

117TH CONGRESS  
2D SESSION

# H. R. 6445

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## AN ACT

To amend the Small Business Act to require an annual report on entrepreneurial development programs, 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,*

1 **SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Small Business Devel-  
3 opment Centers Improvement Act of 2022”.

4 **SEC. 2. ANNUAL REPORT ON ENTREPRENEURIAL DEVELOP-**  
5 **MENT PROGRAMS.**

6       Section 10 of the Small Business Act (15 U.S.C. 639)  
7 is amended by adding at the end the following new sub-  
8 section:

9       “(i) ANNUAL REPORT ON ENTREPRENEURIAL DE-  
10 VELOPMENT PROGRAMS.—

11           “(1) REPORT REQUIRED.—The Administrator  
12 shall include in the comprehensive annual report re-  
13 quired under subsection (a) the following data:

14           “(A) A list of all entrepreneurial develop-  
15 ment activities undertaken during the fiscal  
16 year preceding the date of the report through a  
17 covered program, including—

18           “(i) a description and operating de-  
19 tails for each such covered program and  
20 the activities performed under each such  
21 covered program;

22           “(ii) operating circulars, manuals, and  
23 standard operating procedures for each  
24 such covered program;

25           “(iii) a description of the process used  
26 to make awards relating to the provision of

1           entrepreneurial    development    activities  
2           under each such covered program;

3           “(iv) a list of all recipients of awards  
4           under each such covered program and the  
5           amount of each such award; and

6           “(v) a list of contractors, including  
7           the name and location of such contractor,  
8           of an award recipient.

9           “(B) The total amount of funding obli-  
10          gated for a covered program and the entrepre-  
11          neurial development activities conducted under  
12          each such covered program for the fiscal year  
13          preceding the date of the report.

14          “(C) The names and titles of the individ-  
15          uals responsible for carrying out a covered pro-  
16          gram.

17          “(D) For entrepreneurial development ac-  
18          tivities undertaken during the fiscal year pre-  
19          ceding the date of the report through the Small  
20          Business Development Center Program estab-  
21          lished under section 21 (in this section referred  
22          to as the ‘Program’)—

23                 “(i) the number of individuals coun-  
24                 seled or trained through the Program;

1           “(ii) the total number of hours of  
2           counseling and training services provided  
3           through the Program;

4           “(iii) the demographics of participants  
5           in the Program, which shall include the  
6           gender, race, and age of each such partici-  
7           pant;

8           “(iv) the number of participants in  
9           the Program who are veterans;

10          “(v) the number of new businesses  
11          started by participants in the Program;

12          “(vi) to the extent practicable, the  
13          number of jobs supported, created, or re-  
14          tained with assistance from the Program;

15          “(vii) the amount of capital secured  
16          by participants in the Program, including  
17          through loans and equity investment;

18          “(viii) the number of participants in  
19          the Program receiving financial assistance,  
20          including the type and dollar amount,  
21          under a loan program of the Administra-  
22          tion;

23          “(ix) an estimate of gross receipts, in-  
24          cluding (to the extent practicable) a de-  
25          scription of any change in revenue, of

1 small business concerns assisted through  
2 the Program;

3 “(x) the number of referrals of indi-  
4 viduals to other resources and programs of  
5 the Administration;

6 “(xi) the results of satisfaction sur-  
7 veys of participants in the Program, in-  
8 cluding a summary of any comments re-  
9 ceived from such participants; and

10 “(xii) any recommendations by the  
11 Administrator to improve the delivery of  
12 services by the Program.

13 “(2) DEFINITIONS.—In this subsection:

14 “(A) COVERED PROGRAM.—The term ‘cov-  
15 ered program’ means a program authorized  
16 under section 7(j), 7(m), 8(a), 8(b)(1), 21, 22,  
17 29, 32, or 34 of this Act.

18 “(B) ENTREPRENEURIAL DEVELOPMENT  
19 ACTIVITY.—The term ‘entrepreneurial develop-  
20 ment activity’ means an activity related to the  
21 delivery of entrepreneurial development services,  
22 entrepreneurial education, or support for the  
23 development and maintenance of business train-  
24 ing services carried out through a covered pro-  
25 gram.”.

1 **SEC. 3. MARKETING OF SERVICES.**

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

4 “(o) NO PROHIBITION OF MARKETING OF SERV-  
5 ICES.—An applicant receiving a grant under this section  
6 may use up to 10 percent of their budget to market and  
7 advertise the services of such applicant to individuals and  
8 small business concerns.”.

