreach and education to small business con-
2 cerns owned and controlled by women; and

3 “(C) working with other programs of the
4 Administrator to—

5 “(i) ensure women are well-rep-
6 resented in those programs and being
7 served by those programs; and

8 “(ii) identify gaps where participation
9 by women in those programs could be in-
10 creased.

11 “(4) ACCREDITATION PROGRAM.—

12 “(A) ESTABLISHMENT.—Not later than
13 270 days after the date of enactment of this
14 paragraph, the Administrator shall publish
15 standards for a program to accredit eligible en-
16 tities that receive a grant under this section.

17 “(B) PUBLIC COMMENT; TRANSITION.—
18 Before publishing the standards under subpara-
19 graph (A), the Administrator—

20 “(i) shall provide a period of not less
21 than 60 days for public comment on such
22 standards; and

23 “(ii) may not terminate a grant under
24 this section absent evidence of fraud or
25 other criminal misconduct by the recipient.

1 “(C) CONTRACTING AUTHORITY.—The Ad-
2 ministrator may provide financial support, by
3 contract or otherwise, to a Women’s Business
4 Center Association to provide assistance in es-
5 tablishing the standards required under sub-
6 paragraph (A) or for carrying out an accredita-
7 tion program pursuant to such standards.

8 “(5) CONTINUATION GRANT CONSIDER-
9 ATIONS.—

10 “(A) IN GENERAL.—In determining wheth-
11 er to award a continuation grant under this sec-
12 tion, the Administrator shall consider the re-
13 sults of the annual programmatic and financial
14 examination conducted under subsection (g)
15 and the accreditation program.

16 “(B) ACCREDITATION REQUIREMENT.—
17 After the end of the 2-year period beginning on
18 the date of enactment of this subsection, the
19 Administration may not award a continuation
20 grant under this section unless the applicable
21 eligible entity has been approved under the ac-
22 creditation program conducted pursuant to this
23 subsection, except that the Assistant Adminis-
24 trator for the Office of Women’s Business Own-
25 ership may waive such accreditation require-

1 ment, in the discretion of the Assistant Admin-
2 istrator, upon a showing that the eligible entity
3 is making a good faith effort to obtain accredi-
4 tation.

5 “(6) ANNUAL CONFERENCE.—Each women’s
6 business center shall participate in annual profes-
7 sional development at an annual conference facili-
8 tated by a Women’s Business Center Association.

9 “(1) NOTIFICATION REQUIREMENTS UNDER THE
10 WOMEN’S BUSINESS CENTER PROGRAM.—The Adminis-
11 trator shall provide the following:

12 “(1) A public announcement of any opportunity
13 to be awarded grants under this section, to include
14 the selection criteria under subsection (d) and any
15 applicable regulations.

16 “(2) To any applicant for a grant under this
17 section that failed to obtain such a grant, an oppor-
18 tunity to debrief with the Administrator to review
19 the reasons for the applicant’s failure.

20 “(3) To an eligible entity that receives an initial
21 grant under this section, if a site visit or review of
22 the eligible entity is carried out by an officer or em-
23 ployee of the Administration (other than the Inspec-
24 tor General), a copy of the site visit report or eval-

1 uation, as applicable, within 30 calendar days of the
2 completion of such visit or evaluation.

3 “(m) ANNUAL MANAGEMENT REPORT.—

4 “(1) IN GENERAL.—The Administrator shall
5 prepare and submit to the Committee on Small
6 Business of the House of Representatives and the
7 Committee on Small Business and Entrepreneurship
8 of the Senate an annual report on the effectiveness
9 of women’s business centers operated through a
10 grant awarded under this section.

11 “(2) CONTENTS.—Each report submitted under
12 paragraph (1) shall include—

13 “(A) information concerning, with respect
14 to each women’s business center established
15 pursuant to a grant awarded under this section,
16 the most recent analysis of the annual pro-
17 grammatic and financial examination of the ap-
18 plicable eligible entity, as required under sub-
19 section (g)(1)(B), and the subsequent deter-
20 mination made by the Administration under
21 that subsection;

22 “(B) the number of persons advised and
23 trained through the Women’s Business Center
24 Program;

1 “(C) the total number of hours of advising
2 and training through the Program;

3 “(D) the demographics of Program partici-
4 pants to include gender, race, and age of each
5 such participant;

6 “(E) the number of Program participants
7 who are veterans;

8 “(F) the number of new businesses started
9 by participants in the Program;

10 “(G) to the extent practicable, the number
11 of jobs supported, created or retained with as-
12 sistance from women’s business centers;

