

109TH CONGRESS
2D SESSION

S. 2586

To establish a 2-year pilot program to develop a curriculum at historically Black colleges and universities, Tribal Colleges, and Hispanic serving institutions to foster entrepreneurship and business development in underserved minority communities.

IN THE SENATE OF THE UNITED STATES

APRIL 6, 2006

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

A BILL

To establish a 2-year pilot program to develop a curriculum at historically Black colleges and universities, Tribal Colleges, and Hispanic serving institutions to foster entrepreneurship and business development in underserved minority communities.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Minority Entrepre-
5 neurship and Innovation Pilot Program of 2006”.

6 **SEC. 2. FINDINGS.**

7 Congress finds—

1 (1) the 2005 “State of Black America Report”
2 issued by the National Urban League finds a signifi-
3 cant level of “equality gaps” between African Ameri-
4 cans and Whites, with the median net worth of an
5 African-American family is \$6,100, compared with
6 \$67,000 for a white family;

7 (2) in 2005, the African American unemploy-
8 ment rate was 9.5 percent and the Hispanic unem-
9 ployment rate was 6 percent, well above the national
10 average of 4.7 percent;

11 (3) African Americans account for 12.3 percent
12 of the United States population and only 4 percent
13 of all United States businesses, Hispanic Americans
14 represent 12.5 percent of the United States popu-
15 lation and approximately 6 percent of all United
16 States businesses, Native Americans account for ap-
17 proximately 1 percent of the United States popu-
18 lation and .9 percent of all United States businesses;

19 (4) entrepreneurship has proven to be an effec-
20 tive tool for economic growth and viability of all
21 communities;

22 (5) fostering minority owned businesses is a key
23 ingredient for economic development in the minority
24 community, an effective tool for creating lasting and

1 higher-paying jobs, and a source of creating wealth
2 in the minority community; and

3 (6) between 1987 and 1997, revenue from mi-
4 nority owned businesses rose by 22.5 percent, an in-
5 crease equivalent to an annual growth rate of 10
6 percent, and employment opportunities within mi-
7 nority owned firms increased by 23 percent.

8 **SEC. 3. DEFINITIONS.**

9 In this Act—

10 (1) the term “Administrator” means the Ad-
11 ministrator of the Small Business Administration;

12 (2) the term “Hispanic serving institution” has
13 the meaning given the term in section 502 of the
14 Higher Education Act of 1965 (20 U.S.C. 1101a);

15 (3) the term “historically Black college and uni-
16 versity” has the meaning given the term “part B in-
17 stitution” in section 322 of the Higher Education
18 Act of 1965 (20 U.S.C. 1061);

19 (4) the term “small business concern” has the
20 same meaning as in section 3 of the Small Business
21 Act (15 U.S.C. 632);

22 (5) the term “small business development cen-
23 ter” has the same meaning as in section 21 of the
24 Small Business Act (15 U.S.C. 648); and

1 (6) the term “Tribal College” has the meaning
 2 given the term “tribally controlled college or univer-
 3 sity” in section 2 of the Tribally Controlled College
 4 or University Assistance Act of 1978 (25 U.S.C.
 5 1801).

6 **SEC. 4. MINORITY ENTREPRENEURSHIP AND INNOVATION**
 7 **GRANTS.**

8 (a) IN GENERAL.—The Administrator shall make
 9 grants to historically Black colleges and universities, Trib-
 10 al Colleges, and Hispanic serving institutions, or to any
 11 entity formed by a combination of such institutions—

12 (1) to assist in establishing an entrepreneurship
 13 curriculum for undergraduate or graduate studies;
 14 and

15 (2) for placement of small business development
 16 centers on the physical campus of the institution.

17 (b) CURRICULUM REQUIREMENT.—An institution of
 18 higher education receiving a grant under this section shall
 19 develop a curriculum that includes training in various skill
 20 sets needed by successful entrepreneurs, including—

21 (1) business management and marketing, finan-
 22 cial management and accounting, market analysis
 23 and competitive analysis, innovation and strategic
 24 planning; and

1 (2) additional entrepreneurial skill sets specific
2 to the needs of the student population and the sur-
3 rounding community, as determined by the institu-
4 tion.

5 (c) SMALL BUSINESS DEVELOPMENT CENTER RE-
6 QUIREMENT.—Each institution receiving a grant under
7 this section shall open a small business development center
8 that—

9 (1) performs studies, research, and counseling
10 concerning the management, financing, and oper-
11 ation of small business concerns;

12 (2) performs management training and tech-
13 nical assistance regarding the participation of small
14 business concerns in international markets, export
15 promotion and technology transfer, and the delivery
16 or distribution of such services and information;

17 (3) offers referral services for entrepreneurs
18 and small business concerns to business develop-
19 ment, financing, and legal experts; and

20 (4) promotes market-specific innovation, niche
21 marketing, capacity building, international trade,
22 and strategic planning as keys to long-term growth
23 for its small business concern and entrepreneur cli-
24 ents.

1 (d) GRANT LIMITATIONS.—A grant under this sub-
2 section—

3 (1) may not exceed \$1,000,000 per fiscal year
4 for any 1 institution of higher education;

5 (2) may not be used for any purpose other than
6 those associated with the direct costs incurred to de-
7 velop and implement a curriculum that fosters entre-
8 preneurship and the costs incurred to organize and
9 run a small business development center on the
10 grounds of the institution; and

11 (3) may not be used for building expenses, ad-
12 ministrative travel budgets, or other expenses not di-
13 rectly related to the implementation of the cur-
14 riculum or activities authorized by this Act.

15 (e) EXCEPTION FROM SMALL BUSINESS ACT RE-
16 QUIREMENT.—Subparagraphs (A) and (B) of section
17 21(a)(4) of the Small Business Act (15 U.S.C. 648(a)(4))
18 do not apply to assistance made available under this sec-
19 tion.

20 (f) AUTHORIZATION OF APPROPRIATIONS.—There is
21 authorized to be appropriated to carry out this section
22 \$24,000,000, to remain available until expended, for each
23 of fiscal years 2007 and 2008.

24 (g) REPORT.—Not later than November 1 of each
25 year, the Associate Administrator of Entrepreneurial De-

1 velopment of the Small Business Administration shall sub-
2 mit to the Committee on Small Business and Entrepre-
3 neurship of the Senate and the Committee on Small Busi-
4 ness of the House of Representatives, a report evaluating
5 the award and use of grants under this section during the
6 preceding fiscal year, which shall include—

7 (1) a description of each entrepreneurship pro-
8 gram developed with grant funds, the date of the
9 award of such grant, and the number of participants
10 in each such program;

11 (2) the number of small business concerns as-
12 sisted by each small business development center es-
13 tablished with a grant under this section; and

14 (3) data regarding the economic impact of the
15 small business development center counseling pro-
16 vided under a grant under this section.

17 (h) LIMITATION ON USE OF OTHER FUNDS.—The
18 Administrator shall carry out this section only with
19 amounts appropriated in advance specifically to carry out
20 this section.

