

Union Calendar No. 126

106TH CONGRESS
1ST Session

H. R. 413

[Report No. 106-184, Parts I and II]

A BILL

To authorize qualified organizations to provide technical assistance and capacity building services to microenterprise development organizations and programs and to disadvantaged entrepreneurs using funds from the Community Development Financial Institutions Fund, and for other purposes.

JULY 2, 1999

Reported from the Committee on Small Business with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

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To authorize qualified organizations to provide technical assistance and capacity building services to microenterprise development organizations and programs and to disadvantaged entrepreneurs using funds from the Community Development Financial Institutions Fund, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 19, 1999

Mr. RUSH (for himself, Mr. LEACH, Mr. LaFALCE, Mr. VENTO, Mr. OLVER, Ms. KILPATRICK, Mrs. MALONEY of New York, Ms. DeGETTE, Mr. METCALF, and Mr. FRANK of Massachusetts) introduced the following bill; which was referred to the Committee on Banking and Financial Services

JUNE 14, 1999

Reported and referred to the Committee on Small Business for consideration of such provisions of the bill as fall within the jurisdiction of that committee pursuant to clause 1(o), rule X

JULY 2, 1999

Additional sponsors: Mr. UNDERWOOD, Ms. CARSON, Mr. FILNER, Mr. STARK, Ms. LEE, Mrs. ROUKEMA, Mr. PASTOR, Ms. LOFGREN, Mr. LANTOS, Mrs. MEEK of Florida, Mr. LUTHER, Mr. DICKS, Mr. UDALL of Colorado, Mrs. JONES of Ohio, Mr. GEORGE MILLER of California, Mr. OBERSTAR, Ms. ESHOO, Mr. CAPUANO, Mr. BILBRAY, Mrs. CHRISTENSEN, Mr. HINCHEY, Mr. BROWN of Ohio, Ms. NORTON, Mr. COOK, Ms. EDDIE BERNICE JOHNSON of Texas, Mr. MARTINEZ, Ms. BERKLEY, Mrs. THURMAN, Mr. BALDACCI, Mr. THOMPSON of Mississippi, Mr. CONYERS, Mr. DIXON, Mr. TAYLOR of North Carolina, Mrs. CAPPS, Mr. CLEMENT, Mr. BROWN of California, Ms. WOOLSEY, Mr. DAVIS of Illinois, Mr. MEEKS of New York, Mr. GONZALEZ, Ms. SCHAKOWSKY, Mr. FALEOMAVAEGA, Mr. BECERRA, Mr. PRICE of North Carolina, Mr. BENTSEN, Mr. HALL of Ohio, Mr. BOUCHER, Mr. BOEHLERT, Mr. GEJDENSON, Ms. MCKINNEY, Mr. BARRETT of Wisconsin, Ms.

JACKSON-LEE of Texas, Mr. MCCOLLUM, Mrs. KELLY, Mr. ANDREWS, Mr. CAMPBELL, Mr. FARR of California, Mr. INSLEE, Mr. LEWIS of Georgia, Mr. SMITH of New Jersey, Mrs. MORELLA, Mr. MICA, Mr. GUTIERREZ, Mr. ACKERMAN, Mrs. WILSON, Mr. WALSH, Mr. SPENCE, Mrs. CLAYTON, Mr. JEFFERSON, Ms. BROWN of Florida, Mr. HILLIARD, Mr. TOWNS, Mr. THOMPSON of California, Mr. OWENS, Mr. FROST, Mr. HASTINGS of Florida, Mr. PAYNE, Mr. NEAL of Massachusetts, Mrs. MINK of Hawaii, Mr. LUCAS of Oklahoma, Ms. MILLENDER-MCDONALD, Mr. HINOJOSA, Ms. ROYBAL-ALLARD, Mr. RANGEL, Mr. WATTS of Oklahoma, Mr. SHERMAN, Mr. MOORE, Mr. GREENWOOD, Mrs. MCCARTHY of New York, Ms. HOOLEY of Oregon, Mr. LAMPSON, Mr. ALLEN, Mr. WYNN, Mrs. TAUSCHER, Mr. HOLT, Mr. CASTLE, Mr. FATTAH, Mr. UDALL of New Mexico, Mr. ABERCROMBIE, and Mr. BERMAN

JULY 2, 1999

Reported from the Committee on Small Business with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

