§ 631. Declaration of policy

(a) Aid, counsel, assistance, etc., to small business concerns

The essence of the American economic system of private enterprise is free competition. Only through full and free competition can free markets, free entry into business, and opportunities for the expression and growth of personal initiative and individual judgment be assured. The preservation and expansion of such competition is basic not only to the economic well-being but to the security of this Nation. Such security and well-being cannot be realized unless the actual and potential capacity of small business is encouraged and developed. It is the declared policy of the Congress that the Government should aid,
counsel, assist, and protect, insofar as is possible, the interests of small-business concerns in order to preserve free competitive enterprise, to ensure that a fair proportion of the total purchases and contracts or subcontracts for property and services for the Government (including but not limited to contracts or subcontracts for maintenance, repair, and construction) be placed with small-business enterprises, to insure that a fair proportion of the total sales of Government property be made to such enterprises, and to maintain and strengthen the overall economy of the Nation.

(b) Assistance to compete in international markets

(1) It is the declared policy of the Congress that the Federal Government, through the Administrator of the Small Business Administration, acting through the Associate Administrator for International Trade, and in cooperation with the Department of Commerce and other relevant State and Federal agencies, should aid and assist small businesses, as defined under this chapter, to increase their ability to compete in international markets by—

(A) enhancing their ability to export;
(B) facilitating technology transfers;
(C) enhancing their ability to compete effectively and efficiently against imports;
(D) increasing the access of small businesses to long-term capital for the purchase of new plant and equipment used in the production of goods and services involved in international trade;
(E) disseminating information concerning State, Federal, and private programs and initiatives to enhance the ability of small businesses to compete in international markets; and
(F) ensuring that the interests of small businesses are adequately represented in bilateral and multilateral trade negotiations.

(2) The Congress recognizes that the Department of Commerce is the principal Federal agency for trade development and export promotion and that the Department of Commerce and the Small Business Administration work together to advance joint interests. It is the purpose of this chapter to enhance, not alter, their respective roles.

(c) Aid for agriculturally related industries; financial assistance

It is the declared policy of the Congress that the Federal Government, through the Small Business Administration, should aid and assist small business concerns which are engaged in the production of food and fiber, ranching, and raising of livestock, aquaculture, and all other farming and agricultural related industries; and the financial assistance programs authorized by this chapter are also to be used to assist such concerns.

(d) Use of assistance programs to establish, preserve, and strengthen small business concerns

(1) The assistance programs authorized by sections 636(i) and 636(j) of this title are to be utilized to assist in the establishment, preservation, and strengthening of small business concerns and improve the managerial skills employed in such enterprises, with special attention to small business concerns (1) located in urban or rural areas with high proportions of unemployed or low-income individuals; or (2) owned by low-income individuals; and to mobilize for these objectives private as well as public managerial skills and resources.

(2)(A) With respect to the programs authorized by section 636(j) of this title, the Congress finds—

(i) that ownership and control of productive capital is concentrated in the economy of the United States and certain groups, therefore, own and control little productive capital;
(ii) that certain groups in the United States own and control little productive capital because they have limited opportunities for small business ownership;
(iii) that the broadening of small business ownership among groups that presently own and control little productive capital is essential to provide for the well-being of this Nation by promoting their increased participation in the free enterprise system of the United States;
(iv) that such development of business ownership among groups that presently own and control little productive capital will be greatly facilitated through the creation of a small business ownership development program, which shall provide services, including, but not limited to, financial, management, and technical assistance.

(v) that the power to let Federal contracts pursuant to section 637(a) of this title can be an effective procurement assistance tool for development of business ownership among groups that own and control little productive capital; and

(vi) that the procurement authority under section 637(a) of this title shall be used only as a tool for developing business ownership among groups that own and control little productive capital.

(B) It is therefore the purpose of the programs authorized by section 636(j) of this title to—

(i) foster business ownership and development by individuals in groups that own and control little productive capital; and

(ii) promote the competitive viability of such firms in the marketplace by creating a small business and capital ownership development program to provide such available financial, technical, and management assistance as may be necessary.

(e) Assistance to victims of floods, etc., and those displaced as result of federally aided construction programs

Further, it is the declared policy of the Congress that the Government should aid and assist victims of floods and other catastrophes, and small-business concerns which are displaced as a result of federally aided construction programs.

(f) Findings; purpose

(1) With respect to the Administration’s business development programs the Congress finds—

1 So in original. The period probably should be a semicolon.
2 So in original. Probably should be capitalized.
(A) that the opportunity for full participation in our free enterprise system by socially and economically disadvantaged persons is essential if we are to obtain social and economic equality for such persons and improve the functioning of our national economy;

(B) that many such persons are socially disadvantaged because of their identification as members of certain groups that have suffered the effects of discriminatory practices or similar invidious circumstances over which they have no control;

(C) that such groups include, but are not limited to, Black Americans, Hispanic Americans, Native Americans, Indian tribes, Asian Pacific Americans, Native Hawaiian Organizations, and other minorities;

(D) that it is in the national interest to expeditiously ameliorate the conditions of socially and economically disadvantaged groups;

(E) that such conditions can be improved by providing the maximum practicable opportunity for the development of small business concerns owned by members of socially and economically disadvantaged groups;

(F) that such development can be materially advanced through the procurement by the United States of articles, equipment, supplies, services, materials, and construction work from such concerns; and

(G) that such procurements also benefit the United States by encouraging the expansion of suppliers for such procurements, thereby encouraging competition among such suppliers and promoting economy in such procurements.

(2) It is therefore the purpose of section 637(a) of this title to—

(A) promote the business development of small business concerns owned and controlled by socially and economically disadvantaged individuals so that such concerns can compete on an equal basis in the American economy;

(B) promote the competitive viability of such concerns in the marketplace by providing such concerns with contract, financial, technical, and management assistance as may be necessary; and

(C) clarify and expand the program for the procurement by the United States of articles, supplies, services, materials, and construction work from small business concerns owned by socially and economically disadvantaged individuals.

(g) Assistance to disaster victims under disaster loan program

In administering the disaster loan program authorized by section 636 of this title, to the maximum extent possible, the Administration shall provide assistance and counseling to disaster victims in filing applications, providing information relevant to loan processing, and in loan closing and prompt disbursement of loan proceeds and shall give the disaster program a high priority in allocating funds for administrative expenses.

(h) Assistance to women owned business

(1) With respect to the programs and activities authorized by this chapter, the Congress finds that—

(A) women owned business has become a major contributor to the American economy by providing goods and services, revenues, and jobs;

(B) over the past two decades there have been substantial gains in the social and economic status of women as they have sought economic equality and independence;

(C) despite such progress, women, as a group, are subjected to discrimination in entrepreneurial endeavors due to their gender;

(D) such discrimination takes many overt and subtle forms adversely impacting the ability to raise or secure capital, to acquire managerial talents, and to capture market opportunities;

(E) it is in the national interest to expeditiously remove discriminatory barriers to the creation and development of small business concerns owned and controlled by women;

(F) the removal of such barriers is essential to provide a fair opportunity for full participation in the free enterprise system by women and to further increase the economic vitality of the Nation;

(G) increased numbers of small business concerns owned and controlled by women will directly benefit the United States Government by expanding the potential number of suppliers of goods and services to the Government; and

(H) programs and activities designed to assist small business concerns owned and controlled by women must be implemented in such a way as to remove such discriminatory barriers while not adversely affecting the rights of socially and economically disadvantaged individuals.

(i) Prohibition on use of funds for individuals not lawfully within United States

None of the funds made available pursuant to this chapter may be used to provide any direct benefit or assistance to any individual in the United States if the Administrator or the official to which the funds are made available receives notification that the individual is not lawfully within the United States.

(j) Contract bundling

In complying with the statement of congressional policy expressed in subsection (a), relating to fostering the participation of small busi-
ness concerns in the contracting opportunities of the Government, each Federal agency, to the maximum extent practicable, shall—

(1) comply with congressional intent to foster the participation of small business concerns as prime contractors, subcontractors, and suppliers;

(2) structure its contracting requirements to facilitate competition by and among small business concerns, taking all reasonable steps to eliminate obstacles to their participation; and

(3) avoid unnecessary and unjustified bundling of contract requirements that precludes small business participation in procurements as prime contractors.


Editorial Notes

CODIFICATION


AMENDMENTS

2010—Subsec. (b)(1). Pub. L. 111–240, in introductory provisions, inserted "the Administrator of" before "the Small Business Administration" and "through the Associate Administrator for International Trade, and" before "in cooperation with".


1986—Subsecs. (b), (c), Pub. L. 100–418 added subsec. (b) and redesignated former subsec. (b) as (c). Former subsec. (d) redesignated (d).

Subsec. (d). Pub. L. 100–418 redesignated subsec. (c) as (d). Former subsec. (d) redesignated (e).

Subsec. (d)(2)(A)(V) striking out "sole source" after "power to let" was executed to subsec. (d)(2)(A)(V) to reflect the probable intent of Congress and the intervening redesignation of subsec. (c) as (d) by Pub. L. 100–418.

Subsec. (d)(2)(B). Pub. L. 100–656, §204(a)(1), which directed general amendment of subsec. (c)(2)(B), was executed to subsec. (d)(2)(B) to reflect the probable intent of Congress and the intervening redesignation of subsec. (c) as (d) by Pub. L. 100–418. Prior to amendment, subpar. (B) read as follows: "It is, therefore, the purpose of the programs authorized by section 639(j) of this title to—

"(i) foster business ownership by individuals in groups that own and control little productive capital; and

"(ii) promote the competitive viability of such firms by creating a small business and capital ownership development program to provide such available financial, technical, and management assistance as may be necessary."

Subsecs. (e), (f). Pub. L. 100–418 redesignated subsecs. (d) and (e) as (e) and (f), respectively.

Subsec. (f)(1)(C). Pub. L. 100–656, §207(b), as amended by Pub. L. 101–37, which directed amendment of subsec. (e)(1)(C) by inserting "Native Hawaiian Organizations," was executed to subsec. (f)(1)(C) to reflect the probable intent of Congress and the intervening redesignation of subsec. (e) as (f) by Pub. L. 100–418.

