

111TH CONGRESS  
1ST SESSION

# H. R. 1803

---

IN THE SENATE OF THE UNITED STATES

JULY 29, 2009

Received; read twice and referred to the Committee on Small Business and  
Entrepreneurship

---

## AN ACT

To amend the Small Business Act to establish a Veterans  
Business Center program, 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,*

1 **SECTION 1. SHORT TITLE.**

2       This Act may be cited as the “Veterans Business  
3 Center Act of 2009”.

4 **SEC. 2. VETERANS BUSINESS CENTER PROGRAM.**

5       Section 32 of the Small Business Act (15 U.S.C.  
6 657b) is amended—

7           (1) in subsection (f), by inserting “(other than  
8 subsections (g), (h), and (i))” after “this section”;  
9       and

10          (2) by adding at the end the following:

11       “(g) VETERANS BUSINESS CENTER PROGRAM.—

12           “(1) IN GENERAL.—The Administrator shall es-  
13 tablish a Veterans Business Center program within  
14 the Administration to provide entrepreneurial train-  
15 ing and counseling to veterans in accordance with  
16 this subsection.

17           “(2) DIRECTOR.—The Administrator shall ap-  
18 point a Director of the Veterans Business Center  
19 program, who shall implement and oversee such pro-  
20 gram and who shall report directly to the Associate  
21 Administrator for Veterans Business Development.

22           “(3) DESIGNATION OF VETERANS BUSINESS  
23 CENTERS.—The Director shall establish by regula-  
24 tion an application, review, and notification process  
25 to designate entities as veterans business centers for  
26 purposes of this section. The Director shall make

1 publicly known the designation of an entity as a vet-  
2 erans business center and the award of a grant to  
3 such center under this subsection.

4 “(4) FUNDING FOR VETERANS BUSINESS CEN-  
5 TERS.—

6 “(A) INITIAL GRANTS.—The Director is  
7 authorized to make a grant (hereinafter in this  
8 subsection referred to as an ‘initial grant’) to  
9 each veterans business center each year for not  
10 more than 5 years in the amount of \$200,000.

11 “(B) GROWTH FUNDING GRANTS.—After a  
12 veterans business center has received 5 years of  
13 initial grants under subparagraph (A), the Di-  
14 rector is authorized to make a grant (herein-  
15 after in this subsection referred to as a ‘growth  
16 funding grant’) to such center each year for not  
17 more than 3 years in the amount of \$150,000.  
18 After such center has received 3 years of  
19 growth funding grants, the Director shall re-  
20 quire such center to meet performance bench-  
21 marks established by the Director to be eligible  
22 for growth funding grants in subsequent years.

23 “(5) CENTER RESPONSIBILITIES.—Each vet-  
24 erans business center receiving a grant under this  
25 subsection shall use the funds primarily on veteran

1       entrepreneurial development, counseling of veteran-  
2       owned small businesses through one-on-one instruc-  
3       tion and classes, and providing government procure-  
4       ment assistance to veterans.

5               “(6) MATCHING FUNDS.—Each veterans busi-  
6       ness center receiving a grant under this subsection  
7       shall be required to provide a non-Federal match of  
8       50 percent of the Federal funds such center receives  
9       under this subsection. The Director may issue to a  
10      veterans business center, upon request, a waiver  
11      from all or a portion of such matching requirement  
12      upon a determination of hardship. The Director may  
13      waive the matching funds requirement under this  
14      paragraph with respect to veterans business centers  
15      that serve communities with a per capita income less  
16      than 75 percent of the national per capita income  
17      and an unemployment rate at least 150 percent  
18      higher than the national average.

19              “(7) TARGETED AREAS.—The Director shall  
20      give priority to applications for designations and  
21      grants under this subsection that will establish a  
22      veterans business center in a geographic area, as de-  
23      termined by the Director, that is not currently  
24      served by a veterans business center and in which—

1           “(A) the population of veterans exceeds the  
2           national median of such measure; or

3           “(B) the population of veterans of Oper-  
4           ation Iraqi Freedom or Operation Enduring  
5           Freedom exceeds the national median of such  
6           measure.

7           “(8) TRAINING PROGRAM.—The Director shall  
8           develop and implement, directly or by contract, an  
9           annual training program for the staff and personnel  
10          of designated veterans business centers to provide  
11          education, support, and information on best prac-  
12          tices with respect to the establishment and operation  
13          of such centers. The Director shall develop such  
14          training program in consultation with veterans busi-  
15          ness centers, the interagency task force established  
16          under subsection (c), and veterans service organiza-  
17          tions.