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

A BILL

To authorize qualified organizations to provide technical assistance and capacity building services to microenterprise development organizations and programs and to disadvantaged entrepreneurs using funds from the Community Development Financial Institutions Fund, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. PROVISION OF TECHNICAL ASSISTANCE TO**
 4 **MICROENTERPRISES.**

5 Title I of the Riegle Community Development and
 6 Regulatory Improvement Act of 1994 (12 U.S.C. 4701 et

1 seq.) is amended by adding at the end the following new
2 subtitle:

3 **“Subtitle C—Microenterprise Tech-**
4 **nical Assistance and Capacity**
5 **Building Program**

6 **“SEC. 171. SHORT TITLE.**

7 “This subtitle may be cited as the ‘Program for In-
8 vestment in Microentrepreneurs Act of 1999’, also re-
9 ferred to as the ‘PRIME Act’.

10 **“SEC. 172. DEFINITIONS.**

11 “For purposes of this subtitle—

12 “(1) the term ‘Administrator’ has the same
13 meaning as in section 103;

14 “(2) the term ‘capacity building services’ means
15 services provided to an organization that is, or is in
16 the process of becoming a microenterprise develop-
17 ment organization or program, for the purpose of
18 enhancing its ability to provide training and services
19 to disadvantaged entrepreneurs;

20 “(3) the term ‘collaborative’ means 2 or more
21 nonprofit entities that agree to act jointly as a quali-
22 fied organization under this subtitle;

23 “(4) the term ‘disadvantaged entrepreneur’
24 means a microentrepreneur that is—

25 “(A) a low-income person;

1 “(B) a very low-income person; or

2 “(C) an entrepreneur that lacks adequate
3 access to capital or other resources essential for
4 business success; or is economically disadvan-
5 taged; as determined by the Administrator;

6 “(5) the term ‘Fund’ has the same meaning as
7 in section 103;

8 “(6) the term ‘Indian tribe’ has the same mean-
9 ing as in section 103;

10 “(7) the term ‘intermediary’ means a private;
11 nonprofit entity that seeks to serve microenterprise
12 development organizations and programs as author-
13 ized under section 175;

14 “(8) the term ‘low-income person’ has the same
15 meaning as in section 103;

16 “(9) the term ‘microentrepreneur’ means the
17 owner or developer of a microenterprise;

18 “(10) the term ‘microenterprise’ means a sole
19 proprietorship, partnership, or corporation that—

20 “(A) has fewer than 5 employees; and

21 “(B) generally lacks access to conventional
22 loans, equity, or other banking services;

23 “(11) the term ‘microenterprise development or-
24 ganization or program’ means a nonprofit entity; or
25 a program administered by such an entity, including

1 community development corporations or other non-
 2 profit development organizations and social service
 3 organizations; that provides services to disadvan-
 4 tagged entrepreneurs or prospective entrepreneurs;

5 “(12) the term ‘training and technical assist-
 6 ance’ means services and support provided to dis-
 7 advantaged entrepreneurs or prospective entre-
 8 preneurs, such as assistance for the purpose of en-
 9 hancing business planning, marketing, management,
 10 financial management skills, and assistance for the
 11 purpose of accessing financial services; and

12 “(13) the term ‘very low-income person’ means
 13 having an income, adjusted for family size, of not
 14 more than 150 percent of the poverty line (as de-
 15 fined in section 673(2) of the Community Services
 16 Block Grant Act (42 U.S.C. 9902(2)), including any
 17 revision required by that section).

18 **“SEC. 173. ESTABLISHMENT OF PROGRAM.**

19 “The Administrator shall establish a microenterprise
 20 technical assistance and capacity building grant program
 21 to provide assistance from the Fund in the form of grants
 22 to qualified organizations in accordance with this subtitle.

23 **“SEC. 174. USES OF ASSISTANCE.**

24 “A qualified organization shall use grants made
 25 under this subtitle—

1 “(1) to provide training and technical assist-
2 ance to disadvantaged entrepreneurs;

3 “(2) to provide training and capacity building
4 services to microenterprise development organiza-
5 tions and programs and groups of such organiza-
6 tions to assist such organizations and programs in
7 developing microenterprise training and services;

8 “(3) to aid in researching and developing the
9 best practices in the field of microenterprise and
10 technical assistance programs for disadvantaged en-
11 trepreneurs; and

12 “(4) for such other activities as the Adminis-
13 trator determines are consistent with the purposes of
14 this subtitle.

