

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.

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

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.

(3) Improving the living situation within Colonias is not limited to fixing basic infrastructure 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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