

112TH CONGRESS
1ST SESSION

H. R. 2809

To amend the Riegle Community Development and Regulatory Improvement Act of 1994 to improve the microenterprise technical assistance and capacity building grant program, to establish an Office of Youth Entrepreneurship in the Small Business Administration, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

AUGUST 5, 2011

Mr. RICHMOND introduced the following bill

SEPTEMBER 6, 2011

Referred to the Committee on Financial Services, and in addition to the Committees on Small Business, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Riegle Community Development and Regulatory Improvement Act of 1994 to improve the microenterprise technical assistance and capacity building grant program, to establish an Office of Youth Entrepreneurship in the Small Business Administration, 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 “Microenterprise and
3 Youth Entrepreneurship Development Act of 2011”.

4 **SEC. 2. MICROENTERPRISE TECHNICAL ASSISTANCE AND**
5 **CAPACITY BUILDING PROGRAM.**

6 (a) DEFINITIONS.—Section 172(5) of the Riegle
7 Community Development and Regulatory Improvement
8 Act of 1994 (15 U.S.C. 6901(5)) is amended—

9 (1) in subparagraph (B) by striking “or” at the
10 end;

11 (2) in subparagraph (C) by striking the period
12 at the end and inserting “; or”; and

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

14 “(D) an entrepreneur that operates a busi-
15 ness or intends to operate a business in an in-
16 vestment area (as such term is defined in sec-
17 tion 103(16) of this Act).”.

18 (b) USES OF ASSISTANCE.—Section 174 of the Riegle
19 Community Development and Regulatory Improvement
20 Act of 1994 (15 U.S.C. 6903) is amended—

21 (1) in paragraph (3) by striking “and” at the
22 end;

23 (2) by redesignating paragraph (4) as para-
24 graph (5); and

25 (3) by inserting after paragraph (3) the fol-
26 lowing:

1 “(4) to advertise in print, electronic, and other
2 media the training and technical assistance provided
3 under paragraph (1); and”.

4 (c) TARGETED ASSISTANCE.—Section 176(b) of the
5 Riegle Community Development and Regulatory Improve-
6 ment Act of 1994 (15 U.S.C. 6905(b)) is amended by
7 striking “50 percent” and inserting “60 percent”.

8 (d) MATCHING REQUIREMENTS.—Section 177(c) of
9 the Riegle Community Development and Regulatory Im-
10 provement Act of 1994 (15 U.S.C. 6906(c)) is amended
11 by adding at the end the following:

12 “(3) CONSIDERATION.—In determining whether
13 to reduce or eliminate matching requirements under
14 paragraph (1), the Administrator shall consider the
15 impact of the economic crisis of 2007 through 2009
16 on the geographic area in which an applicant oper-
17 ates.”.

18 (e) REPORT.—Not later than 180 days after the date
19 of enactment of this Act, the Administrator of the Small
20 Business Administration shall submit to the Committee on
21 Small Business of the House of Representatives and the
22 Committee on Small Business and Entrepreneurship of
23 the Senate a report describing recommendations for im-
24 proving the application and grant making process of the
25 microenterprise technical assistance and capacity building

1 grant program (carried out under subtitle C of title I of
2 the Riegle Community Development and Regulatory Im-
3 provement Act of 1994), including recommendations, de-
4 veloped in consultation with stakeholders, for streamlining
5 the application and grant making process of that program.

6 (f) MICROENTERPRISE COORDINATOR.—

7 (1) ESTABLISHMENT.—Not later than 1 year
8 after the date of enactment of this Act, the Adminis-
9 trator shall establish in the Small Business Adminis-
10 tration the position of Microenterprise Coordinator.

11 (2) DUTIES.—The Microenterprise Coordinator
12 shall—

13 (A) work to ensure that the contributions
14 of microenterprises to the economy are maxi-
15 mized;

16 (B) work to enhance, support, and coordi-
17 nate the programs of the Federal Government
18 providing assistance to microenterprises, includ-
19 ing Federal technical assistance programs;

20 (C) work to ensure that underserved entre-
21 preneurs are included in the programs of the
22 Federal Government providing assistance to
23 microenterprises;

24 (D) make available to the public annually
25 a comprehensive list and description of each

1 Federal program that provides assistance to
2 microenterprises; and

3 (E) encourage public-private partnerships
4 that support entrepreneurship.

5 (3) MICROENTERPRISE DEFINED.—In this sub-
6 section, the term “microenterprise” has the meaning
7 given that term in section 172(10) of the Riegle
8 Community Development and Regulatory Improve-
9 ment Act of 1994 (15 U.S.C. 6901(10)).

10 **SEC. 3. OFFICE OF YOUTH ENTREPRENEURSHIP.**

11 (a) ESTABLISHMENT.—Not later than 1 year after
12 the date of enactment of this Act, the Administrator of
13 the Small Business Administration shall establish an Of-
14 fice of Youth Entrepreneurship (in this section referred
15 to as the “Office”) in the Small Business Administration.