15 **“SEC. 175. QUALIFIED ORGANIZATIONS.**

16 “For purposes of eligibility for assistance under this
17 subtitle, a qualified organization shall be—

18 “(1) a nonprofit microenterprise development
19 organization or program (or a group or collaborative
20 thereof) that has a demonstrated record of delivering
21 microenterprise services to disadvantaged entre-
22 preneurs;

23 “(2) an intermediary;

24 “(3) a microenterprise development organiza-
25 tion or program that is accountable to a local com-

1 munity, working in conjunction with a State or local
 2 government or Indian tribe; or

3 “(4) an Indian tribe acting on its own, if the
 4 Indian tribe can certify that no private organization
 5 or program referred to in this paragraph exists with-
 6 in its jurisdiction.

7 **“SEC. 176. ALLOCATION OF ASSISTANCE; SUBGRANTS.**

8 “(a) ALLOCATION OF ASSISTANCE.—

9 “(1) IN GENERAL.—The Administrator shall al-
 10 locate assistance from the Fund under this subtitle
 11 to ensure that—

12 “(A) activities described in section 174(1)
 13 are funded using not less than 75 percent of
 14 amounts made available for such assistance;
 15 and

16 “(B) activities described in section 174(2)
 17 are funded using not less than 15 percent of
 18 amounts made available for such assistance.

19 “(2) LIMIT ON INDIVIDUAL ASSISTANCE.—No
 20 single organization or entity may receive more than
 21 10 percent of the total funds appropriated under
 22 this subtitle in a single fiscal year.

23 “(b) TARGETED ASSISTANCE.—The Administrator
 24 shall ensure that not less than 50 percent of the grants
 25 made under this subtitle are used to benefit very low-in-

1 come persons, including those residing on Indian reserva-
2 tions.

3 ~~“(c) SUBGRANTS AUTHORIZED.—~~

4 ~~“(1) IN GENERAL.—A qualified organization re-~~
5 ~~ceiving assistance under this subtitle may provide~~
6 ~~grants using that assistance to qualified small and~~
7 ~~emerging microenterprise organizations and pro-~~
8 ~~grams, subject to such rules and regulations as the~~
9 ~~Administrator determines to be appropriate.~~

10 ~~“(2) LIMIT ON ADMINISTRATIVE EXPENSES.—~~

11 ~~Not more than 7.5 percent of assistance received by~~
12 ~~a qualified organization under this subtitle may be~~
13 ~~used for administrative expenses in connection with~~
14 ~~the making of subgrants under paragraph (1).~~

15 ~~“(d) DIVERSITY.—In making grants under this sub-~~
16 ~~title, the Administrator shall ensure that grant recipients~~
17 ~~include both large and small microenterprise organiza-~~
18 ~~tions, serving urban, rural, and Indian tribal communities~~
19 ~~and racially and ethnically diverse populations.~~

20 **~~“SEC. 177. MATCHING REQUIREMENTS.~~**

21 ~~“(a) IN GENERAL.—Financial assistance under this~~
22 ~~subtitle shall be matched with funds from sources other~~
23 ~~than the Federal Government on the basis of not less than~~
24 ~~50 percent of each dollar provided by the Fund.~~

1 “(b) SOURCES OF MATCHING FUNDS.—Fees, grants,
 2 gifts, funds from loan sources, and in-kind resources of
 3 a grant recipient from public or private sources may be
 4 used to comply with the matching requirement in sub-
 5 section (a).-

6 “(c) EXCEPTION.—

7 “(1) IN GENERAL.—In the case of an applicant
 8 for assistance under this subtitle with severe con-
 9 straints on available sources of matching funds, the
 10 Administrator may reduce or eliminate the matching
 11 requirements of subsection (a).-

12 “(2) LIMITATION.—Not more than 10 percent
 13 of the total funds made available from the Fund in
 14 any fiscal year to carry out this subtitle may be ex-
 15 cepted from the matching requirements of subsection
 16 (a), as authorized by paragraph (1) of this sub-
 17 section.-

18 **“SEC. 178. APPLICATIONS FOR ASSISTANCE.**

19 “An application for assistance under this subtitle
 20 shall be submitted in such form and in accordance with
 21 such procedures as the Fund shall establish.-

22 **“SEC. 179. RECORDKEEPING.**

23 “The requirements of section 115 shall apply to a
 24 qualified organization receiving assistance from the Fund
 25 under this subtitle as if it were a community development

1 financial institution receiving assistance from the Fund
2 under subtitle A.