13 “(H) the amount of capital secured by par-
14 ticipants in the Program, including through
15 loans and equity investment;

16 “(I) the number of participants in the Pro-
17 gram receiving financial assistance, including
18 the type and dollar amount, under the loan pro-
19 grams of the Administration;

20 “(J) an estimate of gross receipts, includ-
21 ing to the extent practicable a description of
22 any change in revenue of small business con-
23 cerns assisted through the Program;

1 “(K) to the maximum extent practicable,
2 increases or decreases in revenues for the as-
3 sisted small business concerns;

4 “(L) the number of referrals made to other
5 resources and programs of the Administration;

6 “(M) the results of satisfaction surveys of
7 participants, including a summary of any com-
8 ments received from such participants; and

9 “(N) any recommendations by the Admin-
10 istrator to improve the delivery of services by
11 women’s business centers.

12 “(n) AUTHORIZATION OF APPROPRIATIONS.—

13 “(1) IN GENERAL.—There are authorized to be
14 appropriated to the Administration to carry out this
15 section, to remain available until expended,
16 \$31,500,000 for each of fiscal years 2020 through
17 2023.

18 “(2) USE OF AMOUNTS.—

19 “(A) IN GENERAL.—Except as provided in
20 subparagraph (B), amounts made available
21 under this subsection for fiscal year 2020, and
22 each fiscal year thereafter, may only be used for
23 grant awards and may not be used for costs in-
24 curred by the Administration in connection with

1 the management and administration of the pro-
2 gram under this section.

3 “(B) EXCEPTIONS.—Of the amount made
4 available under this subsection for a fiscal year,
5 the following amounts shall be available for
6 costs incurred by the Administration in connec-
7 tion with the management and administration
8 of the program under this section:

9 “(i) For the first fiscal year beginning
10 after the date of the enactment of this sub-
11 paragraph, 2.65 percent.

12 “(ii) For the second fiscal year begin-
13 ning after the date of the enactment of
14 this subparagraph and each fiscal year
15 thereafter through fiscal year 2023, 2.5
16 percent.

17 “(3) EXPEDITED ACQUISITION.—Notwith-
18 standing any other provision of law, the Adminis-
19 trator may use such expedited acquisition methods
20 as the Administrator determines to be appropriate to
21 carry out this section, except that the Administrator
22 shall ensure that all small business sources are pro-
23 vided a reasonable opportunity to submit proposals.

24 “(4) ACCREDITATION AND ANNUAL CON-
25 FERENCE.—Not less than \$500,000 of the amounts

1 appropriated pursuant to paragraph (1) for a fiscal
2 year shall be available for purposes of carrying out
3 subsection (k), of which no less than \$50,000 shall
4 be available to support an annual conference de-
5 scribed under subsection (k)(6).”.

6 **SEC. 3. EFFECT ON EXISTING GRANTS.**

7 (a) **TERMS AND CONDITIONS.**—A nonprofit organiza-
8 tion receiving a grant under section 29(m) of the Small
9 Business Act (15 U.S.C. 656(m)), as in effect on the day
10 before the date of enactment of this Act, shall continue
11 to receive the grant under the terms and conditions in ef-
12 fect for the grant on the day before the date of enactment
13 of this Act, except that the nonprofit organization may
14 not apply for a continuation of the grant under section
15 29(m)(5) of the Small Business Act (15 U.S.C.
16 656(m)(5)), as in effect on the day before the date of en-
17 actment of this Act.

18 (b) **LENGTH OF CONTINUATION GRANT.**—The Ad-
19 ministrator of the Small Business Administration may
20 award a grant under section 29 of the Small Business Act,
21 as amended by this Act, to a nonprofit organization receiv-
22 ing a grant under section 29(m) of the Small Business
23 Act (15 U.S.C. 656(m)), as in effect on the day before
24 the date of enactment of this Act, for the period—

1 (1) beginning on the day after the last day of
2 the grant agreement under such section 29(m); and
3 (2) ending at the end of the third fiscal year be-
4 ginning after the date of enactment of this Act.

5 **SEC. 4. REGULATIONS.**

6 Not later than 270 days after the date of the enact-
7 ment of this Act, the Administrator of Small Business Ad-
8 ministration shall issue such rules as are necessary to
9 carry out section 29 of the Small Business Act (15 U.S.C.
10 656), as amended by this Act, and ensure that a period
11 of public comment for such rules is not less than 60 days.

Union Calendar No. 190

116TH CONGRESS
1ST Session

H. R. 4405

[Report No. 116-239]

A BILL

To amend the Small Business Act to improve the women's business center program, and for other purposes.

OCTOBER 17, 2019

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