18          “(9) INCLUSION OF OTHER ORGANIZATIONS IN  
19          PROGRAM.—Upon the date of the enactment of this  
20          subsection, each Veterans Business Outreach Center  
21          established by the Administrator under the authority  
22          of section 8(b)(17) and each center that received  
23          funds during fiscal year 2006 from the National  
24          Veterans Business Development Corporation estab-  
25          lished under section 33 and that remains in oper-

1        ation shall be treated as designated as a veterans  
2        business center for purposes of this subsection and  
3        shall be eligible for grants under this subsection.

4            “(10) RURAL AREAS.—The Director shall sub-  
5        mit annually to the Administrator a report on  
6        whether a sufficient percentage, as determined by  
7        the Director, of veterans in rural areas have ade-  
8        quate access to a veterans business center. If the Di-  
9        rector submits a report under this paragraph that  
10       does not demonstrate that a sufficient percentage of  
11       veterans in rural areas have adequate access to a  
12       veterans business center, the Director shall give pri-  
13       ority during the 1-year period following the date of  
14       the submission of such report to applications for  
15       designations and grants under this subsection that  
16       will establish veterans business centers in rural  
17       areas.

18           “(11) AUTHORIZATION OF APPROPRIATIONS.—  
19        There is authorized to be appropriated to carry out  
20        this subsection \$12,000,000 for fiscal year 2010 and  
21        \$14,000,000 for fiscal year 2011.

22           “(h) ADDITIONAL GRANTS AVAILABLE TO VETERANS  
23        BUSINESS CENTERS.—

24           “(1) ACCESS TO CAPITAL GRANT PROGRAM.—

1           “(A) IN GENERAL.—The Director of the  
2           Veterans Business Center program shall estab-  
3           lish a grant program under which the Director  
4           is authorized to make, to veterans business cen-  
5           ters designated under subsection (g), grants for  
6           the following:

7                   “(i) Developing specialized programs  
8                   to assist veteran-owned small businesses to  
9                   secure capital and repair damaged credit.

10                  “(ii) Providing informational seminars  
11                  on securing loans to veteran-owned small  
12                  businesses.

13                  “(iii) Providing one-on-one counseling  
14                  to veteran-owned small businesses to im-  
15                  prove the financial presentations of such  
16                  businesses to lenders.

17                  “(iv) Facilitating the access of vet-  
18                  eran-owned small businesses to both tradi-  
19                  tional and non-traditional financing  
20                  sources.

21                  “(v) Providing one-on-one or group  
22                  counseling to owners of small business con-  
23                  cerns who are members of the reserve com-  
24                  ponents of the armed forces, as specified in  
25                  section 10101 of title 10, United States

1 Code, to assist such owners to effectively  
2 prepare their small businesses for periods  
3 when such owners are deployed in support  
4 of a contingency operation.

5 “(vi) Developing specialized programs  
6 to assist unemployed veterans to become  
7 entrepreneurs.

8 “(B) AWARD SIZE.—The Director may not  
9 award a veterans business center more than  
10 \$75,000 in grants under this paragraph.

11 “(C) AUTHORIZATION OF APPROPRIA-  
12 TIONS.—There is authorized to be appropriated  
13 to carry out this paragraph \$1,500,000 for each  
14 of fiscal years 2010 and 2011.

15 “(2) PROCUREMENT ASSISTANCE GRANT PRO-  
16 GRAM.—

17 “(A) IN GENERAL.—The Director shall es-  
18 tablish a grant program under which the Direc-  
19 tor is authorized to make, to veterans business  
20 centers designated under subsection (g), grants  
21 for the following:

22 “(i) Assisting veteran-owned small  
23 businesses to identify contracts that are  
24 suitable to such businesses.



1           “(ii) Preparing veteran-owned small  
2           businesses to be ready as subcontractors  
3           and prime contractors for contracts made  
4           available through the American Recovery  
5           and Reinvestment Act of 2009 (Public  
6           Law 111–5) through training and business  
7           advisement, particularly with respect to the  
8           construction trades.

