

115TH CONGRESS  
2D SESSION

# H. R. 6706

To support the establishment of small business development centers internationally and promote international commerce, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 5, 2018

Mr. CASTRO of Texas (for himself, Mrs. WAGNER, and Mr. LARSEN of Washington) introduced the following bill; which was referred to the Committee on Foreign Affairs

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## A BILL

To support the establishment of small business development centers internationally and promote international commerce, 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 “Global Small Business  
5 Network Act”.

6 **SEC. 2. FINDINGS.**

7 Congress finds the following:

8 (1) Small businesses empower citizens of a  
9 country, strengthen communities, provide employ-

1 ment to millions, and form the backbone of the  
2 United States economy.

3 (2) Small business concerns across the United  
4 States have benefitted from access to technical as-  
5 sistance, regulatory guidance, and educational pro-  
6 grams through small business development centers  
7 (referred to in this Act as “SBDC”) in the United  
8 States.

9 (3) The SBDC model has successfully been  
10 adopted in Central America, South America, and the  
11 Caribbean, through assistance from the Small Busi-  
12 ness Network of the Americas’ initiative funded  
13 through the Department of State.

14 (4) The Small Business Network of the Amer-  
15 icas’ initiative is a highly effective program that  
16 works with host governments in the Americas to es-  
17 tablish small business development centers, primarily  
18 funded by the host governments.

19 (5) SBDC networks outside the United States  
20 serve as important conduits of commerce with the  
21 United States, providing important information,  
22 tools, and regulatory guidance to small businesses  
23 interested in trading with the United States.

24 (6) The establishment of SBDCs in other parts  
25 of the world promotes opportunities for small busi-

1 nesses to thrive and engage with the United States  
2 economy.

3 **SEC. 3. GLOBAL AND REGIONAL NETWORKS.**

4 (a) GLOBAL SMALL BUSINESS NETWORK.—

5 (1) ESTABLISHMENT.—The Secretary of State,  
6 in consultation with the Administrator of the United  
7 States Agency for International Development and  
8 the Administrator of the Small Business Administra-  
9 tion, is authorized to establish and administer a  
10 Global Small Business Network program.

11 (2) PURPOSE.—The purpose of the Global  
12 Small Business Network program is to—

13 (A) enhance the ability of small business  
14 concerns in the United States that are affiliated  
15 with a small business development center to ex-  
16 port to foreign markets and take part in inter-  
17 national commerce; and

18 (B) facilitate partners for U.S. businesses  
19 and resilient business environments in foreign  
20 countries through the development of small  
21 business development centers in foreign coun-  
22 tries.

23 (3) AFFILIATION.—The Secretary shall deter-  
24 mine if a small business development center in a for-

1        foreign country may affiliate with and participate in  
2        the Global Small Business Network program.

3               (4) COORDINATION.—The Secretary may co-  
4        ordinate with a national or local government of a  
5        foreign country that agrees to assist with developing  
6        small business development centers in such country  
7        pursuant to a grant awarded under subsection (c).

8               (5) DUPLICATION OF EFFORTS.—The Secretary  
9        shall leverage existing programs administered by the  
10       Department of State, United States Agency for  
11       International Development, and other U.S. govern-  
12       ment agencies for the purposes of the Global Small  
13       Business Network program.

14       (b) REGIONAL NETWORKS.—

15               (1) SMALL BUSINESS NETWORK OF THE AMER-  
16        ICAS.—The Secretary may establish a Small Busi-  
17        ness Network of the Americas for purposes of allow-  
18        ing national and local governments of a foreign  
19        country located in Western Hemisphere to partici-  
20        pate in the Global Small Business Network program.

21               (2) ASEAN SMALL BUSINESS NETWORK.—The  
22        Secretary may establish an ASEAN Small Business  
23        Network for purposes of allowing national and local  
24        governments of a foreign country that is a member  
25        state of the Association of Southeast Asian Nations

1 to participate in the Global Small Business Network  
2 program.

3 (c) GRANTS.—

4 (1) IN GENERAL.—The Secretary may make  
5 grants to any qualified entity that submits an appli-  
6 cation in such form, and satisfying such require-  
7 ments, as the Secretary may require.

8 (2) TYPES OF GRANTS.—A qualified entity may  
9 receive a grant for one or both of the following pur-  
10 poses:

11 (A) To assist national and local govern-  
12 ments of a foreign country to develop a small  
13 business development center, or multiple cen-  
14 ters, in such country, regardless whether such  
15 country participates in a regional network de-  
16 scribed in subsection (b).

17 (B) To promote economic connectivity be-  
18 tween small business concerns in the United  
19 States and economies covered by the Global  
20 Small Business Network, including through an  
21 internet platform to—

22 (i) enhance the ability of small busi-  
23 ness concerns in the United States to take  
24 part in international commerce; and

1 (ii) facilitate the growth of small busi-  
2 nesses in foreign countries through the de-  
3 velopment of small business development  
4 centers in foreign countries.

