

111TH CONGRESS
2D SESSION

H. R. 4422

To establish the Minority Entrepreneurship and Business Development Program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 12, 2010

Mr. SESTAK introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committees on Education and Labor and Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To establish the Minority Entrepreneurship and Business Development 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,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Minority Entrepre-
5 neurship and Business Development Act”.

1 **SEC. 2. MINORITY ENTREPRENEURSHIP AND BUSINESS**
2 **ENTREPRISE CENTER GRANT PROGRAM.**

3 (a) IN GENERAL.—The Director may make grants to
4 an eligible educational institution or an eligible association
5 or organization—

6 (1) to assist in establishing an entrepreneurship
7 curriculum for studies; and

8 (2) for placement of a Minority Business
9 Enterprise Center within the educational institution,
10 association, or organization.

11 (b) USE OF FUNDS.—

12 (1) CURRICULUM AND CAPACITY TRAINING RE-
13 QUIREMENT.—An eligible educational institution, as-
14 sociation, or organization receiving a grant under
15 this section shall develop a curriculum and capacity
16 training requirement that includes training in var-
17 ious skill sets needed by successful entrepreneurs,
18 including—

19 (A) business management and marketing,
20 financial management and accounting, mar-
21 keting analysis and competitive analysis, and
22 innovation and strategic planning; and

23 (B) additional entrepreneurial skill sets
24 specific to the needs of the student population
25 and the surrounding community, as determined
26 by the institution.

1 (2) MINORITY BUSINESS ENTERPRISE CENTER
2 REQUIREMENT.—Each eligible educational institu-
3 tion, association or organization receiving a grant
4 under this section shall open a Minority Business
5 Enterprise Center that follows the duties as
6 prescribed by the Director of the Minority Business
7 Development Agency.

8 (c) GRANT AWARDS.—

9 (1) IN GENERAL.—The Director may not award
10 a grant under this section to a single eligible edu-
11 cational institution, association or organization—

12 (A) in excess of \$1,500,000 in any fiscal
13 year; or

14 (B) for a term of more than 3 years.

15 (2) LIMITATION ON USE OF FUNDS.—Funds
16 made available under this section may not be used
17 for—

18 (A) any purpose other than those associ-
19 ated with the direct costs incurred by the eligi-
20 ble educational institution, association or orga-
21 nization to—

22 (i) develop and implement the cur-
23 riculum described in subsection (b)(1); or

1 (ii) organize and operate a minority
2 business enterprise center, as described
3 subsection (b)(2); or

4 (B) building expenses, administrative trav-
5 el budgets, or other expenses not directly re-
6 lated to the costs described in subparagraph
7 (A).

8 (d) MATCHING REQUIREMENT.—Grants made under
9 this Act shall require a private matching grant of 15 per-
10 cent.

11 (e) REPORT.—

12 (1) IN GENERAL.—Not later than 120 days fol-
13 lowing the end of the fiscal year of each year in
14 which funds are made available for grants under this
15 section, the Director shall submit to the Committee
16 on Small Business and Entrepreneurship of the Sen-
17 ate and the Committee on Small Business of the
18 House of Representatives, a report evaluating the
19 success of the program under this section during the
20 preceding fiscal year.

21 (2) CONTENTS OF REPORT.—Each report under
22 paragraph (1) shall include—

23 (A) a description of each entrepreneurship
24 program developed with grant funds, the date

1 of the award, and the number of participants in
2 each such program;

3 (B) the number of small business assisted
4 through the minority business enterprise center
5 with grant funds; and

6 (C) data regarding the economic impact of
7 minority business enterprise center with grant
8 funds.

9 (f) AUTHORIZATION OF APPROPRIATIONS.—There
10 are authorized to be appropriated to carry out this section
11 \$40,000,000 for each of fiscal years 2010 through 2012,
12 to remain available until expended.

13 (g) LIMITATION ON USE OF FUNDS.—The Director
14 shall carry out this section only with amounts appro-
15 priated in advance specifically to carry out this section.