3 **~~“SEC. 180. AUTHORIZATION.~~**

4 ~~“In addition to funds otherwise authorized to be ap-~~
5 ~~propriated to the Fund to carry out this title, there are~~
6 ~~authorized to be appropriated to the Fund to carry out~~
7 ~~this subtitle—~~

8 ~~“(1) \$15,000,000 for fiscal year 2000;~~

9 ~~“(2) \$25,000,000 for fiscal year 2001;~~

10 ~~“(3) \$30,000,000 for fiscal year 2002; and~~

11 ~~“(4) \$35,000,000 for fiscal year 2003.~~

12 **~~“SEC. 181. IMPLEMENTATION.~~**

13 ~~“The Administrator shall, by regulation, establish~~
14 ~~such requirements as may be necessary to carry out this~~
15 ~~subtitle.”.~~

16 **~~SEC. 2. ADMINISTRATIVE EXPENSES.~~**

17 ~~Section 121(a)(2)(A) of the Riegle Community Devel-~~
18 ~~opment and Regulatory Improvement Act of 1994 (12~~
19 ~~U.S.C. 4718(a)(2)(A)) is amended—~~

20 ~~(1) by striking “\$5,550,000” and inserting~~
21 ~~“\$6,100,000”; and~~

22 ~~(2) in the first sentence, by inserting before the~~
23 ~~period “, including costs and expenses associated~~
24 ~~with carrying out subtitle C”.~~

1 **SEC. 3. CONFORMING AMENDMENTS.**

2 Section 104(d) of the Riegle Community Develop-
 3 ment and Regulatory Improvement Act of 1994 (12
 4 U.S.C. 4703(d)) is amended—

5 (1) in paragraph (2)—

6 (A) by striking “15” and inserting “17”;

7 (B) in subparagraph (G)—

8 (i) by striking “9” and inserting
 9 “11”;

10 (ii) by redesignating clauses (iv) and
 11 (v) as clauses (v) and (vi), respectively;
 12 and

13 (iii) by inserting after clause (iii) the
 14 following:

15 “(iv) 2 individuals who have expertise
 16 in microenterprises and microenterprise de-
 17 velopment;” and

18 (2) in paragraph (4), in the first sentence, by
 19 inserting before the period “and subtitle C”.

20 **SECTION 1. PROVISION OF TECHNICAL ASSISTANCE TO**
 21 **MICROENTERPRISES.**

22 *Title I of the Riegle Community Development and*
 23 *Regulatory Improvement Act of 1994 (12 U.S.C. 4701 et*
 24 *seq.) is amended by adding at the end the following new*
 25 *subtitle:*

1 **“Subtitle C—Microenterprise Tech-**
2 **nical Assistance and Capacity**
3 **Building Program**

4 **“SEC. 171. SHORT TITLE.**

5 *“This subtitle may be cited as the ‘Program for Invest-*
6 *ment in Microentrepreneurs Act of 1999’, also referred to*
7 *as the ‘PRIME Act’.*

8 **“SEC. 172. DEFINITIONS.**

9 *“For purposes of this subtitle—*

10 *“(1) the term ‘Administrator’ has the same*
11 *meaning as in section 103;*

12 *“(2) the term ‘capacity building services’ means*
13 *services provided to an organization that is, or is in*
14 *the process of becoming, a microenterprise develop-*
15 *ment organization or program, for the purpose of en-*
16 *hancing its ability to provide training and services to*
17 *disadvantaged entrepreneurs;*

18 *“(3) the term ‘collaborative’ means, with respect*
19 *to 2 or more nonprofit entities, having agreed to act*
20 *jointly as a qualified organization under this subtitle;*

21 *“(4) the term ‘disadvantaged entrepreneur’*
22 *means a microentrepreneur that is—*

23 *“(A) a low-income person;*

24 *“(B) a very low-income person; or*

1 “(C) an entrepreneur who lacks adequate
2 access to capital or other resources essential for
3 business success, or is economically disadvan-
4 taged, as determined by the Administrator;

5 “(5) the term ‘Fund’ has the same meaning as
6 in section 103;

7 “(6) the term ‘Indian tribe’ has the same mean-
8 ing as in section 103;

9 “(7) the term ‘intermediary’ means a private,
10 nonprofit entity that seeks to serve microenterprise
11 development organizations and programs;

