

# Calendar No. 109

114TH CONGRESS  
1ST SESSION

# S. 999

To amend the Small Business Act to provide for improvements to small business development centers.

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## IN THE SENATE OF THE UNITED STATES

APRIL 16, 2015

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

JUNE 10, 2015

Reported by Mr. VITTER, with an amendment

[Strike out all after the enacting clause and insert the part printed in *italie*]

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## A BILL

To amend the Small Business Act to provide for improvements to small business development centers.

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 Devel-  
5 opment Centers Improvement Act of 2015”.

1 **SEC. 2. USE OF AUTHORIZED ENTREPRENEURIAL DEVELOPMENT PROGRAMS.**  
 2

3 The Small Business Act (15 U.S.C. 631 et seq.) is  
 4 amended by adding at the end the following:

5 **“SEC. 48. USE OF AUTHORIZED ENTREPRENEURIAL DEVELOPMENT PROGRAMS.**  
 6

7 **“(a) EXPANDED SUPPORT FOR ENTREPRENEURS.—**

8 **“(1) IN GENERAL.—**Notwithstanding any other  
 9 provision of law, the Administrator shall only use  
 10 the programs authorized in sections 7(j), 7(m), 8(a),  
 11 8(b)(1), 21, 22, 29, and 32 of this Act, and sections  
 12 358 and 389 of the Small Business Investment Act  
 13 to deliver entrepreneurial development services, en-  
 14 trepreneurial education, support for the development  
 15 and maintenance of clusters, or business training.

16 **“(2) EXCEPTION.—**This section shall not apply  
 17 to—

18 **“(A)** services provided to assist small busi-  
 19 ness concerns owned by an Indian tribe (as  
 20 such term is defined in section 8(a)(13));

21 **“(B)** activities and programs in support of  
 22 a member of the Armed Forces, including Na-  
 23 tional Guard and Reserve components, a vet-  
 24 eran, or a spouse of a member of the Armed  
 25 Forces or a veteran;

1           “(C) the Microenterprise Technical Assist-  
2           ance and Capacity Building Program estab-  
3           lished under subtitle C of title I of the Riegle  
4           Community Development and Regulatory Im-  
5           provement Act of 1994 (15 U.S.C. 6901 et  
6           seq.);

7           “(D) the State Trade and Export Pro-  
8           motion Grant Program established under sec-  
9           tion 1207 of the Small Business Export En-  
10          hancement and International Trade Act of  
11          2010 (15 U.S.C. 649b note); and

12          “(E) the Federal and State Technology  
13          Partnership Program established under section  
14          34 of the Small Business Act (15 U.S.C. 657d).

15          “(b) ANNUAL REPORT.—Beginning on the first De-  
16          cember 1 after the date of enactment of this subsection;  
17          the Administrator shall annually report to the Committee  
18          on Small Business of the House of Representatives and  
19          the Committee on Small Business and Entrepreneurship  
20          of the Senate on all entrepreneurial development activities  
21          undertaken in the current fiscal year. This report shall  
22          include—

23                 “(1) a description and operating details for  
24                 each program and activity;

1           “(2) operating circulars, manuals, and standard  
2           operating procedures for each program and activity;

3           “(3) a description of the process used to award  
4           grants under each program and activity;

5           “(4) a list of all awardees, contractors, and ven-  
6           dors (including organization name and location) and  
7           the amount of awards for the current fiscal year for  
8           each program and activity;

9           “(5) the amount of funding obligated for the  
10          current fiscal year for each program and activity;  
11          and

12          “(6) the names and titles for those individuals  
13          responsible for each program and activity.”.

14 **SEC. 3. MARKETING OF SERVICES.**

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

17          “(e) NO PROHIBITION OF MARKETING OF SERV-  
18          ICES.—The Administrator shall not prohibit applicants re-  
19          ceiving grants under this section from marketing and ad-  
20          vertising their services to individuals and small busi-  
21          nesses.”.