16 **SEC. 3. OFFICE OF MINORITY ENTREPRENEURSHIP AND**
17 **BUSINESS DEVELOPMENT.**

18 (a) OFFICE OF MINORITY ENTREPRENEURSHIP AND
19 BUSINESS DEVELOPMENT.—There is established in the
20 Minority Business Development Agency an Office of Mi-
21 nority Entrepreneurship and Business Development,
22 which shall be administered by an Associate Director for
23 Minority Entrepreneurship and Business Development ap-
24 pointed under section 3(b)(1) (in this section referred to
25 as the “Associate Director”).

1 (b) ASSOCIATE DIRECTOR FOR MINORITY ENTRE-
2 PRENEURSHIP AND BUSINESS DEVELOPMENT.—The As-
3 sociate Director shall—

4 (1) be—

5 (A) an appointee in the Senior Executive
6 Service who is a career appointee; or

7 (B) an employee in the competitive service;

8 (2) increase the proportion of counseling and
9 training that goes to minority start-ups and the
10 Agency's entrepreneurial development programs;

11 (3) increase the proportion of the Agency's con-
12 tracts to minority entrepreneur and new businesses;

13 (4) work with the partners of the Agency, trade
14 associations, and business groups to identify and
15 carry out policies and procedures to more effectively
16 market the resources of the Agency to new and
17 small minority-owned businesses;

18 (5) ensure that the Agency's district offices and
19 regional offices have adequate staff, funding, and
20 other resources to market the grant program to
21 newly formed and emerging minority-owned busi-
22 nesses and eligible institutions of higher education;

23 (6) report to and be responsible directly to the
24 Director.

1 (c) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated to carry out this sec-
3 tion—

4 (1) \$7,000,000 for fiscal year 2010;

5 (2) \$7,000,000 for fiscal year 2011; and

6 (3) \$7,000,000 for fiscal year 2012.

7 **SEC. 4. DEFINITIONS.**

8 In this Act—

9 (1) the terms “Agency” and “Director” mean
10 the Minority Small Business Development Agency
11 and the Director thereof, respectively;

12 (2) the term “eligible association or organiza-
13 tion” means an association or organization that—

14 (A) is—

15 (i) a minority business association de-
16 scribed under paragraph (3) or (6) of sec-
17 tion 501(c) of the Internal Revenue Code
18 of 1986 and exempt from taxation under
19 section 501(a) of such Code; or

20 (ii) a foundation of minority business
21 associations described under section
22 501(c)(3) of the Internal Revenue Code of
23 1986 and exempt from taxation under sec-
24 tion 501(a) of such Code; and

1 (B) has been in existence for at least the
2 5-year period before the date of awarding a
3 grant under section 2;

4 (3) the term “eligible educational institution”
5 means an institution that is—

6 (A) a public or private institution of higher
7 education (including any land-grant college or
8 university, any college or school of business, en-
9 gineering, commerce, or agriculture, or commu-
10 nity college or junior college) or any entity
11 formed by 2 or more institutions of higher edu-
12 cation; and

13 (B) a—

14 (i) historically Black college;
15 (ii) Hispanic-serving institution;
16 (iii) Asian-serving institution;
17 (iv) Native Hawaiian-serving institu-
18 tion; or

19 (v) tribal college;

20 (4) the term “historically Black college” means
21 a part B institution, as that term is defined in sec-
22 tion 322 of the Higher Education Act of 1965 (20
23 U.S.C. 1061);

1 (5) the term “Hispanic-serving institution” has
2 the meaning given that term in section 502 of the
3 Higher Education Act of 1965 (20 U.S.C. 1101a);

4 (6) the term “institution of higher education”
5 has the meaning given that term in section 101 of
6 the Higher Education Act of 1965 (20 U.S.C.
7 1001);

8 (7) the term “small business concern” has the
9 meaning given that term in section 3 of the Small
10 Business Act (15 U.S.C. 632); and

11 (8) the term “tribal college” has the same
12 meaning as the term “tribally controlled college or
13 university” under section 2(a)(4) of the Tribally
14 Controlled Community College Assistance Act of
15 1978 (25 U.S.C. 1801(a)(4)).

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