12 “(8) the term ‘low-income person’ has the same
13 meaning as in section 103;

14 “(9) the term ‘microentrepreneur’ means the
15 owner or developer of a microenterprise;

16 “(10) the term ‘microenterprise’ means a sole
17 proprietorship, partnership, or corporation that—

18 “(A) has fewer than 5 employees; and

19 “(B) generally lacks access to conventional
20 loans, equity, or other banking services;

21 “(11) the term ‘microenterprise development or-
22 ganization or program’ means a nonprofit entity, or
23 a program administered by such an entity, including
24 community development corporations or other non-
25 profit development organizations and social service

1 *organizations, that provides services to disadvantaged*
 2 *entrepreneurs or prospective entrepreneurs;*

3 *“(12) the term ‘training and technical assist-*
 4 *ance’ means services and support provided to dis-*
 5 *advantaged entrepreneurs or prospective entre-*
 6 *preneurs, such as assistance for the purpose of en-*
 7 *hancing business planning, marketing, management,*
 8 *financial management skills, and assistance for the*
 9 *purpose of accessing financial services; and*

10 *“(13) the term ‘very low-income person’ means*
 11 *having an income, adjusted for family size, of not*
 12 *more than 150 percent of the poverty line (as defined*
 13 *in section 673(2) of the Community Services Block*
 14 *Grant Act (42 U.S.C. 9902(2), including any revision*
 15 *required by that section).*

16 **“SEC. 173. ESTABLISHMENT OF PROGRAM.**

17 *“The Administrator shall establish a microenterprise*
 18 *technical assistance and capacity building grant program*
 19 *to provide assistance from the Fund in the form of grants*
 20 *to qualified organizations in accordance with this subtitle.*

21 **“SEC. 174. USES OF ASSISTANCE.**

22 *“A qualified organization shall use grants made under*
 23 *this subtitle—*

24 *“(1) to provide training and technical assistance*
 25 *to disadvantaged entrepreneurs;*

1 “(2) to provide training and capacity building
2 services to microenterprise development organizations
3 and programs and groups of such organizations to as-
4 sist such organizations and programs in developing
5 microenterprise training and services;

6 “(3) to aid in researching and developing the
7 best practices in the field of microenterprise and tech-
8 nical assistance programs for disadvantaged entre-
9 preneurs; and

10 “(4) for such other activities as the Adminis-
11 trator determines are consistent with the purposes of
12 this subtitle, except that grant amounts may not be
13 used to make loans of any kind.

14 **“SEC. 175. QUALIFIED ORGANIZATIONS.**

15 *“For purposes of eligibility for assistance under this*
16 *subtitle, a qualified organization shall be—*

17 “(1) a nonprofit microenterprise development or-
18 ganization or program (or a group or collaborative
19 thereof) that has a demonstrated record of delivering
20 microenterprise services to disadvantaged entre-
21 preneurs;

22 “(2) an intermediary;

23 “(3) a microenterprise development organization
24 or program that is accountable to a local community,

1 *and is working in conjunction with a State or local*
 2 *government or Indian tribe; or*

3 *“(4) an Indian tribe acting on its own, if the In-*
 4 *dian tribe certifies that no private organization or*
 5 *program referred to in this paragraph exists within*
 6 *its jurisdiction.*

7 **“SEC. 176. ALLOCATION OF ASSISTANCE; SUBGRANTS.**

8 **“(a) ALLOCATION OF ASSISTANCE.—**

9 **“(1) IN GENERAL.—***The Administrator shall al-*
 10 *locate assistance from the Fund under this subtitle to*
 11 *ensure that—*

12 **“(A) activities described in section 174(1)**
 13 *are funded using not less than 75 percent of*
 14 *amounts made available for such assistance; and*

15 **“(B) activities described in section 174(2)**
 16 *are funded using not less than 15 percent of*
 17 *amounts made available for such assistance.*

18 **“(2) LIMIT ON INDIVIDUAL ASSISTANCE.—***No*
 19 *single organization or entity may receive more than*
 20 *10 percent of the total funds appropriated under this*
 21 *subtitle in a single fiscal year.*

22 **“(b) TARGETED ASSISTANCE.—***The Administrator*
 23 *shall ensure that not less than 50 percent of the grants made*
 24 *under this subtitle are used to benefit very low-income per-*
 25 *sons, including those residing on Indian reservations.*

