

Calendar No. 197

115TH CONGRESS
1ST SESSION**S. 929**

To improve the HUBZone program.

IN THE SENATE OF THE UNITED STATES

APRIL 25, 2017

Mrs. SHAHEEN (for herself, Mr. BROWN, and Ms. DUCKWORTH) introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

AUGUST 2, 2017

Reported by Mr. RISCH, with amendments

[Omit the part struck through and insert the part printed in *italic*]**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 “Invest in Rural Small
5 Business Act of 2017”.

6 **SEC. 2. FLEXIBILITY FOR RESIDENCY IN HUBZONES.**

7 Section 3(p)(5)(A)(i)(I) of the Small Business Act
8 (15 U.S.C. 632(p)(5)(A)(i)(I)) is amended by striking “35

1 percent” each place that term appears and inserting “33
2 percent”.

3 **SEC. 3. ENABLING LOCAL COMMUNITIES TO MAXIMIZE**
4 **ECONOMIC POTENTIAL.**

5 The Small Business Act (15 U.S.C. 631 et seq.) is
6 amended—

7 (1) in section 3(p)(1) (15 U.S.C. 632(p)(1))—

8 (A) in subparagraph (E), by striking “or”
9 at the end;

10 (B) by redesignating subparagraph (F) as
11 subparagraph (G); and

12 (C) by inserting after subparagraph (E)
13 the following:

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

16 (2) in section 31 (15 U.S.C. 657a)—

17 (A) by redesignating subsection (d) as sub-
18 section (e); and

19 (B) by inserting after subsection (c) the
20 following:

21 “(d) OTHER QUALIFIED AREAS.—

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

23 “(A) the term ‘covered area’ means an
24 area in a State—

1 “(i) that is located outside of an ur-
2 banized area, as determined by the Bureau
3 of the Census; and

4 “(ii) with a population of not more
5 than 50,000;

6 “(B) the term ‘governor’ means the chief
7 executive of a State; and

8 “(C) the term ‘State’ means each of the
9 several States, the District of Columbia, the
10 Commonwealth of Puerto Rico, the Virgin Is-
11 lands, Guam, the Commonwealth of the North-
12 ern Mariana Islands, and American Samoa.

13 “(2) DESIGNATION.—A governor may petition
14 the Administrator to designate one or more covered
15 areas as a HUBZone if the average unemployment
16 rate of each covered area *for which the designation*
17 *is sought* is not less than 120 percent of the average
18 unemployment rate of the United States or of the
19 State in which the covered area is located, whichever
20 is less, based on the most recent data available from
21 the American Community Survey conducted by the
22 Bureau of the Census.

23 “(3) CRITERIA.—In reviewing a petition sub-
24 mitted by a governor under paragraph (2), the Ad-
25 ministrator may consider—

1 “(A) the potential for job creation and in-
2 vestment;

3 “(B) the demonstrated interest of small
4 business concerns in the covered area to partici-
5 pate in the HUBZone program established
6 under *this* section ~~31~~; and

7 “(C) the consideration by State and local
8 government officials of a HUBZone as part of
9 an economic development strategy.

10 “(4) PETITION.—With respect to a petition
11 submitted by a governor to the Administrator under
12 paragraph (2)—

13 “(A) the governor may submit not more
14 than 1 petition in a fiscal year unless the Ad-
15 ministrator determines that an additional peti-
16 tion from the State of the governor is appro-
17 priate;

18 “(B) the governor may not submit a peti-
19 tion for more than 10 percent of the total num-
20 ber of covered areas in the State of the gov-
21 ernor; and

22 “(C) if the Administrator grants the peti-
23 tion and designates one or more covered areas
24 as a HUBZone, the governor shall, not less fre-
25 quently than annually, submit data to the Ad-

1 administrator certifying that each covered area
2 *designated by the Administrator* continues to
3 meet the requirements of clauses (i) and (ii) of
4 paragraph (1)(A).

5 “(5) PROCESS.—The Administrator shall estab-
6 lish procedures—

7 “(A) to ensure that the Administration ac-
8 cepts petitions under paragraph (2) from all
9 States each fiscal year; and

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

14 **SEC. 4. ENSURING TIMELY CONSIDERATION OF HUBZONE**
15 **APPLICATIONS.**

16 Section 3(p)(5) of the Small Business Act (15 U.S.C.
17 632(p)(5)) is amended by adding at the end the following:

18 “(C) REVIEW OF APPLICATIONS.—Not
19 later than 60 days after the date on which the
20 Administrator receives an application from a
21 small business concern to be certified as a
22 qualified HUBZone small business concern
23 under subparagraph (A)(i), the Administrator
24 shall approve or deny the application.”.

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