9 **SEC. 4. DATA COLLECTION BY THE SMALL BUSINESS DE-**  
10 **VELOPMENT CENTER ASSOCIATION.**

11 (a) IN GENERAL.—Section 21(a)(3)(A) of the Small  
12 Business Act (15 U.S.C. 648(a)(3)(A)) is amended—

13 (1) by striking “as provided in this section  
14 and” and inserting “as provided in this section,”;  
15 and

16 (2) by inserting before the period at the end the  
17 following: “, and (iv) governing data collection ac-  
18 tivities related to applicants receiving grants under  
19 this section”.

20 (b) ANNUAL REPORT ON DATA COLLECTION.—Sec-  
21 tion 21 of the Small Business Act (15 U.S.C. 648), as  
22 amended by section 3 of this Act, is further amended by  
23 adding at the end the following:

24 “(p) ANNUAL REPORT ON DATA COLLECTION.—The  
25 Administrator shall annually submit to the Committee on  
26 Small Business of the House of Representatives and the

1 Committee on Small Business and Entrepreneurship of  
2 the Senate a report on any data collection activities related  
3 to the Small Business Development Center Program.”.

4 (c) WORKING GROUP TO IMPROVE DATA COLLEC-  
5 TION.—

6 (1) ESTABLISHMENT AND STUDY.—The Admin-  
7 istrator of the Small Business Administration shall  
8 establish a group to be known as the “Data Collec-  
9 tion Working Group” consisting of entrepreneurial  
10 development grant recipients, the associations and  
11 organizations representing such recipients, and offi-  
12 cials from the Small Business Administration, to  
13 carry out a study to determine the best methods for  
14 conducting data collection activities and create or re-  
15 vise existing systems dedicated to data collection.

16 (2) REPORT.—Not later than the end of the  
17 180-day period beginning on the date of the enact-  
18 ment of this Act, the Data Collection Working  
19 Group shall issue a report to the Committee on  
20 Small Business of the House of Representatives and  
21 the Committee on Small Business and Entrepre-  
22 neurship of the Senate containing the findings and  
23 determinations made in carrying out the study re-  
24 quired under paragraph (1), including—

1 (A) recommendations for revising existing  
 2 data collection practices for the Small Business  
 3 Development Center Program; and

4 (B) a proposed plan for the Administrator  
 5 of the Small Business Administration to imple-  
 6 ment such recommendations.

7 **SEC. 5. FEES FROM PRIVATE PARTNERSHIPS AND CO-**  
 8 **SPONSORSHIPS.**

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

12 “(D) FEES FROM PRIVATE PARTNERSHIPS AND  
 13 COSPONSORSHIPS.—A small business development  
 14 center that participates in a private partnership or  
 15 cosponsorship, in which the Administrator or des-  
 16 ignee of the Administrator also participates, may  
 17 collect fees or other income related to the operation  
 18 of such private partnership or cosponsorship.”.

19 **SEC. 6. EQUITY FOR SMALL BUSINESS DEVELOPMENT CEN-**  
 20 **TERS.**

21 Subclause (I) of section 21(a)(4)(C)(v) of the Small  
 22 Business Act (15 U.S.C. 648(a)(4)(C)(v)(I)) is amended  
 23 to read as follows:

24 “(I) IN GENERAL.—Of the amounts made  
 25 available in any fiscal year to carry out this sec-



1           tion, not more than \$600,000 may be used by  
2           the Administration to pay expenses enumerated  
3           in subparagraphs (B) through (D) of section  
4           20(a)(1).”.

5   **SEC. 7. CONFIDENTIALITY REQUIREMENTS.**

6           Section 21(a)(7)(A) of the Small Business Act (15  
7   U.S.C. 648(a)(7)(A)) is amended—

8           (1) by striking “or telephone number” and in-  
9           serting “, telephone number, or email address”; and

10          (2) by inserting “, or the nature or content of  
11          such assistance, to any State, local, or Federal agen-  
12          cy, or to any third party” after “receiving assistance  
13          under this section”.

14   **SEC. 8. LIMITATION ON AWARD OF GRANTS TO SMALL**  
15               **BUSINESS DEVELOPMENT CENTERS.**

16          (a) IN GENERAL.—Section 21 of the Small Business  
17   Act (15 U.S.C. 648), as amended by section 4, is further  
18   amended—

19          (1) in subsection (a)(1)—

20               (A) by striking “any women’s business  
21               center operating pursuant to section 29,”;

22               (B) by striking “or a women’s business  
23               center operating pursuant to section 29”; and

24               (C) by striking “and women’s business  
25               centers operating pursuant to section 29”; and

1 (2) by adding at the end the following:

2 “(q) LIMITATION ON AWARD OF GRANTS.—Except  
3 for not-for-profit institutions of higher education, and not-  
4 withstanding any other provision of law, the Administrator  
5 may not award a grant or contract to, or enter into a coop-  
6 erative agreement with, an entity under this section unless  
7 that entity—

8 “(1) received a grant or contract from, or en-  
9 tered into a cooperative agreement with, the Admin-  
10 istrator under this section before the date of the en-  
11 actment of this subsection; and

12 “(2) seeks to renew such a grant, contract, or  
13 cooperative agreement after such date.”.