1 “(c) *SUBGRANTS AUTHORIZED.*—

2 “(1) *IN GENERAL.*—*A qualified organization re-*
3 *ceiving assistance under this subtitle may provide*
4 *grants using that assistance to qualified small and*
5 *emerging microenterprise organizations and pro-*
6 *grams, subject to such rules and regulations as the*
7 *Administrator determines to be appropriate.*

8 “(2) *LIMIT ON ADMINISTRATIVE EXPENSES.*—*Not*
9 *more than 7.5 percent of assistance received by a*
10 *qualified organization under this subtitle may be used*
11 *for administrative expenses in connection with the*
12 *making of subgrants under paragraph (1).*

13 “(d) *DIVERSITY.*—*In making grants under this sub-*
14 *title, the Administrator shall ensure that grant recipients*
15 *include both large and small microenterprise organizations,*
16 *serving urban, rural, and Indian tribal communities and*
17 *racially and ethnically diverse populations.*

18 “(e) *CONSIDERATION OF INTERMEDIARIES PARTICI-*
19 *PATING IN MICROLOAN PROGRAM.*—*The Administrator*
20 *shall establish and use criteria for selecting applications for*
21 *grants under this subtitle from among applications that*
22 *meet the requirements under this subtitle for approval for*
23 *a grant, which—*

24 “(1) *may not exclude from consideration any ap-*
25 *plication made by a qualified organization that is a*

1 *participant in the program established under section*
 2 *7(m) of the Small Business Act (15 U.S.C. 636(m));*
 3 *and*

4 *“(2) shall provide positive consideration to an*
 5 *application made by a qualified organization that is*
 6 *a participant in the program established under sec-*
 7 *tion 7(m) of the Small Business Act (15 U.S.C.*
 8 *636(m)).*

9 **“SEC. 177. MATCHING REQUIREMENTS.**

10 *“(a) IN GENERAL.—Financial assistance under this*
 11 *subtitle shall be matched with funds from sources other than*
 12 *the Federal Government on the basis of not less than 50*
 13 *percent of each dollar provided by the Fund.*

14 *“(b) SOURCES OF MATCHING FUNDS.—Fees, grants,*
 15 *gifts, funds from loan sources, and in-kind resources of a*
 16 *grant recipient from public or private sources may be used*
 17 *to comply with the matching requirement in subsection (a).*

18 *“(c) EXCEPTION.—*

19 *“(1) IN GENERAL.—In the case of an applicant*
 20 *for assistance under this subtitle with severe con-*
 21 *straints on available sources of matching funds, the*
 22 *Administrator may reduce or eliminate the matching*
 23 *requirements of subsection (a).*

24 *“(2) LIMITATION.—Not more than 10 percent of*
 25 *the total funds made available from the Fund in any*

1 *fiscal year to carry out this subtitle may be excepted*
2 *from the matching requirements of subsection (a), as*
3 *authorized by paragraph (1) of this subsection.*

4 **“SEC. 178. APPLICATIONS FOR ASSISTANCE.**

5 *“An application for assistance under this subtitle shall*
6 *be submitted in such form and in accordance with such pro-*
7 *cedures as the Fund shall establish.*

8 **“SEC. 179. RECORDKEEPING.**

9 *“The requirements of section 115 shall apply to a*
10 *qualified organization receiving assistance from the Fund*
11 *under this subtitle as if it were a community development*
12 *financial institution receiving assistance from the Fund*
13 *under subtitle A.*

14 **“SEC. 180. REPORT.**

15 *“Not later than 1 year after the date that the first*
16 *grant is awarded under this subtitle, the Administrator*
17 *shall submit to the Committees on Banking and Financial*
18 *Services and Small Business of the House of Representa-*
19 *tives and the Committees on Banking, Housing, and Urban*
20 *Affairs and Small Business of the Senate a report on the*
21 *microenterprise technical assistance and capacity building*
22 *program under this subtitle, which shall include the Admin-*
23 *istrator’s evaluation of the effectiveness of the first year of*
24 *operation of the program and the following information:*

1 “(1) *The number and locations of the qualified*
2 *organizations funded under the grant program.*

3 “(2) *The amount of each grant made to a quali-*
4 *fied organization.*

5 “(3) *A description of the matching contributions*
6 *provided in accordance with section 177 by each*
7 *qualified organization receiving a grant.*

8 “(4) *The numbers and amounts of subgrants*
9 *made by qualified organizations to microenterprise*
10 *concerns.*