Subsec. (f)(2). Pub. L. 100–656, §204(a)(2), which directed general amendment of subsec. (e)(2), was executed to subsec. (f)(2) to reflect the probable intent of Congress and the intervening redesignation of subsec. (e) as (f) by Pub. L. 100–418. Prior to amendment, par. (2) read as follows: "It is, therefore, the purpose of section 637(a) of this title to—

"(A) foster business ownership by individuals who are both socially and economically disadvantaged;

"(B) promote the competitive viability of such firms by providing such available contract, financial, technical, and management assistance as may be necessary; and

"(C) clarify and expand the program for the procurement by the United States of articles, equipment, supplies, services, materials, and construction work from small business concerns owned by socially and economically disadvantaged individuals."

Subsec. (g). Pub. L. 100–590, §118, added subsec. (g).


1976—Subsecs. (b) to (d). Pub. L. 94–305 added subsec. (b) and redesignated former subsecs. (b) and (c) as (c) and (d), respectively.

1974—Subsecs. (b), (c). Pub. L. 93–386 added subsec. (b) and redesignated former subsec. (b) as (c).

1961—Subsec. (a). Pub. L. 87–70 inserted "or subcontracts" after "contracts" in two places.

Subsec. (b). Pub. L. 87–70 included small-business concerns which are dispatched as a result of federally aided construction programs.

Statutory Notes and Related Subsidiaries

EFFECTIVE DATE OF 1997 AMENDMENT


EFFECTIVE DATE OF 1989 AMENDMENT

Effective Date of 1988 Amendment

"(A) Sections 301(a) and 303(d), (e), and (f) [amending sections 636 and 637 of this title and enacting provisions set out as notes under section 636 of this title].

"(B) Sections 301(b), 301(c), 303(a), 303(c), 303(g), 303(h), and 304 [amending sections 636 and 637 of this title and enacting provisions set out as a note under section 637 of this title].

"(C) Sections 401, 402, 403, 404, and 409 [amending sections 633 and 637 of this title and enacting provisions set out as a note under section 637 of this title].

"(D) Section 602 [enacting provisions set out as a note under section 637 of this title].

"(2) Section 101 [enacting provisions set out as a note under section 636 of this title].

"(3) Sections 202, 203, 204, 206, and 207 [amending this section and sections 636 and 637 of this title].

"(4) Sections 301(a) and 303(d), (e), and (f) [amending sections 636 and 637 of this title and enacting provisions set out as a note under section 637 of this title].

"(5) Sections 405, 406, 408, and 410 [amending sections 636, 639, and 645 of this title and enacting provisions set out as a note under section 636 of this title].

"(6) Sections 504 and 505 [amending section 636 of this title and enacting provisions set out as notes under section 636 of this title].

"(7) Sections 601 and 603 [amending section 644 of this title].

"(8) Titles VII and VIII [amending section 632 of this title and section 541 of former Title 40, Public Buildings, Property, and Works, enacting provisions set out as notes under sections 632, 636, and 644 of this title, and amending provisions set out as a note under section 644 of this title].

"(9) Sections 7(j)(15)(G) and 7(j)(15)(I) of the Small Business Act [section 666(j)(15)(G), (I) of this title] [as added by section 301(b)].

"(b) Special Rules.—(1) Except as otherwise provided, the following sections (and the amendments made by such sections) shall take effect on August 15, 1989:

"(A) Sections 201, 205, and 208 [amending sections 636 and 637 of this title].

"(B) Sections 301(b), 301(c), 303(a), 303(c), 303(g), 303(h), and 304 [amending sections 636 and 637 of this title and enacting provisions set out as a note under section 637 of this title].

"(C) Sections 401, 402, 403, 404, and 409 [amending sections 633 and 637 of this title and enacting provisions set out as a note under section 633 of this title].

"(D) Section 602 [enacting provisions set out as a note under section 637 of this title].

"(2) Section 302 [amending section 636 of this title] shall take effect on June 1, 1989.

"(3) Section 407 [amending section 637 of this title] shall take effect with respect to contracts entered into on or after June 1, 1989.

"(4) The following sections (and the amendments made by such sections) shall take effect on October 1, 1989:

"(A) Section 209 [amending section 637 of this title].

"(B) Section 303(b) [amending section 637 of this title].

"(C) Sections 501, 502, and 503 [amending sections 637 and 644 of this title].

"(D) Section 7(j)(15)(E) of the Small Business Act [section 666(j)(15)(E) of this title] [as added by section 301(b) of this Act]."

Pub. L. 100–590, title I, §137, Nov. 3, 1988, 102 Stat. 3007, provided that: "This title [enacting provisions 687m and 697c of this title, amending this section and sections 631b, 632, 633, 634, 636, 637, 638, 644, 646, 681, 687, and 695 to 697b of this title, repealing section 694 of this title, enacting provisions set out as notes under this section and sections 636, 637, 638, 644, 694, and 697 of this title, and amending provisions set out as notes under this section and section 637 of this title] shall be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts."

Effective Date of 1981 Amendment
Pub. L. 100–418, title VII, §8014, Aug. 23, 1988, 102 Stat. 1563, provided that: "This Act [amending this section and sections 636, 648, 649, and 696 of this title, enacting provisions set out as notes under this section, and amending provisions set out as notes under this section and section 636 of this title] shall become effective on the date of its enactment (Aug. 23, 1988)."

Effective Date of 1980 Amendment
Pub. L. 97–302, title V, §507, July 2, 1980, 94 Stat. 654, provided that: "This Act [amending this section and enacting provisions set out as notes under section 648 of this title] may be cited as the ‘Small Business Cyber Training Act of 2022’."


Pub. L. 117–166, §1, Aug. 5, 2022, 136 Stat. 1365, provided that: "This Act [amending section 636 of this title and enacting provisions set out as notes under section 638 of this title] may be cited as the ‘Disaster Assistance for Rural Communities Act’."


Pub. L. 117–183, §1, Sept. 30, 2022, 136 Stat. 2180, provided that: "This Act [amending section 636 of this title and enacting provisions set out as notes under section 638 of this title] may be cited as the ‘SBIR and STTR Extension Act of 2022’."

Pub. L. 117–186, §1, Aug. 5, 2022, 136 Stat. 1365, provided that: "This Act [amending section 636 of this title] may be cited as the ‘PPP and Bank Fraud Enforcement Harmonization Act of 2022’."

Short Title of 2021 Amendment
Pub. L. 117–6, §1, Mar. 30, 2021, 135 Stat. 250, provided that: "This Act [amending section 636 of this title and enacting provisions set out as notes under section 636 of this title] may be cited as the ‘PPext and Bank Fraud Enforcement Harmonization Act of 2021’.

Short Title of 2020 Amendment
Pub. L. 116–142, §1, June 5, 2020, 134 Stat. 641, provided that: ‘This Act [amending sections 636 and 9005 of this title] shall be effective for all loan applications resulting from disaster declarations made on or after August 1, 1988, or from disaster declarations whose filing periods were open on October 1, 1988. Any new credit authority provided for in this Act [see Short Title of 1988 Amendment note below] is to be effective for any fiscal year only to such extent or in such amounts as are provided in appropriation Acts.‘"
title, enacting provisions set out as notes under section 636 of this title and section 3111 of Title 26, Internal Revenue Code, and amending provisions set out as a note under section 636 of Title 26) may be cited as the ‘Paycheck Protection Program Flexibility Act of 2020.’”

**Short Title of 2019 Amendment**

Pub. L. 116-70, §1, Nov. 22, 2019, 133 Stat. 1145, provided that: “This Act [amending provisions set out as a note under section 636 of this title] may be cited as the ‘Rebuilding Small Business Act of 2019.’”

**Short Title of 2018 Amendment**

Pub. L. 115-298, §1, Oct. 9, 2018, 132 Stat. 3664, provided that: “This Act [amending sections 649 of this title, and enacting provisions set out as notes under section 649 of this title] may be cited as the ‘Small Business Innovation Protection Act of 2018.’”

**Short Title of 2016 Amendment**

Pub. L. 114-125, title V, §501, Feb. 24, 2016, 130 Stat. 172, provided that: “This title [enacting sections 721a and 721b of this title, amending sections 644, 649, and 4727 of this title, and enacting provisions set out as a note under section 4727 of this title] may be cited as the ‘Small Business Trade Coordination Act.’”

**Short Title of 2015 Amendment**

Pub. L. 114-88, §1(a), Nov. 25, 2015, 129 Stat. 686, provided that: “This Act [amending sections 636, 644, 649, 657d, and 657f of this title and enacting provisions set out as notes under this section and sections 636 and 657f of this title] may be cited as the ‘Superstorm Sandy Relief and Disaster Loan Program Improvement Act of 2015.’”

Pub. L. 114-88, §1(b), Nov. 25, 2015, 129 Stat. 689, provided that: “This division [amending sections 636, 644, 649, 657d, and 657f of this title and enacting provisions set out as a note under section 636 of this title] may be cited as the ‘Recovery Improvements for Small Entities After Disaster Act of 2015’ or the ‘RISE After Disaster Act of 2015.’” [For identical short title, see above.]


**Short Title of 2011 Amendment**

Pub. L. 112-81, div. E, title §5001, Dec. 31, 2011, 125 Stat. 1822, provided that: “This division [enacting sections 638a and 638b of this title, amending sections 632 and 638 of this title, enacting provisions set out as notes under sections 638 and 638b of this title, and amending provisions set out as a note under section 638 of this title] may be cited as the ‘SBIR/STTR Reauthorization Act of 2011.’”

Pub. L. 112-17, §1, June 1, 2011, 125 Stat. 221, provided that: “This Act [amending section 638 of this title] may be cited as the ‘Small Business Additional Temporary Extension Act of 2011.’”

**Short Title of 2010 Amendment**

Pub. L. 111-240, §1, Sept. 27, 2010, 124 Stat. 2504, provided that: “This Act [amending sections 634g, 648b, and 657q of this title, and enacting provisions set out as notes under section 634g of this title] may be cited as the ‘Small Business Jobs Act of 2010.’”