9           “(iii) Providing veteran-owned small  
10          businesses technical assistance with respect  
11          to the Federal procurement process, in-  
12          cluding assisting such businesses to comply  
13          with Federal regulations and bonding re-  
14          quirements.

15          “(B) AWARD SIZE.—The Director may not  
16          award a veterans business center more than  
17          \$75,000 in grants under this paragraph.

18          “(C) AUTHORIZATION OF APPROPRIA-  
19          TIONS.—There is authorized to be appropriated  
20          to carry out this paragraph \$1,500,000 for each  
21          of fiscal years 2010 and 2011.

22          “(3) SERVICE-DISABLED VETERAN-OWNED  
23          SMALL BUSINESS GRANT PROGRAM.—

24          “(A) IN GENERAL.—The Director shall es-  
25          tablish a grant program under which the Direc-

1 tor is authorized to make, to veterans business  
2 centers designated under subsection (g), grants  
3 for the following:

4 “(i) Developing outreach programs for  
5 service-disabled veterans to promote self-  
6 employment opportunities.

7 “(ii) Providing training to service-dis-  
8 abled veterans with respect to business  
9 plan development, marketing, budgeting,  
10 accounting, and merchandising.

11 “(iii) Assisting service-disabled vet-  
12 eran-owned small businesses to locate and  
13 secure business opportunities.

14 “(B) AWARD SIZE.—The Director may not  
15 award a veterans business center more than  
16 \$75,000 in grants under this paragraph.

17 “(C) AUTHORIZATION OF APPROPRIA-  
18 TIONS.—There is authorized to be appropriated  
19 to carry out this paragraph \$1,500,000 for each  
20 of fiscal years 2010 and 2011.

21 “(i) VETERANS ENTREPRENEURIAL DEVELOPMENT  
22 SUMMIT.—

23 “(1) IN GENERAL.—The Director of the Vet-  
24 erans Business Center program is authorized to  
25 carry out an event, once every two years, for the

1 purpose of providing networking opportunities, out-  
2 reach, education, training, and support to veterans  
3 business centers funded under this section, veteran-  
4 owned small businesses, veterans service organiza-  
5 tions, and other entities as determined appropriate  
6 for inclusion by the Director. Such event shall in-  
7 clude education and training with respect to improv-  
8 ing outreach to veterans in areas of high unemploy-  
9 ment.

10 “(2) AUTHORIZATION OF APPROPRIATIONS.—

11 There is authorized to be appropriated to carry out  
12 this subsection \$450,000 for fiscal years 2010 and  
13 2011.

14 “(j) INCLUSION OF SURVIVING SPOUSES.—For pur-

15 poses of subsections (g), (h), and (i) the following apply:

16 “(1) The term ‘veteran’ includes a surviving  
17 spouse of the following:

18 “(A) A member of the Armed Forces, in-  
19 cluding a reserve component thereof.

20 “(B) A veteran.

21 “(2) The term ‘veteran-owned small business’  
22 includes a small business owned by a surviving  
23 spouse of the following:

24 “(A) A member of the Armed Forces, in-  
25 cluding a reserve component thereof.

1 “(B) A veteran.

2 “(k) INCLUSION OF RESERVE COMPONENTS.—For  
3 purposes of subsections (g), (h), and (i) the following  
4 apply:

5 “(1) The term ‘veteran’ includes a member of  
6 the reserve components of the armed forces as speci-  
7 fied in section 10101 of title 10, United States  
8 Code.

9 “(2) The term ‘veteran-owned small business’  
10 includes a small business owned by a member of the  
11 reserve components of the armed forces as specified  
12 in section 10101 of title 10, United States Code.”.

13 **SEC. 3. REPORTING REQUIREMENT FOR INTERAGENCY**  
14 **TASK FORCE.**

15 Section 32(c) of the Small Business Act (15 U.S.C.  
16 657b(c)) is amended by adding at the end the following:

17 “(4) REPORT.—The Administrator shall submit  
18 to Congress biannually a report on the appointments  
19 made to and activities of the task force.”.

20 **SEC. 4. COMPTROLLER GENERAL STUDY OF SMALL BUSI-**  
21 **NESS CONCERNS OWNED AND CONTROLLED**  
22 **BY VETERANS.**

23 The Comptroller General shall carry out a study on  
24 the effects of this Act and the amendments made by this  
25 Act on small business concerns owned and controlled by

Attest: LORRAINE C. MILLER,  
*Clerk.*