22 **SEC. 4. DATA COLLECTION.**

23          Section 21(a)(3)(A) of the Small Business Act (15  
24          U.S.C. 648(a)(3)(A)) is amended—

1           (1) by striking “as provided in this section  
2           and” and inserting “as provided in this section,”;  
3           and

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

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

10          Section 21(a)(3)(C) of the Small Business Act (15  
11   U.S.C. 648(a)(3)(C)) is amended to read as follows:

12                   “(C) Participation in private partnerships and  
13                   cosponsorships with the Administration shall not  
14                   limit small business development centers from col-  
15                   lecting fees or other income related to the operation  
16                   of such private partnerships and cosponsorships.”.

17   **SEC. 6. EQUITY FOR SMALL BUSINESS DEVELOPMENT CEN-**  
18                                   **TERS.**

19          Section 21(a)(4)(C)(v)(I) of the Small Business Act  
20   (15 U.S.C. 648(a)(4)(C)(v)) is amended—

21                   (1) in item (aa), by striking “; and” and insert-  
22                   ing a period; and

23                   (2) by striking item (bb).

1 **SEC. 7. ASSISTANCE TO OUT-OF-STATE SMALL BUSINESSES.**

2 Section 21(b)(3) of the Small Business Act (15  
3 U.S.C. 648(b)(3)) is amended—

4 (1) by striking “(3) At the discretion” and in-  
5 serting the following:

6 “(3) ASSISTANCE TO OUT-OF-STATE SMALL  
7 BUSINESSES.—

8 “(A) IN GENERAL.—At the discretion”;

9 and

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

11 “(B) DISASTER RECOVERY ASSISTANCE.—

12 “(i) IN GENERAL.—At the discretion  
13 of the Administrator, the Administrator  
14 may authorize a small business develop-  
15 ment center to provide advice, information,  
16 and assistance, as described in subsection  
17 (e), to a small business concern located  
18 outside of the State, without regard to geo-  
19 graphic proximity to the small business de-  
20 velopment center, if the small business  
21 concern is located in an area for which the  
22 President has declared a major disaster  
23 under section 401 of the Robert T. Staf-  
24 ford Disaster Relief and Emergency Assist-  
25 ance Act (42 U.S.C. 5170).

26 “(ii) TERM.—

1           “(I) IN GENERAL.—A small busi-  
2           ness development center may provide  
3           advice, information, and assistance to  
4           a small business concern under clause  
5           (i) for a period of not more than 2  
6           years after the date on which the  
7           President declared a major disaster  
8           under section 401 of the Robert T.  
9           Stafford Disaster Relief and Emer-  
10          gency Assistance Act (42 U.S.C.  
11          5170) for the area in which the small  
12          business concern is located.

13          “(II) EXTENSION.—The Admin-  
14          istrator may, at the discretion of the  
15          Administrator, extend the period de-  
16          scribed in subclause (I).

17          “(III) CONTINUITY OF SERV-  
18          ICES.—A small business development  
19          center that provides counselors to an  
20          area described in clause (i) shall, to  
21          the maximum extent practicable, en-  
22          sure continuity of services in any  
23          State in which the small business de-  
24          velopment center otherwise provides  
25          services.

1                   “(IV) ACCESS TO DISASTER RE-  
 2                   COVERY FACILITIES.—For purposes of  
 3                   this subparagraph, the Administrator  
 4                   shall, to the maximum extent prac-  
 5                   ticable, permit the personnel of a  
 6                   small business development center to  
 7                   use any site or facility designated by  
 8                   the Administrator for use to provide  
 9                   disaster recovery assistance.”.

10 **SEC. 8. CONFIDENTIALITY REQUIREMENTS.**

11           Section 21(a)(7)(A) of the Small Business Act (15  
 12 U.S.C. 648(a)(7)(A)) is amended by inserting after  
 13 “under this section” the following: “to any State, local or  
 14 Federal agency, or third party”.