**Short Title of 2008 Amendment**


**Short Title of 2007 Amendment**

§ 631

TITLE 15—COMMERCE AND TRADE

Page 754

Pub. L. 106–22, §1, Apr. 27, 1999, 113 Stat. 36, provided that: ‘‘This Act [amending section 636 of this title] may be cited as the ‘Microloan Program Technical Corrections Act of 1999’.’’

Pub. L. 106–17, §1, Apr. 6, 1999, 113 Stat. 27, provided that: ‘‘This Act [amending section 656 of this title and enacting provisions set out as a note under section 636 of this title] may be cited as the ‘Women’s Business Center Amendments Act of 1999’.’’

Pub. L. 106–8, §1, Apr. 2, 1999, 113 Stat. 13, provided that: ‘‘This Act [amending section 636 of this title and enacting provisions set out as notes under section 636 of this title, and repealing provisions set out as a note under section 636 of this title] may be cited as the ‘Small Business Year 2000 Readiness Act’.’’

Short Title of 1998 Amendment


Short Title of 1997 Amendment

Pub. L. 106–128, §1(a), Dec. 2, 1997, 111 Stat. 2592, provided that: ‘‘This Act [amending sections 657a and 7109 of this title and former section 7109 of this title, amending this section, sections 631b, 632, 636, 637, 638, 644, 645, 646, 656, 681 to 683, 687b, 687m, 694b, 696, 697, 697e, 7103, 7104, 7105, 7107, and 7109, and repealing provisions set out as notes under this section, sections 638 and 657d of this title, and amending provisions set out as notes under this section and section 657b of this title, and repealing provisions set out as a note under section 694b of this title] may be cited as the ‘Small Business Reauthorization and Manufacturing Assistance Act of 2004’.’’

Short Title of 2001 Amendment


Short Title of 2000 Amendment


Pub. L. 106–554, §1(a)(9) [title I, §101], Dec. 21, 2000, 114 Stat. 2763, 2763A–668, provided that: ‘‘This title [amending sections 657d and 657e of this title, amending provisions set out as notes under sections 638 and 657d of this title, and amending provisions set out as notes under this section and section 638 of this title] may be cited as the ‘Small Business Innovation Research Program Reauthorization Act of 2000’.’’

Pub. L. 106–554, §1(a)(9) [title II, §201], Dec. 21, 2000, 114 Stat. 2763, 2763A–661, provided that: ‘‘This title [amending sections 634, 636, 636, and 696 of this title] may be cited as the ‘Small Business Loan Improvement Act of 2000’.’’

Pub. L. 106–554, §1(a)(9) [title V, §501], Dec. 21, 2000, 114 Stat. 2763, 2763A–691, provided that: ‘‘This title [amending sections 637, 648, 654, and 657a of this title and amending provisions set out as notes under this section and sections 637 and 644 of this title] may be cited as the ‘Small Business Programs Reauthorization Act of 2000’.’’

Pub. L. 106–554, §1(a)(9) [title VI, subtitle A, §601], Dec. 21, 2000, 114 Stat. 2763, 2763A–697, provided that: ‘‘This subtitle [amending section 632 of this title] may be cited as the ‘HUBZones in Native America Act of 2000’.’’

Short Title of 1999 Amendment

Pub. L. 106–165, §1, Dec. 9, 1999, 113 Stat. 1795, provided that: ‘‘This Act [amending section 656 of this title and enacting provisions set out as notes under section 636 of this title] may be cited as the ‘Women’s Business Centers Sustainability Act of 1999’.’’

Pub. L. 106–50, §1, Aug. 17, 1999, 113 Stat. 233, provided that: ‘‘This Act [amending sections 631b, 632, 633, 634b, 636, 637, 644, and 695 of this title, enacting provisions set out as notes under sections 633, 636, 637, 657b, and 657c of this title, and amending provisions set out as notes under this title] may be cited as the ‘Veterans Entrepreneurship and Small Business Development Act of 1999’.’’
AUTHORIZED OF APPROPRIATIONS


Authorization of Appropriations

"(1) There are authorized to be appropriated such sums as may be necessary and appropriate for administrative expenses of the Administration.

"(2) Except as may be otherwise specifically provided by law, the amount of deferred participation loans authorized in this section—

(A) shall mean the net amount of the loan principal guaranteed by the Small Business Administration (and does not include any amount which is not guaranteed); and

(B) shall be available for a national program, except that the Administration may use not more than an amount equal to 10 percent of the amount authorized each year for any special or pilot program directed to identified sectors of the small business community or to specific geographic regions of the United States.

"(b) There are authorized to be appropriated to the Administration for fiscal year 1991 such sums as may be necessary to carry out the provisions of this Act [15 U.S.C. 631 et seq.] and the Small Business Investment Act of 1958. There are also hereby authorized to be appropriated such sums as may be necessary and appropriate for the carrying out of the purposes and purposes, including administrative expenses, of sections 7(b)(1) and 7(b)(2) of this Act [15 U.S.C. 636(b)(1), (2)]; and there are authorized to be transferred from the disaster loan revolving fund such sums as may be necessary and appropriate for such administrative expenses.

"(c) Disaster Mitigation Pilot Program.—The following program levels are authorized for loans under section 7(b)(1)(C) [15 U.S.C. 636(b)(1)(C)]:

(1) $15,000,000 for fiscal year 2005.

(2) $15,000,000 for fiscal year 2006.

(d) Fiscal Year 2005.—

(1) Program Levels.—The following program levels are authorized for fiscal year 2005:

(A) For the programs authorized by this Act [15 U.S.C. 631 et seq.], the Administration is authorized to make—

(i) $75,000,000 in technical assistance grants, as provided in section 7(m) [15 U.S.C. 636(m)]; and

(ii) $105,000,000 in direct loans, as provided in 7(m).

(B) For the programs authorized by this Act, the Administration is authorized to make $23,050,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

(i) $16,500,000,000 in general business loans, as provided in section 7(a) [15 U.S.C. 636(a)];

(ii) $6,000,000,000 in certified development company financings, as provided in section 7(a)(13) and as provided in section 504 of the Small Business Investment Act of 1958 [15 U.S.C. 697a];

(iii) $500,000,000 in loans, as provided in section 7(a)(21); and

(iv) $50,000,000 in loans, as provided in section 7(m).

(C) For the programs authorized by title III of the Small Business Investment Act of 1958 [15 U.S.C. 681 et seq.], the Administration is authorized to make—

(i) $1,250,000,000 in purchases of participating securities; and

(ii) $3,250,000,000 in guarantees of debentures.

(D) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958 [15 U.S.C. 694a et seq.], the Administration is authorized to enter into guarantees not to exceed $6,000,000,000, or of which not more than 50 percent may be in bonds approved pursuant to section 411(a)(3) of that Act [15 U.S.C. 694a(3)].

(E) The Administration is authorized to make grants or enter into cooperative agreements for a total amount of $7,000,000 for the Service Corps of Retired Executives program authorized by section 21(b)(1) [15 U.S.C. 637(b)(1)].

2. Additional Authorizations.—

(A) There are authorized to be appropriated to the Administration for fiscal year 2005 such sums as
may be necessary to carry out the provisions of this Act not elsewhere provided for, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b) (15 U.S.C. 636(b)), and to carry out the Small Business Investment Act of 1958 (15 U.S.C. 661 et seq.), including salaries and expenses of the Administration.

(b) Notwithstanding any other provision of this paragraph, for fiscal year 2005—

(i) funds are authorized to be used as loan capital for the loan program authorized by section 7(a)(21) except by transfer from another Federal department or agency, by contract or otherwise, under terms and conditions other than those specifically authorized under this Act or the Small Business Investment Act of 1958, except that it may approve loans under section 7(a)(21) of this Act in gross amounts of not more than $2,000,000.

(ii) the Administration may not approve loans on its own behalf or on behalf of any other Federal department or agency, by contract or otherwise, under terms and conditions other than those specifically authorized under this Act or the Small Business Investment Act of 1958, except that it may approve loans under section 7(a)(21) of this Act in gross amounts of not more than $2,000,000.

(c) Fiscal Year 2006.

(i) Program Levels.—The following program levels are authorized for fiscal year 2006:

(A) For the programs authorized by this Act (15 U.S.C. 621 et seq.), the Administration is authorized to make—

(i) $80,000,000 in technical assistance grants, as provided in section 7(m) (15 U.S.C. 636(m)); and

(ii) $10,000,000 in direct loans, as provided in section 7(m).

(B) For the programs authorized by this Act, the Administration is authorized to make $25,000,000,000 in deferred participation loans and other financings. Of such sum, the Administration is authorized to make—

(i) $17,000,000,000 in general business loans, as provided in section 7(a) (15 U.S.C. 636(a));

(ii) $7,500,000,000 in certified development company financings, as provided in section 7(a)(13) and as provided in section 504 of the Small Business Investment Act of 1958 (15 U.S.C. 697a);

(iii) $500,000,000 in loans, as provided in section 7(a)(21); and

(iv) $50,000,000 in loans, as provided in section 7(m).

(C) For the programs authorized by title III of the Small Business Investment Act of 1958 (15 U.S.C. 681 et seq.), the Administration is authorized to make—

(i) $4,500,000,000 in purchases of participating securities; and

(ii) $3,500,000,000 in guarantees of debentures.

(D) For the programs authorized by part B of title IV of the Small Business Investment Act of 1958 (15 U.S.C. 694a et seq.), the Administration is authorized to enter into guarantees not to exceed $6,000,000,000, of which not more than 50 percent may be in bonds approved pursuant to section 411(a)(3) of that Act (15 U.S.C. 694h(a)(3)).

(E) The Administration is authorized to make grants or enter into cooperative agreements for a total amount of $7,000,000 for the Service Corps of Retired Executives program authorized by section 8(b)(1) (15 U.S.C. 637(b)(1)).

(ii) Additional Authorizations.—

(A) There are authorized to be appropriated to the Administration for fiscal year 2006 such sums as may be necessary to carry out the provisions of this Act not elsewhere provided for, including administrative expenses and necessary loan capital for disaster loans pursuant to section 7(b) (15 U.S.C. 636(b)), and to carry out the Small Business Investment Act of 1958, including salaries and expenses of the Administration.

