

109TH CONGRESS
2D SESSION

S. 2607

To establish a 4-year small business health insurance information pilot program.

IN THE SENATE OF THE UNITED STATES

APRIL 7, 2006

Ms. SNOWE (for herself and Mr. BENNETT) introduced the following bill;
which was read twice and referred to the Committee on Small Business
and Entrepreneurship

A BILL

To establish a 4-year small business health insurance
information pilot program.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Small Business Health
5 Education and Awareness Act of 2006”.

6 **SEC. 2. PURPOSE.**

7 The purpose of this Act is to establish a 4-year pilot
8 program to provide information and educational materials
9 to small business concerns regarding health insurance op-

1 tions, including coverage options within the small group
2 market.

3 **SEC. 3. DEFINITIONS.**

4 In this Act:

5 (1) ADMINISTRATION.—The term “Administra-
6 tion” means the Small Business Administration.

7 (2) ADMINISTRATOR.—The term “Adminis-
8 trator” means the Administrator of the Small Busi-
9 ness Administration, acting through the Associate
10 Administrator for Small Business Development Cen-
11 ters.

12 (3) ASSOCIATION.—The term “association”
13 means an association established under section
14 21(a)(3)(A) of the Small Business Act (15 U.S.C.
15 648(a)(3)(A)) representing a majority of small busi-
16 ness development centers.

17 (4) PARTICIPATING SMALL BUSINESS DEVELOP-
18 MENT CENTER.—The term “participating small
19 business development center” means a small busi-
20 ness development center described in section 21 of
21 the Small Business Act (15 U.S.C. 648) that—

22 (A) is certified under section 21(k)(2) of
23 the Small Business Act (15 U.S.C. 648(k)(2));
24 and

1 (B) receives a grant under the pilot pro-
 2 gram.

3 (5) PILOT PROGRAM.—The term “pilot pro-
 4 gram” means the small business health insurance in-
 5 formation pilot program established under this Act.

6 (6) SMALL BUSINESS CONCERN.—The term
 7 “small business concern” has the same meaning as
 8 in section 3 of the Small Business Act (15 U.S.C.
 9 632).

10 (7) STATE.—The term “State” means each of
 11 the several States, the District of Columbia, the
 12 Commonwealth of Puerto Rico, the Virgin Islands,
 13 American Samoa, and Guam.

14 **SEC. 4. SMALL BUSINESS HEALTH INSURANCE INFORMA-**
 15 **TION PILOT PROGRAM.**

16 (a) AUTHORITY.—The Administrator shall establish
 17 a pilot program to make grants to small business develop-
 18 ment centers to provide information and educational mate-
 19 rials regarding health insurance options, including cov-
 20 erage options within the small group market, to small
 21 business concerns.

22 (b) APPLICATIONS.—

23 (1) POSTING OF INFORMATION.—Not later than
 24 90 days after the date of enactment of this Act, the
 25 Administrator shall post on the website of the Ad-

1 ministration and publish in the Federal Register a
2 guidance document describing—

3 (A) the requirements of an application for
4 a grant under the pilot program; and

5 (B) the types of informational and edu-
6 cational materials regarding health insurance
7 options to be created under the pilot program,
8 including by referencing such materials devel-
9 oped by the Healthcare Leadership Council.

10 (2) SUBMISSION.—A small business develop-
11 ment center desiring a grant under the pilot pro-
12 gram shall submit an application at such time, in
13 such manner, and accompanied by such information
14 as the Administrator may reasonably require.

15 (c) SELECTION OF PARTICIPATING SBDCs.—

16 (1) IN GENERAL.—The Administrator shall se-
17 lect not more than 20 small business development
18 centers to receive a grant under the pilot program.

19 (2) SELECTION OF PROGRAMS.—In selecting
20 small business development centers under paragraph
21 (1), the Administrator may not select—

22 (A) more than 2 programs from each of
23 the groups of States described in paragraph
24 (3); and

25 (B) more than 1 program in any State.