11 “(5) *For each grant made under the program,*
12 *the purpose for which the grant funds were used.*

13 **“SEC. 181. AUTHORIZATION.**

14 *“In addition to funds otherwise authorized to be ap-*
15 *propriated to the Fund to carry out this title, there are au-*
16 *thorized to be appropriated to the Fund to carry out this*
17 *subtitle—*

18 “(1) *\$15,000,000 for fiscal year 2000;*

19 “(2) *\$25,000,000 for fiscal year 2001;*

20 “(3) *\$30,000,000 for fiscal year 2002; and*

21 “(4) *\$35,000,000 for fiscal year 2003.*

22 **“SEC. 182. IMPLEMENTATION.**

23 “(a) *REGULATIONS.—The Administrator shall, by reg-*
24 *ulation, establish such requirements as may be necessary*
25 *to carry out this subtitle. The Administrator of the Fund*

1 *shall submit a copy of any such proposed, preliminary, in-*
 2 *terim, or final regulation to the Administrator of the Small*
 3 *Business Administrator for review and comment by such*
 4 *Administrator, and shall review any comments of such Ad-*
 5 *ministrator submitted pursuant to such review. No regula-*
 6 *tion issued to carry out this subtitle may take effect before*
 7 *the expiration of the 60-day period beginning upon the sub-*
 8 *mission of such regulation to the Administrator of the*
 9 *Small Business Administration.*

10 “(b) *COORDINATION WITH SMALL BUSINESS ADMINIS-*
 11 *TRATION.—Not later than 60 days after the date of the en-*
 12 *actment of this section, the Administrator of the Fund and*
 13 *the Administrator of the Small Business Administration*
 14 *shall conduct any necessary consultations and enter into*
 15 *a memorandum of understanding providing that the pro-*
 16 *gram under this subtitle and the microloan program under*
 17 *section 7(m) of the Small Business Act (15 U.S.C. 636(m))*
 18 *will be carried out in conjunction and coordination with*
 19 *each other in a manner that advances the purposes of both*
 20 *such programs. Notwithstanding any other provision of this*
 21 *subtitle, the Administrator of the Fund may not make any*
 22 *grant under this subtitle before such memorandum of under-*
 23 *standing is agreed to.”.*

1 **SEC. 2. ADMINISTRATIVE EXPENSES.**

2 Section 121(a)(2)(A) of the Riegle Community Devel-
3 opment and Regulatory Improvement Act of 1994 (12
4 U.S.C. 4718(a)(2)(A)) is amended—

5 (1) by striking “\$5,550,000” and inserting
6 “\$6,100,000”; and

7 (2) in the first sentence, by inserting before the
8 period “, including costs and expenses associated with
9 carrying out subtitle C”.

10 **SEC. 3. CONFORMING AMENDMENTS.**

11 (a) *IN GENERAL.*—Section 104(d) of the Riegle Com-
12 munity Development and Regulatory Improvement Act of
13 1994 (12 U.S.C. 4703(d)) is amended—

14 (1) in paragraph (2)—

15 (A) by striking “15” and inserting “17”;

16 (B) in subparagraph (G)—

17 (i) by striking “9” and inserting “11”;

18 (ii) by redesignating clauses (iv) and

19 (v) as clauses (v) and (vi), respectively; and

20 (iii) by inserting after clause (iii) the
21 following:

22 “(iv) 2 individuals who have expertise
23 in microenterprises and microenterprise de-
24 velopment;”; and

25 (2) in paragraph (4), in the first sentence, by in-
26 serting before the period “and subtitle C”.

1 (b) *TABLE OF CONTENTS.*—*The table of contents in*
 2 *section 1(b) is amended by adding after the item relating*
 3 *to section 158 the following:*

*“Subtitle C—Microenterprise Technical Assistance and Capacity Building
 Program*

- “Sec. 171. Short title.*
- “Sec. 172. Definitions.*
- “Sec. 173. Establishment of program.*
- “Sec. 174. Uses of assistance.*
- “Sec. 175. Qualified organizations.*
- “Sec. 176. Allocation of assistance; subgrants.*
- “Sec. 177. Matching requirements.*
- “Sec. 178. Applications for assistance.*
- “Sec. 179. Recordkeeping.*
- “Sec. 180. Report.*
- “Sec. 181. Authorization.*
- “Sec. 182. Implementation.”.*