(B) Notwithstanding any other provision of this paragraph, for fiscal year 2006—

(i) no funds are authorized to be used as loan capital for the loan program authorized by section 7(a)(21) except by transfer from another Federal department or agency, by contract or otherwise, under terms and conditions other than those specifically authorized under this Act or the Small Business Investment Act of 1958, except that it may approve loans under section 7(a)(21) of this Act in gross amounts of not more than $2,000,000.

(ii) the Administration may not approve loans on its own behalf or on behalf of any other Federal department or agency, by contract or otherwise, under terms and conditions other than those specifically authorized under this Act or the Small Business Investment Act of 1958, except that it may approve loans under section 7(a)(21) of this Act in gross amounts of not more than $2,000,000.


(1) $4,000,000,000 in purchases of participating securities; and

(2) $3,000,000,000 in guarantees of debentures.

(e) Authority to Increase Amount of General Business Loans.—

(1) In General.—Subject to paragraphs (2) and (3) and with respect to fiscal year 2019 and each fiscal year thereafter, if the Administrator determines that the amount of commitments by the Administrator for general business loans authorized under section 7(a) (15 U.S.C. 636(a)) for a fiscal year could exceed the limit on the total amount of commitments the Administrator may make for those loans under this Act, an appropriations Act, or any other provision of law, the Administrator may make commitments for those loans for that fiscal year in an aggregate amount equal to not more than 115 percent of that limit.

(2) Notice Required Before Exercising Authority.—Not later than 30 days before the date on which the Administrator intends to exercise the authority under paragraph (1), the Administrator shall submit notice of intent to exercise the authority to—

(A) the Committee on Small Business and Entrepreneurship and the Subcommittee on Financial Services and General Government of the Committee on Appropriations of the Senate; and

(B) the Committee on Small Business and the Subcommittee on Financial Services and General Government of the Committee on Appropriations of the House of Representatives.

(3) Limitation.—The Administrator shall not exercise the authority under paragraph (1) more than once during any fiscal year.

(f) Microloan Program.—For each of fiscal years 2021 through 2025, the Administration is authorized to make—

(1) $80,000,000 in technical assistance grants, as provided in section 7(m) (15 U.S.C. 636(m)); and

(2) $190,000,000 in direct loans, as provided in section 7(m).

(g) Management Training.


(a) In General.—Not later than 8 months after the date of enactment of this section [Jan. 1, 2021], the Administrator of the Small Business Administration, in coordination with the Administrator of the Office of Federal Procurement Policy and any other head of a Federal agency (as determined by the Administrator), shall develop a training curriculum on category management for staff of Federal agencies with procurement or acquisition responsibilities. Such training shall include—

(1) best practices for procuring goods and services from small business concerns (as defined under section 3 of the Small Business Act (15 U.S.C. 632)); and

(2) information on avoiding conflicts with the requirements of the Small Business Act (15 U.S.C. 631 et seq.).
“(b) USE OF CURRICULUM.—The Administrator of the Small Business Administration—
(1) shall ensure that staff for Federal agencies described in subsection (a) receive the training described in such subsection; and
(2) may request the assistance of the relevant Director of Small and Disadvantaged Business Utilization (as described in section 15(k) of the Small Business Act (15 U.S.C. 644(k))) to carry out the requirements of paragraph (1).

(c) SUBMISSION TO CONGRESS.—The Administrator of the Small Business Administration shall provide a copy of the training curriculum developed under subsection (a) to the Committee on Small Business of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate.

(d) CATEGORY MANAGEMENT DEFINED.—In this section, the term ‘category management’ has the meaning given by the Director of the Office of Management and Budget.”

SMALL BUSINESS ACT CONTRACTING REQUIREMENTS

TRAINING


“(a) ESTABLISHMENT.—Not later than 1 year after the date of enactment of this part (Jan. 2, 2013), the Defense Acquisition University and the Federal Acquisition Institute shall each provide a course on contracting requirements under the Small Business Act (15 U.S.C. 631 et seq.), including the requirements for small business concerns owned and controlled by service-disabled veterans, qualified HUBZone small business concerns, small business concerns owned and controlled by socially and economically disadvantaged individuals, and small business concerns owned and controlled by women.

“(b) COURSE REQUIRED.—To have a Federal Acquisition Certification in Contracting (or any successor certification) or the equivalent Department of Defense certification an individual shall be required to complete the course established under subsection (a).”

AGENCY ACHIEVEMENT OF SMALL BUSINESS GOALS


“(1) RESPONSIBILITY FOR ACHIEVING SMALL BUSINESS GOALS.—The head of an agency shall take steps to ensure that members of the senior executive service, as defined under section 3396(a) of title 5, United States Code, responsible for acquisition, other senior officials responsible for acquisition, and other members of the senior executive service, as appropriate, assume responsibility for the agency’s success in achieving each of the small business prime contracting and subcontracting goals and percentages by—

“(1) promoting a climate or environment that is responsive to small business concerns;

“(2) communicating the importance of achieving the agency’s small business contracting goals; and

“(3) encouraging small business awareness, outreach, and support.

“(c) DEFINITIONS.—In this section (enacting this note and provisions set out as a note under section 3396 of Title 5, Government Organization and Employees) the term ‘responsible for acquisition’, with respect to a member of the senior executive service or other senior official means such a member or official who acquires services or supplies, directs agency organizations to acquire services or supplies, oversees acquisition officials, including program managers, contracting officers, and other acquisition workforce personnel responsible for formulating and approving acquisition strategies and plans.”

LOAN APPLICATION PROCESSING

Pub. L. 106–554, §1(a)(9) [title VIII, §801], Dec. 21, 2000, 114 Stat. 2763, 2763A–702, required the Administrator of the Small Business Administration to conduct a loan application processing study and to transmit the results to Congress not later than 1 year after Dec. 21, 2000.

SERVICE DISABLED VETERANS


“SEC. 701. PURPOSES.

“(a) In general.—The purposes of this title [amending sections 631b, 636, and 637 of this title and enacting this note] are—

“(1) to foster enhanced entrepreneurship among eligible veterans by providing increased opportunities;

“(2) to vigorously promote the legitimate interests of small business concerns owned and controlled by eligible veterans; and

“(3) to ensure that those concerns receive fair consideration in purchases made by the Federal Government.

“SEC. 702. DEFINITIONS.

“(a) In this title:

“(1) ELIGIBLE VETERAN.—The term ‘eligible veteran’ means a disabled veteran (as defined in section 4211(c) of title 38, United States Code).

“(2) SMALL BUSINESS CONCERN OWNED AND CONTROLLED BY ELIGIBLE VETERANS.—The term ‘small business concern owned and controlled by eligible veterans’ means a small business concern (as defined in section 3 of the Small Business Act (15 U.S.C. 632))—

“(A) that is at least 51 percent owned by 1 or more eligible veterans, or in the case of a publicly owned business, at least 51 percent of the stock of which is owned by 1 or more eligible veterans; and

“(B) whose management and daily business operations are controlled by eligible veterans.

“SEC. 703. REPORT BY SMALL BUSINESS ADMINISTRATION.

“(a) STUDY AND REPORT.—

“(1) In general.—Not later than 9 months after the date of enactment of this Act (Dec. 2, 1997), the Administrator shall conduct a comprehensive study and submit to the Committees a final report containing findings and recommendations of the Administrator on—

“(A) the needs of small business concerns owned and controlled by eligible veterans;

“(B) the availability and utilization of Administration programs by small business concerns owned and controlled by eligible veterans;

“(C) the percentage, and dollar value, of Federal contracts awarded to small business concerns owned and controlled by eligible veterans in the preceding 5 fiscal years; and

“(D) methods to improve Administration and other agency programs to serve the needs of small business concerns owned and controlled by eligible veterans.

“(2) CONTENTS.—The report under paragraph (1) shall include recommendations to Congress concerning the need for legislation and recommendations to the Office of Management and Budget, relevant offices within the Administration, and the Department of Veterans Affairs.

“(b) CONDUCT OF STUDY.—In carrying out subsection (a), the Administrator—

“(1) may conduct surveys of small business concerns owned and controlled by eligible veterans and service disabled veterans, including those who have sought financial assistance or other services from the Administration;

“(2) shall consult with the appropriate committees of Congress, relevant groups and organizations in the nonprofit sector, and Federal or State government agencies; and

“(3) shall have access to any information within other Federal agencies that pertains to such veterans and their small businesses, unless such access is specifically prohibited by law.
SEC. 704. INFORMATION COLLECTION.

"After the date of issuance of the report required by section 703(a), the Secretary of Veterans Affairs shall, in consultation with the Assistant Secretary for Veterans' Employment and Training and the Administrator, engage in efforts each fiscal year to identify small business concerns owned and controlled by eligible veterans in the United States. The Secretary shall inform each small business concern identified under this section that information on Federal procurement is available from the Administrator.

SEC. 707. ENTREPRENEURIAL TRAINING, COUNSELING, AND MANAGEMENT ASSISTANCE.

"The Administrator shall take such actions as may be necessary to ensure that small business concerns owned and controlled by eligible veterans have access to programs established under the Small Business Act (15 U.S.C. 631 et seq.) that provide entrepreneurial training, business development assistance, counseling, and management assistance to small business concerns, including, among others, the Small Business Development Center program and the Service Corps of Retired Executives (SCORE) program.

SEC. 709. OUTREACH FOR ELIGIBLE VETERANS.

"The Administrator, the Secretary of Veterans Affairs, and the Assistant Secretary of Labor for Veterans Employment and Training, shall develop and implement a program of comprehensive outreach to assist eligible veterans, which program shall include business training and management assistance, employment and relocation counseling, and dissemination of information on veterans' benefits and veterans' entitlements.