5 (d) AUTHORIZATION OF APPROPRIATIONS.—There is  
6 authorized to be appropriated to the Secretary \$2,000,000  
7 for each of fiscal years 2020 through 2024, in addition  
8 to amounts otherwise available for economic activities and  
9 foreign assistance, to carry out this section. With respect  
10 to each such fiscal year, the Secretary is authorized to  
11 use—

12 (1) up to \$1,000,000 of such amount to estab-  
13 lish and operate the Small Business Network of the  
14 Americas; and

15 (2) up to \$1,000,000 of such amount to estab-  
16 lish and operate the ASEAN Small Business Net-  
17 work.

18 **SEC. 4. REPORT.**

19 (a) IN GENERAL.—Not later than 1 year after the  
20 date of enactment of this Act, and every 2 years thereafter  
21 for a period of 5 years after the date of enactment of this  
22 Act, the Secretary of State, in consultation with the Ad-  
23 ministrator of the United States Agency for International  
24 Development and the Administrator of the Small Business  
25 Administration, shall submit to the Committee on Foreign

1 Affairs of the House of Representatives, the Committee  
2 on Foreign Relations of the Senate, the Committee on  
3 Small Business of the House of Representatives, and the  
4 Committee on Small Business and Entrepreneurship of  
5 the Senate a report on the status of the Global Small  
6 Business Network program.

7 (b) ELEMENTS.—The report required by subsection  
8 (a) shall include the following:

9 (1) An assessment of support provided to U.S.  
10 small businesses that have utilized programs  
11 through the Global Small Business Network, to in-  
12 clude information on the number of businesses sup-  
13 ported, the geographic location of those businesses,  
14 the number of jobs supported, and the amount of  
15 economic activity generated.

16 (2) A description of methods and strategies to  
17 develop small business development centers in for-  
18 eign countries for the 2 years after the date of the  
19 report.

20 (3) A list, and the current status, of all oper-  
21 ating small business development centers in foreign  
22 countries that are affiliated with the Global Small  
23 Business Network program.

24 (4) A list, and the current status, of all new  
25 small business development centers in foreign coun-

1 tries set up through the Global Small Business Net-  
2 work program in the 2 years before the date of the  
3 report, even if no longer affiliated with the Global  
4 Small Business Network program.

5 (5) A description of the estimated timelines for  
6 national and local governments of a foreign country  
7 participating in the Small Business Network of the  
8 Americas and the ASEAN Small Business Network  
9 to—

10 (A) complete the creation of a small busi-  
11 ness development center in such country; and

12 (B) establish connections between such a  
13 small business development center with small  
14 business development centers in the United  
15 States.

16 (6) A description of international commercial  
17 activity resulting from participation in the Global  
18 Small Business Network program.

19 **SEC. 5. DEFINITIONS.**

20 In this Act:

21 (1) **QUALIFIED ENTITY.**—The term “qualified  
22 entity” means an entity that is—

23 (A) an institution of higher education (as  
24 defined in section 102 of the Higher Education  
25 Act of 1965 (20 U.S.C. 1002)), except that

1 such term does not include institutions de-  
2 scribed in section 102(a)(1)(c) of such Act;

3 (B) a consortium of 2 or more institutions  
4 of higher education described in subparagraph  
5 (A); or

6 (C) a nonprofit entity with experience in  
7 operating or working with small business devel-  
8 opment centers in the United States.

9 (2) SMALL BUSINESS CONCERN.—The term  
10 “small business concern” has the meaning given the  
11 term under section 3(a) of the Small Business Act  
12 (15 U.S.C. 632(a)).

13 (3) SMALL BUSINESS DEVELOPMENT CEN-  
14 TER.—The term “small business development cen-  
15 ter”—

16 (A) with respect to a center located in the  
17 United States—

18 (i) has the meaning given such term  
19 in section 3 of the Small Business Act (15  
20 U.S.C. 632); and

21 (ii) includes a women’s business cen-  
22 ter, as such term is used under section 29  
23 of the Small Business Act (15 U.S.C.  
24 656); and

1 (B) with respect to a center located in a  
2 foreign country, means an entity that—

3 (i) provides small business-oriented  
4 employment or natural resources develop-  
5 ment programs;

6 (ii) promotes studies, research, and  
7 counseling concerning the managing, fi-  
8 nancing, and operation of small businesses;

9 (iii) provides management and tech-  
10 nical assistance regarding small business  
11 participation in international markets and  
12 international commerce, including with the  
13 United States;

14 (iv) provides delivery or distribution of  
15 services and information described in this  
16 subparagraph; or

17 (v) provides access to business ana-  
18 lysts who can refer a small business to  
19 available experts.

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