15 **SEC. 9. LIMITATION ON AWARD OF GRANTS TO SMALL**  
 16 **BUSINESS DEVELOPMENT CENTERS.**

17           Section 21 of the Small Business Act (15 U.S.C.  
 18 648), as amended by section 3 of this Act, is further  
 19 amended by adding at the end the following:

20           “(p) LIMITATION ON AWARD OF GRANTS.—

21                   “(1) IN GENERAL.—Except for not-for-profit  
 22                   institutions of higher education, and notwithstanding  
 23                   any provision of law, the Administrator may not  
 24                   award grants (including contracts and cooperative  
 25                   agreements) under this section to any entity other



1 than those that received grants (including contracts  
 2 and cooperative agreements) under this section prior  
 3 to September 30, 2015, and that seek to renew such  
 4 grants (including contracts and cooperative agree-  
 5 ments) after such date.

6 “(2) **RULE OF CONSTRUCTION.**—This sub-  
 7 section shall not be construed to prohibit a grant re-  
 8 cipient under this section from entering into a grant,  
 9 contract, or cooperative agreement with any other  
 10 entity.”

11 **SECTION 1. SHORT TITLE.**

12 *This Act may be cited as the “Small Business Develop-*  
 13 *ment Centers Improvement Act of 2015”.*

14 **SEC. 2. USE OF AUTHORIZED ENTREPRENEURIAL DEVELOP-**  
 15 **MENT PROGRAMS.**

16 *The Small Business Act (15 U.S.C. 631 et seq.) is*  
 17 *amended—*

18 (1) *by redesignating section 47 as section 48;*

19 *and*

20 (2) *by inserting after section 46 the following:*

21 **“SEC. 47. USE OF AUTHORIZED ENTREPRENEURIAL DEVEL-**  
 22 **OPMENT PROGRAMS.**

23 *“(a) IN GENERAL.—Notwithstanding any other provi-*  
 24 *sion of law, the Administrator shall only use the programs*  
 25 *authorized in sections 7(j), 7(m), 8(a), 8(b)(1), 21, 22, 29,*

1 *and 32 of this Act, and sections 358 and 389 of the Small*  
2 *Business Investment Act (15 U.S.C. 689g and 690h) to de-*  
3 *liver entrepreneurial development services, entrepreneurial*  
4 *education, support for the development and maintenance of*  
5 *clusters, or business training.*

6 “(b) *EXCEPTION.—This section shall not apply to—*

7 “(1) *services provided to assist small business*  
8 *concerns owned by an Indian tribe (as such term is*  
9 *defined in section 8(a)(13));*

10 “(2) *activities and programs in support of a*  
11 *member of the Armed Forces, including a member of*  
12 *a reserve component of the Armed Forces named in*  
13 *section 10101 of title 10, United States Code, a vet-*  
14 *eran, or a spouse of a member of the Armed Forces*  
15 *or a veteran;*

16 “(3) *the Microenterprise Technical Assistance*  
17 *and Capacity Building Program established under*  
18 *subtitle C of title I of the Riegle Community Develop-*  
19 *ment and Regulatory Improvement Act of 1994 (15*  
20 *U.S.C. 6901 et seq.);*

21 “(4) *the State Trade and Export Promotion*  
22 *Grant Program established under section 1207 of the*  
23 *Small Business Export Enhancement and Inter-*  
24 *national Trade Act of 2010 (15 U.S.C. 649b note);*  
25 *and*

1           “(5) the Federal and State Technology Partner-  
2           ship Program established under section 34.”.

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

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

6           “(o) NO PROHIBITION OF MARKETING OF SERVICES.—  
7 The Administrator shall not prohibit applicants receiving  
8 grants under this section from marketing and advertising  
9 their services to individuals and small businesses.”.