TRANSITION REIMBURSEMENT


BUY AMERICAN PREFERENCE IN PROVISION OF FINANCIAL ASSISTANCE

Pub. L. 102–366, title I, § 103, Sept. 4, 1992, 106 Stat. 968, provided that: "In providing financial assistance with amounts appropriated pursuant to the amendments made by this Act [see Short Title of 1992 Amendment note above], the Administrator of the Small Business Administration shall, when practicable, accord preference to small business concerns which use or purchase equipment and supplies produced in the United States. The Administrator shall also encourage small business concerns receiving such assistance to purchase such equipment and supplies.''

FEASIBILITY STUDY OF BUSINESS COOPERATION NETWORK

Pub. L. 101–574, title II, § 233, Nov. 15, 1990, 104 Stat. 2825, directed Administrator of the Small Business Administration to conduct a study of feasibility of establishing a business cooperation system similar to Business Cooperation Network developed by the European Economic Community, specified the purpose of the study, and directed Administrator, not later than one year after Nov. 15, 1990, to transmit to Congress a report containing the results of the study together with recommendations for such legislative and administrative actions as the Administrator considered appropriate.

DEVELOPMENT OF WOMEN'S BUSINESS ENTERPRISE

Pub. L. 100–533, title IV, §§ 401–407, Oct. 25, 1988, 102 Stat. 2694, as amended, formerly set out as a note under this section, was transferred to chapter 97 (§7191 et seq.) of this title.

DISADVANTAGED SMALL BUSINESSES

Pub. L. 100–533, title V, § 504, Oct. 25, 1988, 102 Stat. 2698, provided that: "Nothing contained in this Act [see Short Title of 1988 Amendment note above] is intended to reduce or limit any programs, benefits, or activity that is authorized by law to assist small business concerns owned and controlled by socially and economically disadvantaged individuals as defined pursuant to section 8(d)(3) of the Small Business Act (15 U.S.C. 637(d)(3))."

GLOBALIZATION OF PRODUCTION: REPORT TO CONGRESS

Pub. L. 100–418, title VIII, § 8009, Aug. 23, 1988, 102 Stat. 1000, directed Small Business Administration to conduct a National Seminar on Small Business Exports in Buffalo, New York, in connection with the World University Games Buffalo '83 during July, 1983, in order to develop recommendations designed to stimulate exports from small companies, with such Seminar to build upon the information collected by Administration through previously conducted regional small business trade conferences and prior conference in State of Washington and to specifically consider utility of, and make recommendations regarding, subsequent International Conference on Small Business and Trade.

Pub. L. 100–418, title VIII, § 8011, Aug. 23, 1988, 102 Stat. 1062, directed Small Business Administration to conduct a National Seminar on Small Business Exports within one year after Aug. 23, 1988, in order to develop recommendations designed to stimulate exports from small companies.

APPOINTMENT OF ADMINISTRATOR OF SMALL BUSINESS ADMINISTRATION TO TRADE POLICY COMMITTEE; SPECIAL TRADE ASSISTANT FOR SMALL BUSINESS IN OFFICE OF UNITED STATES TRADE REPRESENTATIVE

Pub. L. 100–418, title VIII, § 8012, Aug. 23, 1988, 102 Stat. 1063, provided that: "It is the sense of the Congress that the interests of the small business community have not been adequately represented in trade policy formulation and in trade negotiations. Therefore, it is the sense of the Congress that the Administrator of the Small Business Administration should be appointed as a member of the Trade Policy Committee and that the United States Trade Representative should consult with the Small Business Administration and its Office of Advocacy in trade policy formulation and in trade negotiations.

Further, it is the sense of the Congress that the United States Trade Representative should appoint a special trade assistant for small business.''

NATIONAL SEMINARS ON SMALL BUSINESS EXPORTS

Pub. L. 102–366, title II, § 224, Sept. 4, 1992, 106 Stat. 1000, directed Small Business Administration to conduct a National Seminar on Small Business Exports in Buffalo, New York, in connection with the World University Games Buffalo '93 during July, 1993, in order to develop recommendations designed to stimulate exports from small companies, with such Seminar to build upon the information collected by Administration through previously conducted regional small business trade conferences and prior conference in State of Washington and to specifically consider utility of, and make recommendations regarding, subsequent International Conference on Small Business and Trade.

Pub. L. 100–418, title VIII, § 8011, Aug. 23, 1988, 102 Stat. 1062, directed Small Business Administration to conduct a National Seminar on Small Business Exports within one year after Aug. 23, 1988, in order to develop recommendations designed to stimulate exports from small companies.

APPOINTMENT OF ADMINISTRATOR OF SMALL BUSINESS ADMINISTRATION TO TRADE POLICY COMMITTEE; SPECIAL TRADE ASSISTANT FOR SMALL BUSINESS IN OFFICE OF UNITED STATES TRADE REPRESENTATIVE

Pub. L. 100–418, title VIII, § 8012, Aug. 23, 1988, 102 Stat. 1063, provided that: "It is the sense of the Congress that the interests of the small business community have not been adequately represented in trade policy formulation and in trade negotiations. Therefore, it is the sense of the Congress that the Administrator of the Small Business Administration should be appointed as a member of the Trade Policy Committee and that the United States Trade Representative should consult with the Small Business Administration and its Office of Advocacy in trade policy formulation and in trade negotiations.

Further, it is the sense of the Congress that the United States Trade Representative should appoint a special trade assistant for small business.''

GLOBALIZATION OF PRODUCTION: REPORT TO CONGRESS

Pub. L. 100–418, title VIII, § 8009, Aug. 23, 1988, 102 Stat. 1000, directed Administrator of Small Business Administration, within one year after Aug. 23, 1988, to submit a written report to Committees on Small Business of House of Representatives and Senate, prepared by Administration in conjunction with Bureau of Census and in cooperation with other relevant agencies, that would analyze to extent possible the effect of increased outsourcing and other shifts in production arrangements on small firms, particularly manufacturing firms, within United States subcontractor tier and to extent that such data is not available determine methods by which such data might be collected; assess the impact of specific economic policies, including, but not limited to, procurement, tax and trade policies, in facilitating outsourcing and other international production arrangements; and make recommendations as to changes in Government policy that would improve competitive position of smaller United States subcontractors, including recommendations as to incentives which could be provided to larger corporations to maximize their use of United States subcontractors and assist these subcontractors in changing production and marketing strategies and in obtaining new business in domestic and foreign markets.
WHITE HOUSE CONFERENCE ON SMALL BUSINESS

Pub. L. 101–499, Oct. 5, 1990, 104 Stat. 885, as amended by Pub. L. 103–81, §10, Aug. 13, 1993, 107 Stat. 783, directed President to conduct National White House Conference on Small Business not earlier than May 1, 1995, and not later than Oct. 30, 1995, to increase public awareness of essential contribution of small business, to identify obstacles to small business, to examine status of women and minorities as small business owners, and to develop specific recommendations for action to maintain and encourage economic viability of small business, further provided for creation of White House Conference on Small Business Commission to oversee preparation for Conference, further provided for selection of Conference participants as well as planning and administration of Conference, further provided for final report to be submitted not later than four months after convening of Conference as well as annual follow-up reports by Small Business Administration for three years after submission of final report, and further provided for authorization of appropriations.

Pub. L. 98–276, May 8, 1984, 98 Stat. 169, directed President to call and conduct a National White House Conference on Small Business not later than Sept. 1, 1986, with Conference to submit a final report to President and Congress not more than six months from date on which Conference convened, and with that final report to include findings and recommendations of Conference as well as proposals for any legislative action necessary to implement Conference’s recommendations: and required Small Business Administration to report to Congress annually during the 3-year period following submission of final report on status and implementation of findings and recommendations of Conference.

ASIAN PACIFIC AMERICANS AS DISADVANTAGED MINORITY IN 1978


ASSISTANCE TO AUTOMOBILE DEALERS; CONGRESSIONAL FINDINGS; INVESTIGATION BY ADMINISTRATOR; REPORT TO CONGRESS

Pub. L. 96–185, §17, Jan. 7, 1980, 93 Stat. 1335, directed Administrator of Small Business Administration to investigate financial problems faced by small automobile dealers and determine what assistance through loans and loan guarantees may be needed to alleviate such problems and to report results of such investigation to Senate and House of Representatives not later than sixty days after Jan. 7, 1980.

DEFINITIONS


“(1) the term ‘Administration’ means the Small Business Administration;

“(2) the term ‘Administrator’ means the Administrator of the Small Business Administration;

“(3) the term ‘Committees’ means the Committees on Small Business of the House of Representatives and the Senate [Committee on Small Business of Senate Committee on Small Business and Entrepreneurship of Senate]; and

“(4) the term ‘small business concern’ has the meaning given the term in section 3 of the Small Business Act (15 U.S.C. 632).”

Pub. L. 104–208, div. D, §2, Sept. 30, 1996, 110 Stat. 3099–725, provided that: “For purposes of this Act [probably should be ‘division’], see Short Title of 1996 Amendment note above, the term ‘Administrator’ means the Administrator of the Small Business Administration.”

Executive Documents

EXECTIVE ORDER No. 11458


EX. ORD. No. 11625, NATIONAL PROGRAM FOR MINORITY BUSINESS ENTERPRISE


The opportunity for full participation in our free enterprise system by socially and economically disadvantaged persons is essential if we are to obtain social and economic justice for such persons and improve the functioning of our national economy.

The Office of Minority Business Enterprise, established in 1969, greatly facilitated the strengthening and expansion of our minority enterprise program. In order to take full advantage of resources and opportunities in the minority enterprise field, we now must build on this foundation. One important way of improving our efforts is by clarifying the authority of the Secretary of Commerce (a) to implement Federal policy in support of the minority business enterprise program; (b) provide additional technical and management assistance to disadvantaged business; (c) to assist in demonstration projects; and (d) to coordinate the participation of all Federal departments and agencies in an increased minority enterprise effort.

NOW, THEREFORE, by virtue of the authority vested in me as President of the United States, it is ordered as follows:

SECTION 1. Functions of the Secretary of Commerce. (a) The Secretary of Commerce (hereinafter referred to as “the Secretary”) shall—

(1) Coordinate as consistent with law the plans, programs, and operations of the Federal Government which affect or may contribute to the establishment, preservation, and strengthening of minority business enterprise.

