

111TH CONGRESS  
1ST SESSION

# S. 2770

To amend the Small Business Act to establish a Veterans Business Center program, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

NOVEMBER 10, 2009

Mrs. GILLIBRAND introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

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## A BILL

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,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Veterans Business  
5       Center Act of 2009”.

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

7       Section 32 of the Small Business Act (15 U.S.C.  
8       657b) is amended—

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

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

5       “(g) VETERANS BUSINESS CENTER PROGRAM.—

6           “(1) IN GENERAL.—The Administrator shall es-  
7       tablish a Veterans Business Center program within  
8       the Administration to provide entrepreneurial train-  
9       ing and counseling to veterans in accordance with  
10      this subsection.

11          “(2) DIRECTOR.—The Administrator shall ap-  
12      point a Director of the Veterans Business Center  
13      program, who shall implement and oversee such pro-  
14      gram and who shall report directly to the Associate  
15      Administrator for Veterans Business Development.

16          “(3) DESIGNATION OF VETERANS BUSINESS  
17      CENTERS.—The Director shall establish by regula-  
18      tion an application, review, and notification process  
19      to designate entities as veterans business centers for  
20      purposes of this section. The Director shall make  
21      publicly known the designation of an entity as a vet-  
22      erans business center and the award of a grant to  
23      such center under this subsection.

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

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

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

18          “(5) CENTER RESPONSIBILITIES.—Each vet-  
19          erans business center receiving a grant under this  
20          subsection shall use the funds primarily on veteran  
21          entrepreneurial development, counseling of veteran-  
22          owned small businesses through one-on-one instruc-  
23          tion and classes, and providing government procure-  
24          ment assistance to veterans.

1           “(6) MATCHING FUNDS.—Each veterans busi-  
2           ness center receiving a grant under this subsection  
3           shall be required to provide a non-Federal match of  
4           50 percent of the Federal funds such center receives  
5           under this subsection. The Director may issue to a  
6           veterans business center, upon request, a waiver  
7           from all or a portion of such matching requirement  
8           upon a determination of hardship. The Director may  
9           waive the matching funds requirement under this  
10          paragraph with respect to veterans business centers  
11          that serve communities with a per capita income less  
12          than 75 percent of the national per capita income  
13          and an unemployment rate at least 150 percent  
14          higher than the national average.

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

21                  “(A) the population of veterans exceeds the  
22                  national median of such measure; or

23                  “(B) the population of veterans of Oper-  
24                  ation Iraqi Freedom or Operation Enduring

1 Freedom exceeds the national median of such  
2 measure.

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

14 “(9) INCLUSION OF OTHER ORGANIZATIONS IN  
15 PROGRAM.—Upon the date of the enactment of this  
16 subsection, each Veterans Business Outreach Center  
17 established by the Administrator under the authority  
18 of section 8(b)(17) and each center that received  
19 funds during fiscal year 2006 from the National  
20 Veterans Business Development Corporation estab-  
21 lished under section 33 and that remains in oper-  
22 ation shall be treated as designated as a veterans  
23 business center for purposes of this subsection and  
24 shall be eligible for grants under this subsection.

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

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

19           “(h) ADDITIONAL GRANTS AVAILABLE TO VETERANS  
 20 BUSINESS CENTERS.—

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

22           “(A) IN GENERAL.—The Director of the  
 23          Veterans Business Center program shall estab-  
 24          lish a grant program under which the Director  
 25          is authorized to make, to veterans business cen-

1           ters designated under subsection (g), grants for  
2           the following:

3                   “(i) Developing specialized programs  
4                   to assist veteran-owned small businesses to  
5                   secure capital and repair damaged credit.

6                   “(ii) Providing informational seminars  
7                   on securing loans to veteran-owned small  
8                   businesses.

9                   “(iii) Providing one-on-one counseling  
10                  to veteran-owned small businesses to im-  
11                  prove the financial presentations of such  
12                  businesses to lenders.

13                  “(iv) Facilitating the access of vet-  
14                  eran-owned small businesses to both tradi-  
15                  tional and non-traditional financing  
16                  sources.