10 **SEC. 4. DATA COLLECTION.**

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

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

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

19 **SEC. 5. FEES FROM PRIVATE PARTNERSHIPS AND CO-**  
20 **SPONSORSHIPS.**

21           Section 21(a)(3)(C) of the Small Business Act (15  
22 U.S.C. 648(a)(3)(C)) is amended to read as follows:

23           “(C) Participation in private partnerships and  
24 cosponsorships with the Administration shall not  
25 limit small business development centers from col-



1            *ter to provide advice, information, and as-*  
2            *sistance, as described in subsection (c), to a*  
3            *small business concern located outside of the*  
4            *State, without regard to geographic prox-*  
5            *imity to the small business development*  
6            *center, if the small business concern is lo-*  
7            *cated in an area for which the President*  
8            *has declared a major disaster under section*  
9            *401 of the Robert T. Stafford Disaster Relief*  
10           *and Emergency Assistance Act (42 U.S.C.*  
11           *5170).*

12            *“(ii) TERM.—*

13                    *“(I) IN GENERAL.—A small busi-*  
14                    *ness development center may provide*  
15                    *advice, information, and assistance to*  
16                    *a small business concern under clause*  
17                    *(i) for a period of not more than 2*  
18                    *years after the date on which the Presi-*  
19                    *dent declared a major disaster under*  
20                    *section 401 of the Robert T. Stafford*  
21                    *Disaster Relief and Emergency Assist-*  
22                    *ance Act (42 U.S.C. 5170) for the area*  
23                    *in which the small business concern is*  
24                    *located.*

1           “(II) *EXTENSION.*—*The Administrator may, at the discretion of the Administrator, extend the period described in subclause (I).*

2           “(III) *CONTINUITY OF SERVICES.*—*A small business development center that provides counselors to an area described in clause (i) shall, to the maximum extent practicable, ensure continuity of services in any State in which the small business development center otherwise provides services.*

3           “(IV) *ACCESS TO DISASTER RECOVERY FACILITIES.*—*For purposes of this subparagraph, the Administrator shall, to the maximum extent practicable, permit the personnel of a small business development center to use any site or facility designated by the Administrator for use to provide disaster recovery assistance.”.*

4           **SEC. 8. CONFIDENTIALITY REQUIREMENTS.**

5           *Section 21(a)(7)(A) of the Small Business Act (15 U.S.C. 648(a)(7)(A)) is amended by inserting after “under*

1 *this section” the following: “to any State, local or Federal*  
 2 *agency, or third party”.*

3 **SEC. 9. LIMITATION ON AWARD OF GRANTS TO SMALL BUSI-**  
 4 **NESS DEVELOPMENT CENTERS.**

5 *Section 21 of the Small Business Act (15 U.S.C. 648),*  
 6 *as amended by section 3 of this Act, is further amended*  
 7 *by adding at the end the following:*

8 *“(p) LIMITATION ON AWARD OF GRANTS.—*

9 *“(1) IN GENERAL.—Except for not-for-profit in-*  
 10 *stitutions of higher education, and notwithstanding*  
 11 *any other provision of law, the Administrator may*  
 12 *not award grants (including contracts and coopera-*  
 13 *tive agreements) under this section to any entity other*  
 14 *than those that received grants (including contracts*  
 15 *and cooperative agreements) under this section prior*  
 16 *to September 30, 2015, and that seek to renew such*  
 17 *grants (including contracts and cooperative agree-*  
 18 *ments) after such date.*

19 *“(2) RULE OF CONSTRUCTION.—This subsection*  
 20 *shall not be construed to prohibit a grant recipient*  
 21 *under this section from entering into a grant, con-*  
 22 *tract, or cooperative agreement with any other enti-*  
 23 *ty.”.*

**Calendar No. 109**

114<sup>TH</sup> CONGRESS  
1<sup>ST</sup> Session

**S. 999**

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**A BILL**

To amend the Small Business Act to provide for improvements to small business development centers.

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JUNE 10, 2015

Reported with an amendment