(2) Promote the mobilization of activities and resources of State and local governments, businesses and trade associations, universities, foundations, professional organizations, and volunteer and other groups towards the growth of minority business enterprises, and facilitate the coordination of the efforts of these groups with those of Federal departments and agencies.

(3) Establish a center for the development, collection, summarization, and dissemination of information that will be helpful to persons and organizations throughout the Nation in undertaking or promoting the establishment and successful operation of minority business enterprise.

(4) Within constraints of law and appropriations therefor, and according to his discretion, provide financial assistance to public and private organizations so that they may render technical and management assistance to minority business enterprises, and defray in whole or part of the costs of pilot or demonstration projects conducted by public or private agencies or organizations which are designed to overcome the special problems of minority business enterprises or otherwise to further the purposes of this order.

(b) The Secretary, as he deems necessary or appropriate to enable him to better fulfill the responsibilities vested in him by subsection (a), may—

(1) With the participation of other Federal departments and agencies as appropriate, develop comprehensive plans and specific program goals for the minority enterprise program; establish regular performance monitoring and reporting systems to assure that goals are being achieved; and evaluate the impact of Federal support in achieving the objectives established by this order.

(2) Require a coordinated review of all proposed Federal training and technical assistance activities in di-
§ 631 TITLE 15—COMMERCE AND TRADE Page 762

rect support of the minority enterprise program to assure consistency with program goals and to avoid duplication. (3) Convene, for purposes of coordination, meetings of the heads of such departments and agencies, or their designees, whose programs and activities may affect or contribute to the purposes of this order. (4) Convene business leaders, educators, and other representatives of the private sector who are engaged in assisting the development of minority business enterprises or who could contribute to its development, for the purpose of proposing, evaluating and coordinating governmental and private activities in furtherance of the objectives of this order. (5) Confer with and advise officials of State and local governments. (6) Provide the managerial and organizational framework through which joint or collaborative undertakings with Federal departments or agencies or private organizations can be planned and implemented. (7) Recommend appropriate legislative or executive actions.

Sic. 2. (Revoked by Ex. Ord. No. 12007, Aug. 22, 1977, 42 F.R. 42839.)

Sic. 3. Responsibilities of Other Federal Departments and Agencies. (a) The head of each Federal department and agency, or a representative designated by him, when and in the manner so requested by the Secretary, shall furnish information, assistance, and reports to and shall otherwise cooperate with, the Secretary in the performance of his functions hereunder. (b) The head of each Federal department or agency shall, when so requested by the Secretary, designate his Under Secretary or such other similar official to have primary and continuing responsibility for the participation and cooperation of that department or agency in matters concerning minority business enterprise. (c) The officials designated under the preceding paragraph, when so requested, shall review and report to the Secretary upon the policies and programs of the minority business enterprise program, and shall keep the Secretary informed of all proposed budgets, plans and programs of his department or agency affecting minority business enterprise. (d) The head of each Federal department or agency, or a representative designated by him, shall, to the extent provided under regulations issued by the Secretary after consultation with the official designated in paragraph (b) above, report to the Secretary on any activity that falls within the scope of the minority business enterprise program as defined herein and in those regulations. (e) Each Federal department or agency shall, within constraints of law and appropriations therefor, continue current efforts to foster and promote minority business enterprises and to support the program herein set forth, and shall cooperate with the Secretary of Commerce in increasing the total Federal effort.

Sic. 4. Reports. The Secretary shall, not later than 120 days after the close of each fiscal year, submit to the President his recommendations for legislation or other action as he deems desirable to promote the purposes of this order. Each Federal department or agency shall report to the Secretary as hereinafter provided on a timely basis so that the Secretary may consider such reports for his report and recommendations to the President. Each Federal department or agency shall develop and implement systematic data collection processes which will provide to the Office of Minority Business Enterprise Information Center current data helpful in evaluating and promoting the efforts herein described.

Sic. 5. Policies and Standards. The Secretary may establish such policies, standards, definitions, criteria, and procedures to govern the implementation, interpretation, and application of this order, and generally perform such functions and tasks as he or she deem to be necessary or appropriate to achieve the purposes and carry out the provisions hereof.

Sic. 6. Definitions. For purposes of this order, the following definitions shall apply: (a) “Minority business enterprise” means a business enterprise that is owned or controlled by one or more socially or economically disadvantaged persons. Such disadvantage may arise from cultural, racial, chronic economic circumstances or background or other similar cause. Such persons include, but are not limited to, Negroes, Puerto Ricans, Spanish-speaking Americans, American Indians, Eskimos, and Aleuts. (b) “State” means the States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the territories and possessions of the United States, and the Trust Territory of the Pacific Islands. (c) “Construction” means nothing in this order shall be construed as subjecting any function vested in, or assigned pursuant to law to, any Federal department or agency or head thereof to the authority of any other agent or office exclusively, or as abrogating or restricting any such function in any manner.

Sic. 8. Prior Executive Order. Executive Order No. 11458 of March 5, 1969, is hereby superseded.

Advisory Council for Minority Enterprise

For provisions relating to termination of, see Ex. Ord. No. 12007, Aug. 22, 1977, 42 F.R. 42839, formerly set out as a note under section 1013 of Title 5, Government Organization and Employees.


Executive Order No. 12061


Executive Order No. 12269

Ex. Ord. No. 12269, Jan. 15, 1981, 46 F.R. 4673, which established a seven member President’s Committee on Small Business Policy to advise the President on appropriate responses to the recommendations of the White House Conference on Small Business, designated the Administrator of the Small Business Administration to perform the functions of the President under Federal advisory committee provisions, and terminated the Committee on Dec. 31, 1982, was revoked by Ex. Ord. No. 12553, Feb. 25, 1986, 51 F.R. 7237.

Executive Order No. 12432

Ex. Ord. No. 12432, July 14, 1983, 48 F.R. 32551, provided:

By virtue of the authority vested in me as President by the Constitution and laws of the United States of America, including Section 205(a) of the Federal Property and Administrative Services Act of 1949 (40 U.S.C. 486a(a)) [now 40 U.S.C. 252(a)], in order to provide guidance and oversight for programs for the development of minority business enterprise pursuant to my statement of December 17, 1982 concerning Minority Business Development; and to implement the commitment of the Federal Government to the goal of encouraging greater economic opportunity for minority entrepreneurs, it is hereby ordered as follows:

Section 1. Minority Business Development Plans. (a) Minority business enterprise development plans shall be developed by each Federal agency having substantial procurement or grantmaking authority. Such agencies shall submit these plans to the Cabinet Council on Commerce and Trade on an annual basis.

(b) These annual plans shall establish minority enterprise development objectives for the participating
agencies and methods for encouraging both prime contractors and grantees to utilize minority business enterprises. The plans shall, to the extent possible, build upon the programs administered by the Minority Business Development Agency and the Small Business Administration, including the goals established pursuant to Public Law 95-507 [see Tables for classification].

(c) The Secretary of Commerce and the Administrator of the Small Business Administration, in consultation with the Cabinet Council on Commerce and Trade, shall establish uniform guidelines for all Federal agencies to be utilized in establishing the minority business programs set forth in Section 2 of this Order.

(d) The participating agencies shall furnish an annual report regarding the implementation of their programs in such form as the Cabinet Council on Commerce and Trade may request, and at such time as the Secretary of Commerce shall designate.

(e) The Secretary of Commerce shall provide an annual report to the President, through the Cabinet Council on Commerce and Trade, on activities under this Order and agency implementation of minority business development programs.

§ 631 Minority Business Development Responsibilities of Federal Agencies. (a) To the extent permitted by law and consistent with its primary mission, each Federal agency which is required to develop a minority business development plan under Section 1 of this Order shall, to accomplish the objectives set forth in its plan, establish programs concerning provision of direct assistance, procurement assistance, and management and technical assistance to minority business enterprises.

(b) Each Federal agency shall, to the extent permitted by law and consistent with its primary mission, establish minority business development programs, consistent with Section 211 of Public Law 95-507 [amending 15 U.S.C. 637(d)] to develop and implement incentive techniques to encourage greater minority business subcontracting by Federal prime contractors.

(c) Each Federal agency shall encourage recipients of Federal grants and cooperative agreements to achieve a reasonable minority business participation in contracts let as a result of its grants and agreements. In cases where State and local governments are the recipients, such encouragement shall be consistent with principles of federalism.

(d) Each Federal agency shall provide the Cabinet Council on Commerce and Trade such information as it shall request from time to time concerning the agency’s progress in implementing these programs.

RONALD REAGAN.

EX. ORD. NO. 12323. NATIONAL WHITE HOUSE CONFERENCE ON SMALL BUSINESS

EX. ORD. NO. 12323, June 27, 1980, 50 F.R. 26963, provided:

By the authority vested in me as President by the Constitution and laws of the United States of America, and in order to implement the White House Conference on Small Business Authorization Act (Public Law 98-276) [set out above] it is hereby ordered as follows:

Notwithstanding the provisions of any other Executive order, the functions of the President under the Federal Advisory Committee Act [see 5 U.S.C. 1001 et seq.] applicable to the White House Conference on Small Business Authorization Act, except that of reporting annually to the Congress, shall be performed by the Administrator of the Small Business Administration in accordance with the guidelines and procedures established by the Administrator of General Services.

RONALD REAGAN.