17                  “(v) Providing one-on-one or group  
18                  counseling to owners of small business con-  
19                  cerns who are members of the reserve com-  
20                  ponents of the armed forces, as specified in  
21                  section 10101 of title 10, United States  
22                  Code, to assist such owners to effectively  
23                  prepare their small businesses for periods  
24                  when such owners are deployed in support  
25                  of a contingency operation.

1                   “(vi) Developing specialized programs  
 2                   to assist unemployed veterans to become  
 3                   entrepreneurs.

4                   “(B) AWARD SIZE.—The Director may not  
 5                   award a veterans business center more than  
 6                   \$75,000 in grants under this paragraph.

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

11                  “(2) PROCUREMENT ASSISTANCE GRANT PRO-  
 12                  GRAM.—

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

18                         “(i) Assisting veteran-owned small  
 19                         businesses to identify contracts that are  
 20                         suitable to such businesses.

21                         “(ii) Preparing veteran-owned small  
 22                         businesses to be ready as subcontractors  
 23                         and prime contractors for contracts made  
 24                         available through the American Recovery  
 25                         and Reinvestment Act of 2009 (Public

1 Law 111–5) through training and business  
2 advisement, particularly with respect to the  
3 construction trades.

4 “(iii) Providing veteran-owned small  
5 businesses technical assistance with respect  
6 to the Federal procurement process, in-  
7 cluding assisting such businesses to comply  
8 with Federal regulations and bonding re-  
9 quirements.

10 “(B) AWARD SIZE.—The Director may not  
11 award a veterans business center more than  
12 \$75,000 in grants under this paragraph.

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

17 “(3) SERVICE-DISABLED VETERAN-OWNED  
18 SMALL BUSINESS GRANT PROGRAM.—

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

1 “(i) Developing outreach programs for  
 2 service-disabled veterans to promote self-  
 3 employment opportunities.

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

8 “(iii) Assisting service-disabled vet-  
 9 eran-owned small businesses to locate and  
 10 secure business opportunities.

11 “(B) AWARD SIZE.—The Director may not  
 12 award a veterans business center more than  
 13 \$75,000 in grants under this paragraph.

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

18 “(i) VETERANS ENTREPRENEURIAL DEVELOPMENT  
 19 SUMMIT.—

20 “(1) IN GENERAL.—The Director of the Vet-  
 21 erans Business Center program is authorized to  
 22 carry out an event, once every two years, for the  
 23 purpose of providing networking opportunities, out-  
 24 reach, education, training, and support to veterans  
 25 business centers funded under this section, veteran-

1 owned small businesses, veterans service organiza-  
 2 tions, and other entities as determined appropriate  
 3 for inclusion by the Director. Such event shall in-  
 4 clude education and training with respect to improv-  
 5 ing outreach to veterans in areas of high unemploy-  
 6 ment.

7 “(2) AUTHORIZATION OF APPROPRIATIONS.—  
 8 There is authorized to be appropriated to carry out  
 9 this subsection \$450,000 for fiscal years 2010 and  
 10 2011.

11 “(j) INCLUSION OF SURVIVING SPOUSES.—For pur-  
 12 poses of subsections (g), (h), and (i) the following apply:

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

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

17 “(B) A veteran.

18 “(2) The term ‘veteran-owned small business’  
 19 includes a small business owned by a surviving  
 20 spouse of the following:

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

23 “(B) A veteran.

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

4           “(1) The term ‘veteran’ includes a member of  
 5 the reserve components of the Armed Forces as  
 6 specified in section 10101 of title 10, United States  
 7 Code.

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

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

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

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

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

22       The Comptroller General shall carry out a study on  
 23 the effects of this Act and the amendments made by this  
 24 Act on small business concerns owned and controlled by  
 25 veterans and submit to Congress a report on the results

1 of such study. Such report shall include the recommenda-  
2 tions of the Comptroller General with respect to how this  
3 Act and the amendments made by this Act may be imple-  
4 mented to more effectively serve small business concerns  
5 owned and controlled by veterans.