14 (b) RULE OF CONSTRUCTION.—The amendments  
15 made by this section may not be construed as prohibiting  
16 a women’s business center (as described under section 29  
17 of the Small Business Act) from receiving a subgrant from  
18 an entity receiving a grant under section 21 of the Small  
19 Business Act.

20 **SEC. 9. MANAGEMENT OF PROGRAM ACTIVITIES.**

21 Section 21(a)(3) of the Small Business Act (15  
22 U.S.C. 648(a)(3)), as amended by section 4, is further  
23 amended—

24 (1) in the matter preceding subparagraph (A),  
25 by striking “upon, with full participation of both

parties,” and inserting “upon with the full participation of all parties (including the association authorized in subparagraph (A)), and carried out”;

(2) in subparagraph (A), by striking “and develop” and inserting “and negotiate the development of”; and

(3) in subparagraph (C)—

(A) by striking “Whereas”;

(B) by inserting “Program” after “Center”;

(C) by striking “National” and inserting “national”; and

(D) by moving such subparagraph 2 ems to the left.

**SEC. 10. AUTHORIZATION OF APPROPRIATIONS FOR FORMULA GRANTS RECEIVED BY STATES.**

Section 21(a)(4)(C) of the Small Business Act (15 U.S.C. 648(a)(4)(C)) is amended—

(1) in clause (vii), by striking “subparagraph” and all that follows through the period at the end and inserting “subparagraph \$175,000,000 for each of fiscal years 2022 through 2025.”; and

(2) in clause (viii), by striking “shall reserve not less than \$1,000,000” and inserting “shall reserve not more than \$2,000,000”.

1 **SEC. 11. REQUIREMENTS RELATING TO MATCHING FUNDS.**

2 Section 21(a)(4)(A) of the Small Business Act (15  
3 U.S.C. 648(a)(4)(A)) is amended by adding at the end the  
4 following new sentence: “Such matching funds shall be  
5 evidenced by good faith assertions from the applicant, and  
6 the expenditure of matching funds shall not be made a  
7 prerequisite of the reimbursement of Federal funds, not-  
8 withstanding the final reconciliation payment for the close-  
9 out of each award.”.

10 **SEC. 12. CONTRACT PREREQUISITES.**

11 Section 21(a)(5)(B) of the Small Business Act (15  
12 U.S.C. 648(a)(5)(B)) is amended by striking the second  
13 sentence and inserting the following: “Each contract shall  
14 be deemed approved under subparagraph (A) unless the  
15 Associate Administrator certifies in writing within 15  
16 business days after award of the contract that the contract  
17 will not provide assistance to small business concerns and  
18 that performance of the contract will hinder the small  
19 business development center in carrying out the terms of  
20 the grant received by the small business development cen-  
21 ter under this section.”.

22 **SEC. 13. DUTIES OF THE ASSOCIATE ADMINISTRATOR FOR**  
23 **SMALL BUSINESS DEVELOPMENT CENTERS.**

24 Section 21(h)(2) of the Small Business Act (15  
25 U.S.C. 648(h)(2)) is amended by adding at the end the  
26 following new subparagraph:

1                   “(C) MARKETING.—The Associate Admin-  
2                   istrator for Small Business Development Cen-  
3                   ters shall market and advertise the Small Busi-  
4                   ness Development Center Program and partici-  
5                   pants in such Program as a resource available  
6                   to any Federal program providing assistance to  
7                   small business concerns, including the FAST  
8                   program established under section 34.”.

9   **SEC. 14. DETERMINATION OF BUDGETARY EFFECTS.**

10           The budgetary effects of this Act, for the purpose of  
11   complying with the Statutory Pay-As-You-Go Act of 2010,  
12   shall be determined by reference to the latest statement  
13   titled “Budgetary Effects of PAYGO Legislation” for this  
14   Act, submitted for printing in the Congressional Record  
15   by the Chairman of the House Budget Committee, pro-  
16   vided that such statement has been submitted prior to the  
17   vote on passage.

          Passed the House of Representatives April 26, 2022.

          Attest:

*Clerk.*

117<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. 6445

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## AN ACT

To amend the Small Business Act to require an annual report on entrepreneurial development programs, and for other purposes.