EX. ORD. NO. 12928. PROMOTING PROCUREMENT WITH SMALL BUSINESSES OWNED AND CONTROLLED BY SOCIALLY AND ECONOMICALLY DISADVANTAGED INDIVIDUALS, HISTORICALLY BLACK COLLEGES AND UNIVERSITIES, AND MINORITY INSTITUTIONS

EX. ORD. NO. 12928, Sept. 16, 1994, 59 F.R. 48377, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, in order to enforce rigorously the letter and spirit of public laws that encourage increased participation of Small Businesses Owned and Controlled by Socially and Economically Disadvantaged Individuals (SDBs) as described in section 8(a) of the Small Business Act (15 U.S.C. 637(a)), Historically Black Colleges and Universities (HBCUs) as described in 34 C.F.R. 608.2, and Minority Institutions (MIs) as referred to in sections 106(3) and 316(b)(1) of the Higher Education Act of 1965, as amended (20 U.S.C. 1135d-5(3) and 1059c(b)(1), respectively), it is hereby ordered as follows:

SECTION 1. Policy Statement. It is the policy of the United States Government that all department and agency heads and all Federal employees involved in the procurement of any and all goods and services shall assist SDBs, HBCUs, and MIs, as applicable, to develop viable, self-sustaining businesses capable of competing on an equal basis in the mainstream of the American economy. To that end, all Federal personnel shall commit to the letter and spirit of all laws promoting the participation of SDBs, HBCUs, and MIs in Federal procurement. The laws promote:

(a) the award of contracts to SDBs, HBCUs, and MIs through the Small Business Administration 8(a) (15 U.S.C. 637(a)) Program, the Department of Defense Small and Disadvantaged Business Program, other agency programs, and through other specific statutory authority or appropriate means;

(b) the establishment of particular goals for SDBs, HBCUs, or MIs on an agency-by-agency basis and the requirement that prime contractors and other recipients of Federal funds attain similar goals in their procurement;

(c) the establishment of other mechanisms that ensure that SDBs, HBCUs, and MIs have a fair opportunity to participate in Federal procurement.

SIC. 2. Attainment of Goals. All departments and agencies are required by law to establish participation goals of not less than 5 percent (15 U.S.C. 644(g)) or a greater percentage where otherwise required by law, as further provided in the Office of Federal Procurement Policy Letter No. 91-1 of March 11, 1991. Although the Federal Government has made substantial strides toward meeting established SDB, HBCU, and MI participation goals, certain departments and agencies have from time to time failed to aggressively pursue such goals. Department and agency heads are henceforth directed to execute, implement, and aggressively pursue such goals to fulfill the statutorily-mandated procurement participation goals. In addition, all departments and agencies are encouraged to set reasonable participation goals that exceed statutory requirements, to the extent permitted by law.

SIC. 3. Subcontracting Plans. The Small Business Act, (15 U.S.C. 637(d)) and other related laws require certain prime contractors to maximize the use of SDBs in subcontracting plans and strive to achieve stated goals through prime contractors’ subcontracting practices. Department and agency heads are henceforth directed to aggressively enforce these prime contractors’ obligations to maximize awards of subcontracts to eligible SDBs.


(a) Section 15(k) of the Small Business Act (15 U.S.C. 644(k)) establishes in each Federal department and agency an OSDBU and requires that the Director of the OSDBU “be responsible only to, and report directly to, the head of such agency or to the deputy of such head” (15 U.S.C. 644(k)(3)). To the extent not prohibited by law, each department and agency shall ensure that the aforementioned direct reporting requirements are henceforth vigorously enforced.

(b) Because of the importance of the OSDBU function, each department and agency shall also, to the extent not prohibited by law, comply with the Office of Federal Procurement Policy Letter No. 79-1 of March 7, 1979, which provides implementation guidance on sec-
§ 631  TITLE 15—COMMERCE AND TRADE  Page 764

section 15k (15(k)) and the organizational placement and functions of the OSDBU.

SISC. 5. Anti-fraud Enforcement. All department and agency heads shall ensure that in enforcing the laws and requirements mentioned in this order, Federal benefits or contracts intended for SDBs, HBCUs, and MIs are not awarded to entities that are not legitimate SDBs, HBCUs, and MIs. Department and agency anti-fraud enforcement, however, shall not diminish agency vigor in achieving the aforementioned participation goals, which exist to promote the development of legitimate SDBs, HBCUs, and MIs. Nothing herein is intended to change self-certification requirements.

SISC. 6. Periodic Reports to the President. The Administrator of the Small Business Administration and the Administrator of the Office of Federal Procurement Policy shall report to the President periodically on the progress of all departments and agencies in complying with the laws and requirements mentioned in this order.

SISC. 7. Independent Agencies. Independent agencies are requested to comply with the provisions of this order.

SISC. 8. This order shall be effective immediately.

WILLIAM J. CLINTON.

EX. ORD. NO. 13169, ASSISTANCE TO SMALL BUSINESS EXPORTERS AND DISLOCATED WORKERS

Ex. Ord. No. 13169, Oct. 6, 2000, 65 F.R. 60681, provided: By the authority vested in me as President by the Constitution and the laws of the United States of America, including the Small Business Act, 15 U.S.C. 631 et seq., the Workforce Investment Act, [former] 29 U.S.C. 2801 et seq., and the Trade Act of 1974, 19 U.S.C. 2271 et seq. [19 U.S.C. 2101 et seq.], and in order to assist small businesses, including businesses headed by underserved populations, in participating in the export of products, and to expedite the delivery of adjustment assistance to dislocated workers, it is hereby ordered as follows:

SECTION 1. Policy. By its accession to the World Trade Organization, the People's Republic of China will be required to open its markets to a wide range of products and services provided by Americans. In addition, the United States has recently enacted a new law to facilitate trade with the countries of Sub-Saharan Africa and the Caribbean Basin. Federal agencies should take steps to assist small businesses, including businesses headed by underserved populations, in capitalizing on these new opportunities. The agencies should also take steps to assist workers who lose their jobs as a result of competition from imports in their efforts to secure adjustment assistance benefits for which they are eligible.

SISC. 2. Interagency Task Force on Small Business Exports. (a) The Secretaries of Commerce and Labor, the Administrator of the Small Business Administration, the United States Trade Representative, and the Chairman of the Export-Import Bank shall, within 60 days from the date of this order, establish an interagency task force through the Trade Promotion Coordinating Committee (TPCC). The task force shall facilitate exports by United States small businesses, including businesses headed by underserved populations, particularly with respect to the People's Republic of China and the countries of Sub-Saharan Africa and the Caribbean Basin. The TPCC shall submit an annual report to the President on the functions carried out by this task force during the preceding year. As part of its work, the task force shall assess the extent to which the establishment of permanent normal trade relations with the People's Republic of China, and the United States extension of normal trade relations with the African Growth and Opportunity Act, 19 U.S.C.A. 3701 et seq., and the United States-Caribbean Basin Trade Partnership Act, 19 U.S.C.A. 2701 note, may contribute to the creation of export opportunities for small businesses including businesses headed by underserved populations.

(b) For the purposes of this order, "businesses headed by underserved populations" means businesses headed by women or minorities, and/or located in rural communities.

SISC. 3. Expedited Response to Worker Dislocation. (a) The Secretary of Labor shall expedite the Federal response to worker dislocation through the Workforce Investment Act and the Trade Adjustment Assistance program by proactively seeking information, from a variety of sources, on actual or prospective layoffs, including the media and community and labor union members, and by sharing such information with appropriate state workforce officials. In addition, the Department of Labor (Labor) shall undertake a number of proactive steps to support public outreach activities aimed at workers, employers, the media, local officials, the community, and labor organizations and their members to improve awareness of the adjustment assistance available through Labor programs, including, but not limited to:

(1) developing a set of methods to inform employers of the services available through Labor workforce programs, which will explain the requirements of the Worker Adjustment and Retraining Notification Act, 29 U.S.C. 2101 et seq., and provide information on worker adjustment programs, including the Trade Adjustment Assistance and the basic dislocated worker programs, emphasizing the importance of early intervention to minimize the affects of work layoffs;

(2) improving websites and other modes of communication to provide basic information on dislocated worker and Trade Adjustment Assistance program contacts at the State and local level;

(3) developing a National Toll-Free Help Line to provide universal, accurate, and easy access to information about public workforce services to workers and employers;

(4) providing on-site technical assistance, in partnership with other Federal agencies, when there are layoffs or closures with multi-State impact, or when there are dislocations with significant community impact (such as areas that have been affected by numerous layoffs of apparel and textile workers);

(5) informing States directly when a secondary worker impact has been affirmed by Labor; and

(6) to the extent permitted by law, and subject to the availability of appropriations, providing funding or an outreach campaign for secondary workers (i.e., individuals indirectly affected by increased imports from other countries).

(b) The Secretary of Labor, in consultation with the Secretary of Commerce and the United States Trade Representative, shall report annually on the employment effects of the establishment of permanent normal trade relations with the People's Republic of China.

SISC. 4. Judicial Review. This order does not create any right or benefit, substantive or procedural, for any person.

WILLIAM J. CLINTON.

EX. ORD. NO. 13360, PROVIDING OPPORTUNITIES FOR SERVICE-DISABLED VETERAN BUSINESSES TO INCREASE THEIR FEDERAL CONTRACTING AND SUBCONTRACTING

Ex. Ord. No. 13360, Oct. 20, 2004, 69 F.R. 62549, provided: By the authority vested in me as President by the Constitution and the laws of the United States of America, and in order to strengthen opportunities in Federal contracting for service-disabled veteran businesses, it is hereby ordered as follows:

SECTION 1. Policy. America honors the extraordinary service rendered to the United States by veterans with disabilities incurred or aggravated in the line of duty during active service with the armed forces. Heads of agencies shall provide the opportunity for service-disabled veteran businesses to significantly increase the Federal contracting and subcontracting for such businesses. To achieve that objective, agencies shall more effectively implement section 15(g) of the Small Busi-
ness Act (15 U.S.C. 644(g)), which provides that the President must establish a goal of not less than 3 percent for participation by service-disabled veteran businesses in Federal contracting, and section 36 of that Act (15 U.S.C. 657f), which gives agency contracting officers the authority to reserve certain procurements for service-disabled veteran businesses.

Sec. 2. Duties of Agency Heads. To implement the policy set forth in section 1, heads of agencies shall:
(a) develop a strategy to implement the policy set forth in section 1;
(b) make the agency's strategy publicly available and report annually to the Administrator of the Small Business Administration on implementation of the agency's strategy;
(c) designate a senior-level official who shall be responsible for developing and implementing the agency's strategy;
(d) include development and implementation of the agency's strategy and achievements in furtherance of the strategy as significant elements in any performance plans of the agency's designated agency senior-level official, chief acquisition officer, and director of small and disadvantaged business utilization; and
(e) include in the agency's strategy plans for:
(i) reserving agency contracts exclusively for service-disabled veteran businesses;
(ii) encouraging and facilitating participation by service-disabled veteran businesses in competitions for award of agency contracts;
(iii) encouraging agency contractors to subcontract with service-disabled veteran businesses and actively monitoring and evaluating agency contractors' efforts to do so;
(iv) training agency personnel on applicable law and policies relating to participation of service-disabled veteran businesses in Federal contracting; and
(v) disseminating information to service-disabled veteran businesses that would assist these businesses in participating in awards of agency contracts.

