

110TH CONGRESS  
1ST SESSION

# H. R. 2499

To amend the Small Business Act to expand and improve the assistance provided by Small Business Development Centers to Colonias.

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## IN THE HOUSE OF REPRESENTATIVES

MAY 24, 2007

Mr. CUELLAR (for himself, Mr. REYES, Mr. GRIJALVA, Mr. GONZALEZ, Ms. CLARKE, Mr. HINOJOSA, Mr. JEFFERSON, Mr. ORTIZ, Mr. FARR, Mr. THOMPSON of California, Mr. RODRIGUEZ, and Mr. BRADY of Texas) introduced the following bill; which was referred to the Committee on Small Business

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## A BILL

To amend the Small Business Act to expand and improve the assistance provided by Small Business Development Centers to Colonias.

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 “SBDC Colonias Out-  
5       reach Act of 2007”.

6       **SEC. 2. FINDINGS AND PURPOSES.**

7       (a) FINDINGS.—The Congress finds the following:

1           (1) Colonias are found in Texas, New Mexico,  
2           Arizona and California and are composed of families  
3           with very low incomes and usually lack basic services  
4           such as clean and abundant water, roads, sewer sys-  
5           tems, schools, and law enforcement.

6           (2) Across the Southwest there are approxi-  
7           mately 3,000 Colonias with nearly three quarters of  
8           a million people living in these communities.

9           (3) Improving the living situation within  
10          Colonias is not limited to fixing basic infrastructure  
11          but must also include spurring economic growth.

12          (4) Studies have found that the unemployment  
13          rate in Colonias was upwards of 60 percent.

14          (5) The average yearly salary of people living in  
15          these communities is less than \$10,000, well below  
16          the Nation's poverty line.

17          (6) Many Colonias residents cannot find year-  
18          round work due to the seasonal nature of their pri-  
19          mary occupations—fieldwork represents 29.5 percent  
20          of their jobs, construction work 24.4 percent, and  
21          factory work, 14.9 percent.

22          (7) The Small Business Development Center  
23          program has been proven to be a cost effective solu-  
24          tion to providing the resources and technical assist-

1       ance needed to grow existing businesses and to start  
2       new enterprises.

3           (8) Business counseling and technical assist-  
4       ance is critical in Colonias where similar services are  
5       in short supply and are costly.

6       (b) PURPOSES.—The purposes of this Act are the fol-  
7       lowing:

8           (1) To stimulate economic development in  
9       Colonias.

10          (2) To assist in the creation of new small busi-  
11       nesses located in Colonias and expand existing ones.

12          (3) To provide management, technical, and re-  
13       search assistance to entrepreneurs located in  
14       Colonias.

15          (4) To ensure that residents of Colonias have  
16       full access to existing business counseling and tech-  
17       nical assistance available through the Small Busi-  
18       ness Development Center program.

19       **SEC. 3. SMALL BUSINESS DEVELOPMENT CENTER ASSIST-**  
20               **ANCE TO COLONIAS.**

21       Section 21(a) of the Small Business Act (15 U.S.C.  
22       648(a)) is amended by adding at the end the following:

23           “(8) ADDITIONAL GRANT TO ASSIST INDIVID-  
24       UALS RESIDING IN COLONIAS.—

1           “(A) IN GENERAL.—Any applicant in an  
2           eligible State that is funded by the Administra-  
3           tion as a Small Business Development Center  
4           may apply for an additional grant to be used  
5           solely to provide services described in subsection  
6           (c)(3) to assist with outreach, development, and  
7           enhancement of small business startups and ex-  
8           pansions within Colonias.

9           “(B) ELIGIBLE STATES.—For purposes of  
10          subparagraph (A), an eligible State is a State  
11          along the United States-Mexico border that has  
12          individuals residing in Colonias.

13          “(C) GRANT APPLICATIONS.—An applicant  
14          for a grant under subparagraph (A) shall sub-  
15          mit to the Administration an application that is  
16          in such form as the Administration may re-  
17          quire. The application shall include information  
18          regarding the applicant’s goals and objectives  
19          for the services to be provided using the grant,  
20          including—

21                 “(i) the capability of the applicant to  
22                 provide training and services to individuals  
23                 residing in Colonias;

1 “(ii) the location of the Small Busi-  
2 ness Development Center site proposed by  
3 the applicant; and

4 “(iii) the required amount of grant  
5 funding needed by the applicant to imple-  
6 ment the program.

7 “(D) APPLICABILITY OF GRANT REQUIRE-  
8 MENTS.—An applicant for a grant under sub-  
9 paragraph (A) shall comply with all of the re-  
10 quirements of this section, except that the  
11 matching funds requirements under paragraph  
12 (4)(A) shall not apply.

13 “(E) MAXIMUM AMOUNT OF GRANTS.—No  
14 applicant may receive more than \$300,000 in  
15 grants under this paragraph for one fiscal year.

16 “(F) REGULATIONS.—After providing no-  
17 tice and an opportunity for comment and after  
18 consulting with the Association recognized by  
19 the Administration pursuant to paragraph  
20 (3)(A) (but not later than 180 days after the  
21 date of enactment of this paragraph), the Ad-  
22 ministration shall issue final regulations to  
23 carry out this paragraph, including regulations  
24 that establish—

1 “(i) standards relating to educational,  
2 technical, and support services to be pro-  
3 vided by Small Business Development Cen-  
4 ters receiving assistance under this para-  
5 graph; and

6 “(ii) standards relating to any work  
7 plan that the Administration may require a  
8 Small Business Development Center receiv-  
9 ing assistance under this paragraph to de-  
10 velop.

11 “(G) DEFINITIONS.—In this paragraph:

12 “(i) The term ‘Colonias’ means a  
13 community that—

14 “(I) is located within 150 miles  
15 of the United States-Mexico border;

16 “(II) is a city or town with a  
17 population of less than 10,000, ac-  
18 cording to the latest United States  
19 Census, or is unincorporated;

20 “(III) has a majority population  
21 composed of individuals and families  
22 of low and very low income; and

23 “(IV) generally lacks a basic  
24 physical infrastructure.

1           “(ii) The term ‘basic physical infra-  
2           structure’ means safe, sanitary, and sound  
3           housing, as well as basic services such as  
4           potable water, adequate sewage systems,  
5           drainage, paved streets and utilities.

6           “(H) AUTHORIZATION OF APPROPRIA-  
7           TIONS.—There is authorized to be appropriated  
8           to carry out this paragraph \$7,000,000 for each  
9           of fiscal years 2008 through 2010.

10          “(I) FUNDING LIMITATIONS.—

11               “(i) NONAPPLICABILITY OF CERTAIN  
12           LIMITATIONS.—Funding under this para-  
13           graph shall be in addition to the dollar  
14           program limitations specified in paragraph  
15           (4).

16               “(ii) LIMITATION ON USE OF  
17           FUNDS.—The Administration may carry  
18           out this paragraph only with amounts ap-  
19           propriated in advance specifically to carry  
20           out this paragraph.”.

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