

114TH CONGRESS  
2D SESSION

# S. 2838

To improve the HUBZone program.

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IN THE SENATE OF THE UNITED STATES

APRIL 21, 2016

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

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## A BILL

To improve the HUBZone program.

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 “Small Business Trans-  
5 forming America’s Regions Act of 2016”.

6 **SEC. 2. MODIFICATION TO THE HUBZONE PROGRAM.**

7 (a) IN GENERAL.—Section 3(p) of the Small Busi-  
8 ness Act (15 U.S.C. 632(p)) is amended—

9 (1) in paragraph (1)—

10 (A) in subparagraph (E), by striking “or”

11 at the end;

1 (B) by redesignating subparagraph (F) as  
2 subparagraph (G); and

3 (C) by inserting after subparagraph (E)  
4 the following:

5 “(F) another qualified area designated by  
6 the Administrator under section 31(d); or”; and

7 (2) in paragraph (4)(C), by striking “until the  
8 later of” and all that follows and inserting “for the  
9 7-year period following the date on which the census  
10 tract or nonmetropolitan county ceased to be so  
11 qualified.”.

12 (b) APPLICABILITY.—The amendment made by sub-  
13 section (a)(2) shall apply to any census tract that becomes  
14 a redesignated area under section 3(p)(4)(C) of the Small  
15 Business Act (15 U.S.C. 632(p)(4)(C)) on or after the  
16 date of enactment of this Act.

17 (c) OTHER QUALIFIED AREAS.—Section 31 of the  
18 Small Business Act (15 U.S.C. 657a) is amended—

19 (1) by redesignating subsection (d) as sub-  
20 section (e); and

21 (2) by inserting after subsection (c) the fol-  
22 lowing:

23 “(d) OTHER QUALIFIED AREAS.—

24 “(1) DEFINITIONS.—In this subsection—

1           “(A) the term ‘governor’ means the chief  
2 executive of a State; and

3           “(B) the term ‘State’ means each of the  
4 several States, the District of Columbia, the  
5 Commonwealth of Puerto Rico, the Virgin Is-  
6 lands, Guam, the Commonwealth of the North-  
7 ern Mariana Islands, and American Samoa.

8           “(2) DESIGNATION.—A governor may petition  
9 the Administrator to designate 1 or more census  
10 tracts in the State of the governor as a HUBZone  
11 if each tract—

12           “(A) has a median household income that  
13 is less than 70 percent of the median household  
14 income of the State in which the tract is located  
15 based on the most recent data available from  
16 the Bureau of the Census;

17           “(B) has an unemployment rate that is not  
18 less than 120 percent of the average unemploy-  
19 ment rate of the United States or of the State  
20 in which the tract is located, whichever is less,  
21 based on the most recent data available from  
22 the Department of Labor; or

23           “(C) meets other criteria determined by  
24 the Administrator.

1           “(3) PETITION.—With respect to a petition  
2 submitted by a governor to the Administrator under  
3 paragraph (2)—

4           “(A) the governor may submit not more  
5 than 1 petition in a fiscal year unless the Ad-  
6 ministrator determines that an additional peti-  
7 tion from the State of the governor is appro-  
8 priate;

9           “(B) the governor may not submit a peti-  
10 tion for more than 30 percent of the total num-  
11 ber of census tracts in the State of the gov-  
12 ernor; and

13           “(C) if the Administrator grants the peti-  
14 tion and designates 1 or more census tracts as  
15 a HUBZone, the governor shall, not less fre-  
16 quently than annually, submit data to the Ad-  
17 ministrator certifying that each census tract  
18 continues to meet the criteria establishing the  
19 eligibility of the tract under the HUBZone pro-  
20 gram.

21           “(4) PROCESS.—The Administrator shall estab-  
22 lish procedures to—

23           “(A) ensure that the Administration ac-  
24 cepts petitions under paragraph (2) from all  
25 States each fiscal year; and

1           “(B) provide technical assistance, before  
2           the filing of a petition under paragraph (2), to  
3           a governor who is interested in filing such a pe-  
4           tition.”.

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