16 (b) DIRECTOR.—The Administrator shall appoint a
17 Director of Youth Entrepreneurship (in this section re-
18 ferred to as the “Director”) to serve as the head of the
19 Office.

20 (c) DUTIES.—The Director shall—

21 (1) carry out the youth entrepreneurship tech-
22 nical assistance grant program described in sub-
23 section (d);

24 (2) carry out the youth entrepreneurship cur-
25 riculum grant program described in subsection (e);

1 (3) promote the growth of youth entrepreneur-
2 ship by establishing public-private partnerships and
3 carrying out advertising campaigns;

4 (4) sponsor and support State and national
5 youth entrepreneurship competitions that raise
6 awareness of the importance of small business devel-
7 opment;

8 (5) study and promote Federal activities that
9 support entrepreneurship education; and

10 (6) support the establishment of public and pri-
11 vate youth entrepreneurship education and men-
12 toring opportunities.

13 (d) **YOUTH ENTREPRENEURSHIP TECHNICAL AS-**
14 **SISTANCE GRANT PROGRAM.**—The Director shall estab-
15 lish a program under which the Director may make grants
16 to assist entities, including nonprofit microenterprise de-
17 velopment organizations, to provide individuals under 25
18 years of age with technical assistance related to entrepre-
19 neurship.

20 (e) **YOUTH ENTREPRENEURSHIP CURRICULUM**
21 **GRANT PROGRAM.**—

22 (1) **IN GENERAL.**—The Director shall establish
23 a program under which the Director may make
24 grants to a covered entity to assist the development,
25 improvement, or implementation of a youth entre-

1 preneurship curriculum that includes information on
2 the topics of—

- 3 (A) securing capital and borrowing;
- 4 (B) business plan conception and drafting;
- 5 (C) accounting;
- 6 (D) management; and
- 7 (E) marketing.

8 (2) APPLICATION PROCESS.—To be eligible for
9 a grant described in paragraph (1), a covered entity
10 shall submit to the Director an application at such
11 time, in such manner, and containing such informa-
12 tion as the Director may require, except that the ap-
13 plication shall include at least—

- 14 (A) a description of the curriculum to be
15 developed, improved, or implemented;
- 16 (B) a description of how grant funds will
17 be used;
- 18 (C) a description of goals relating to the
19 use of grant funds and the curriculum to be de-
20 veloped, improved, or implemented; and
- 21 (D) a description of how progress will be
22 measured with respect to the goals described in
23 subparagraph (C).

24 (3) COVERED ENTITY DEFINED.—In this sub-
25 section, the term “covered entity” means a local

1 educational agency in any of the several States, the
2 District of Columbia, or a territory or possession of
3 the United States and a local educational agency of
4 a federally recognized Indian tribe.

5 (f) INVESTMENT AREAS.—

6 (1) IN GENERAL.—The Director shall ensure
7 that at least 25 percent of the amounts made avail-
8 able to carry out the Office each fiscal year are used
9 to assist youth in investment areas.

10 (2) INVESTMENT AREA DEFINED.—In this sub-
11 section, the term “investment area” has the meaning
12 given that term in section 103(16) of the Riegle
13 Community Development and Regulatory Improve-
14 ment Act of 1994 (12 U.S.C. 4702(16)).

15 (g) STUDENT LOAN ASSISTANCE.—Not later than
16 180 days after the date of enactment of this Act, the Di-
17 rector, in consultation with the Secretary of Education,
18 shall submit to Congress a report that includes detailed
19 recommendations for legislation—

20 (1) establishing a program to forgive student
21 loans in a manner that assists youth entrepreneur-
22 ship by making available capital for business forma-
23 tion; and

24 (2) establishing a program to defer student loan
25 repayments in a manner that assists youth entrepre-

1 neurship by making available capital for business
2 formation.

3 **SEC. 4. GAO STUDY AND REPORT.**

4 (a) **STUDY.**—The Comptroller General of the United
5 States shall conduct a study on—

6 (1) the economic impact of allowing youth en-
7 trepreneurs to defer student loan repayments to
8 make available capital for business formation;

9 (2) the economic impact of increasing the par-
10 ticipation of individuals under 25 years of age in the
11 microloan program of the Small Business Adminis-
12 tration (carried out under section 7(m) of the Small
13 Business Act (15 U.S.C. 636(m)), notwithstanding
14 the limited collateral and formal business experience
15 of such individuals;

16 (3) alternative methods for measuring credit-
17 worthiness that may assist youth entrepreneurship;
18 and

19 (4) actions Congress should consider to promote
20 youth entrepreneurship.

21 (b) **REPORT.**—Not later than 180 days after the date
22 of enactment of this Act, the Comptroller General shall
23 submit to the Committee on Small Business of the House
24 of Representatives and the Committee on Small Business

1 and Entrepreneurship of the Senate a report on the re-
2 sults of the study conducted under subsection (a).

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