1 (3) GROUPINGS.—The groups of States de-
2 scribed in this paragraph are the following:

3 (A) GROUP 1.—Group 1 shall consist of
4 Maine, Massachusetts, New Hampshire, Con-
5 necticut, Vermont, and Rhode Island.

6 (B) GROUP 2.—Group 2 shall consist of
7 New York, New Jersey, Puerto Rico, and the
8 Virgin Islands.

9 (C) GROUP 3.—Group 3 shall consist of
10 Pennsylvania, Maryland, West Virginia, Vir-
11 ginia, the District of Columbia, and Delaware.

12 (D) GROUP 4.—Group 4 shall consist of
13 Georgia, Alabama, North Carolina, South Caro-
14 lina, Mississippi, Florida, Kentucky, and Ten-
15 nessee.

16 (E) GROUP 5.—Group 5 shall consist of Il-
17 linois, Ohio, Michigan, Indiana, Wisconsin, and
18 Minnesota.

19 (F) GROUP 6.—Group 6 shall consist of
20 Texas, New Mexico, Arkansas, Oklahoma, and
21 Louisiana.

22 (G) GROUP 7.—Group 7 shall consist of
23 Missouri, Iowa, Nebraska, and Kansas.

1 (H) GROUP 8.—Group 8 shall consist of
 2 Colorado, Wyoming, North Dakota, South Da-
 3 kota, Montana, and Utah.

4 (I) GROUP 9.—Group 9 shall consist of
 5 California, Guam, American Samoa, Hawaii,
 6 Nevada, and Arizona.

7 (J) GROUP 10.—Group 10 shall consist of
 8 Washington, Alaska, Idaho, and Oregon.

9 (4) DEADLINE FOR SELECTION.—The Adminis-
 10 trator shall make selections under this subsection
 11 not later than 6 months after the later of the date
 12 on which the information described in subsection
 13 (b)(1) is posted on the website of the Administration
 14 and the date on which the information described in
 15 subsection (b)(1) is published in the Federal Reg-
 16 ister.

17 (d) USE OF FUNDS.—

18 (1) IN GENERAL.—A participating small busi-
 19 ness development center shall use funds provided
 20 under the pilot program to—

21 (A) create and distribute informational
 22 materials; and

23 (B) conduct training and educational ac-
 24 tivities.

1 (2) CONTENT OF MATERIALS.—In creating ma-
2 terials under the pilot program, a participating small
3 business development center shall evaluate and in-
4 corporate relevant portions of existing informational
5 materials regarding health insurance options, such
6 as the materials created by the Healthcare Leader-
7 ship Council.

8 (e) GRANT AMOUNTS.—Each participating small
9 business development center program shall receive a grant
10 in an amount equal to—

- 11 (1) not less than \$150,000 per fiscal year; and
12 (2) not more than \$300,000 per fiscal year.

13 (f) MATCHING REQUIREMENT.—Subparagraphs (A)
14 and (B) of section 21(a)(4) of the Small Business Act (15
15 U.S.C. 648(a)(4)) shall apply to assistance made available
16 under the pilot program.

17 **SEC. 5. REPORTS.**

18 Each participating small business development center
19 shall transmit to the Administrator and the Chief Counsel
20 for Advocacy of the Administration, as the Administrator
21 may direct, a quarterly report that includes—

- 22 (1) a summary of the information and edu-
23 cational materials regarding health insurance op-
24 tions provided by the participating small business
25 development center under the pilot program; and

1 (2) the number of small business concerns as-
2 sisted under the pilot program.

3 **SEC. 6. AUTHORIZATION OF APPROPRIATIONS.**

4 (a) IN GENERAL.—There are authorized to be appro-
5 priated to carry out this Act—

6 (1) \$5,000,000 for the first fiscal year begin-
7 ning after the date of enactment of this Act; and

8 (2) \$5,000,000 for each of the 3 fiscal years
9 following the fiscal year described in paragraph (1).

10 (b) LIMITATION ON USE OF OTHER FUNDS.—The
11 Administrator may carry out the pilot program only with
12 amounts appropriated in advance specifically to carry out
13 this Act.

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