Sec. 3. Additional Duties of Administrator of the Small Business Administration. The Administrator of the Small Business Administration shall:
(a) designate an appropriate entity within the Small Business Administration that shall, in coordination with the Veterans Affairs' Center for Veterans Enterprise (CVE), provide to service-disabled veteran businesses information and assistance concerning participation in Federal contracting;
(b) assist in and assist heads of agencies in their implementation of section 2 of this order; and
(c) make available to service-disabled veteran businesses training in Federal contracting law, procedures, and practices that would assist such businesses in participating in Federal contracting.

Sec. 4. Additional Duties of Administrator of General Services. The Administrator of General Services shall:
(a) establish a Government-wide Acquisition Contract reserved for participation by service-disabled veteran businesses; and
(b) assist service-disabled veteran businesses to be included in Federal Supply Schedules.

Sec. 5. Additional Duties of the Secretary of Defense. The Secretary of Defense shall direct the Defense Acquisition University (DAU) to develop training on contracting with service-disabled veteran businesses and make this training available on line through the DAU continuous learning program.

Sec. 6. Additional Duties of the Secretary of Veterans Affairs. The Secretary of Veterans Affairs shall assist agencies by making available services of the CVE and assist in verifying the accuracy of contractor registration databases with regard to service-disabled veteran businesses.

Sec. 7. Additional Duties of the Secretary of Labor and Secretary of Veterans Affairs. The Secretary of Labor and Secretary of Veterans Affairs shall, respectively, direct the Transition Assistance Program and the Disability Transition Assistance Program to educate separating service members as to the benefits available to service-disabled veteran businesses and as to potential entrepreneurial opportunities.

Sec. 8. Definitions. As used in this order:
(a) the term “agency” means an “executive agency” as that term is defined in section 105 of title 5, United States Code, excluding an executive agency that has fewer than 500 employees, the Government Accountability Office, or a Government corporation;
(b) the term “service-disabled” means, with respect to disability, that the disability was incurred or aggravated in the line of duty in the active service in the United States Armed Forces;
(c) the term “service-disabled veteran” means a veteran, as defined in 38 U.S.C. 101(2), with a disability that is service-connected, as defined in 38 U.S.C. 101(16); and
(d) the term “service-disabled veteran business” means a small business concern owned and controlled by service-disabled veterans, as defined in section 3(q) of the Small Business Act (15 U.S.C. 632(q)); and
(e) the term “small business concern” has the meaning specified in section 3(a) of the Small Business Act (15 U.S.C. 632(a)) and the definitions and standards issued under that section.

Memorandum of President of the United States, Apr. 26, 2010, 75 F.R. 22499, provided:

Memorandum for the Heads of Executive Departments and Agencies

The Federal Government is the world's largest purchaser of goods and services, with purchases totaling over $500 billion per year. The American Recovery and Reinvestment Act of 2009 (Recovery Act) and other national investments are providing new opportunities for small businesses to compete for Federal contracts, and it is critical that these investments tap the talents and skills of a broad cross-section of American business and industry. Small businesses must be able to participate in the Nation’s economic recovery, including businesses owned by women, minorities, socially and economically disadvantaged individuals, and service-disabled veterans of our Armed Forces. These businesses should be able to compete and participate effectively in Federal contracts.

The Congress has established a number of statutory goals designed to help small businesses compete for Federal contracts. In addition to the goal of awarding at least 23 percent of all Federal prime contracting dollars to small businesses, the Congress also established Government-wide contracting goals for participation by small businesses that are located in Historically Underutilized Business Zones (at least 3 percent) or that are owned by women (at least 5 percent), socially and economically disadvantaged individuals (at least 5 percent), and service-disabled veterans (at least 3 percent). These aspirational goals are that all Federal investments are providing new opportunities for small businesses to compete for Federal contracts, and it is critical that these investments tap the talents and skills of a broad cross-section of American business and industry. Small businesses must be able to participate in the Nation’s economic recovery, including businesses owned by women, minorities, socially and economically disadvantaged individuals, and service-disabled veterans of our Armed Forces. These businesses should be able to compete and participate effectively in Federal contracts.
In recent years, the Federal Government has not consistently reached its small business contracting goals. Although we have made some progress—particularly with respect to Recovery Act contracts—more work can and should be done. I am committed to ensuring that small businesses, including firms owned by women, minorities, socially and economically disadvantaged individuals, and service-disabled veterans, have fair access to Federal Government contracting. Indeed, where small businesses have the capacity to do more, we should strive to exceed the statutory goals. While Chief Acquisition Officers and Senior Procurement Executives have many priorities, small business contracting should always be a high priority in the procurement process.

Obtaining tangible results will require an honest and accurate accounting of our progress so that we can have transparency and accountability through Federal small business procurement data. Additionally, we must expand outreach strategies to alert small firms to Federal contracting opportunities.

In order to coordinate executive departments’ and agencies’ efforts towards ensuring that all small businesses have a fair chance to participate in Federal contracting opportunities, it is hereby ordered as follows:

**SECTION 1. Establishment.** There is established an Interagency Task Force on Federal Contracting Opportunities for Small Businesses (Task Force). The Secretary of Commerce (Secretary), the Director of the Office of Management and Budget (Director), and the Administrator of the Small Business Administration (Administrator) shall serve as Co-Chairs of the Task Force and shall direct its work.

**Sec. 2. Membership.** In addition to the Secretary, the Director, and the Administrator, the Task Force shall consist of the following members:

(i) the Secretary of the Treasury;
(ii) the Secretary of Defense;
(iii) the Attorney General;
(iv) the Secretary of Labor;
(v) the Secretary of Housing and Urban Development;
(vi) the Secretary of Transportation;
(vii) the Secretary of Veterans Affairs;
(viii) the Secretary of Homeland Security;
(ix) the Administrator of General Services;
(x) the Administrator of the National Aeronautics and Space Administration;
(xi) the Director of the Minority Business Development Agency;
(xii) the Director of the Office of Science and Technology Policy;
(xiii) the Director of the Domestic Policy Council;
(xiv) the Director of the National Economic Council;
(xv) the Chair of the Council of Economic Advisers; and
(xvi) the heads of such other executive departments, agencies, and offices as the President may, from time to time, designate.

A member of the Task Force may designate, to perform the Task Force functions of the member, one or more senior officials who are part of the member’s department, agency, or office, and who are full-time officers or employees of the Federal Government.

**Sec. 3. Functions.** The Task Force shall provide to the President, not later than 120 days after the date of this memorandum, proposals and recommendations for:

(i) using innovative strategies, such as teaming, to increase opportunities for small business contractors and utilizing and expanding mentorship programs, such as the mentor-protégé program;
(ii) removing barriers to participation by small businesses in the Federal marketplace by unbundling large projects, improving training of Federal acquisition officials with respect to strategies for increasing small business contracting opportunities, and utilizing new technologies to enhance the effectiveness and efficiency of Federal program managers, acquisition officials, and the Directors of Offices of Small Business Programs and Offices of Small and Disadvantaged Business Utilization, their managers, and procurement representatives in identifying and providing access to these opportunities;
(iii) expanding outreach strategies to match small businesses, including firms located in Historically Underutilized Business Zones and firms owned and controlled by women, minorities, socially and economically disadvantaged individuals, and service-disabled veterans of our Armed Forces, with contracting and subcontracting opportunities; and
(iv) establishing policies, including revision or clarification of existing legislation, regulations, or policies that are necessary or appropriate to effectuate the objectives of this memorandum.

**Sec. 4. Using Technology to Improve Transparency and Accountability.** Within 90 days of this memorandum, the Assistant to the President and Chief Technology Officer and the Federal Chief Information Officer, in coordination with the Task Force, shall develop a website that illustrates the participation of small businesses, including those owned by women, minorities, socially and economically disadvantaged individuals, and service-disabled veterans of our Armed Forces, in Federal contracting. To foster greater accountability and transparency in, and allow oversight of, the Federal Government’s progress, this website shall be designed to encourage improved collection, verification, and availability of Federal procurement data and provide accurate data on the Federal Government’s progress in ensuring that all small businesses have a fair chance to participate in Federal contracting opportunities.

**Sec. 5. Outreach.** In developing its recommendations, the Task Force shall conduct outreach with representatives of small businesses and small business associations.

**Sec. 6. General Provisions.**

(a) This memorandum shall be implemented consistent with applicable law and subject to the availability of any necessary appropriations.

(b) This memorandum does not create any right or benefit, substantive or procedural, enforceable at law or in equity by any party against the United States, its departments, agencies, or entities, its officers, employees, or agents, or any other person.

(c) The heads of executive departments and agencies shall assist and provide information to the Task Force, consistent with applicable law, as may be necessary to carry out the functions of the Task Force. Each executive department and agency shall bear its own expenses of participating in the Task Force.

(d) The Director is hereby authorized and directed to publish this memorandum in the Federal Register.

BARACK OBAMA.

§ 631a. Congressional declaration of small business economic policy

**a) Foster small business**

For the purpose of preserving and promoting a competitive free enterprise economic system, Congress hereby declares that it is the continuing policy and responsibility of the Federal Government to use all practical means and to take such actions as are necessary, consistent with its needs and obligations and other essential considerations of national policy, to implement and coordinate all Federal department, agency, and instrumentality policies, programs, and activities in order to: foster the economic interests of small businesses; insure a competitive economic climate conducive to the development, growth and expansion of small businesses; establish incentives to assure that adequate capital and other resources at competitive prices are available to small businesses; reduce the concentration of economic resources and expand competition; and provide an opportunity for entrepreneurship, inventiveness, and the creation and growth of small businesses.