

117TH CONGRESS
2D SESSION

S. 3896

To amend the Small Business Act relating to small business concerns owned and controlled by women, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 22, 2022

Ms. ERNST (for herself and Mrs. CAPITO) introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

A BILL

To amend the Small Business Act relating to small business concerns owned and controlled by women, 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 “Empowering Women
5 in Small Business Act”.

6 **SEC. 2. TREATMENT OF FUNDING BY SMALL BUSINESS IN-**
7 **VESTMENT COMPANIES.**

8 Section 8 of the Small Business Act (15 U.S.C. 637)
9 is amended—

1 (1) in subsection (a)(21)(E), by inserting “,
2 and except as provided under subsection (m)(9),”
3 after “law,”; and

4 (2) in subsection (m), by adding at the end the
5 following:

6 “(9) TREATMENT OF FUNDING BY SMALL BUSI-
7 NESS INVESTMENT COMPANIES.—

8 “(A) DEFINITION.—In this paragraph, the
9 term ‘covered small business concern’ means a
10 small business concern—

11 “(i)(I) owned and controlled by
12 women; or

13 “(II) owned and controlled by women
14 described in paragraph (2)(A) and certified
15 under paragraph (2)(E); and

16 “(ii) that receives funding from a
17 small business investment company li-
18 censed under title III of the Small Busi-
19 ness Investment Act of 1958 (15 U.S.C.
20 681 et seq.).

21 “(B) RETAINED CERTIFICATION.—Any
22 covered small business concern shall retain cer-
23 tification as a covered small business concern
24 under this subsection for a period of not more
25 than 7 years if, during that period, ownership

interests in the covered small business concern that are held by a small business investment company licensed under title III of the Small Business Investment Act of 1958 (15 U.S.C. 681 et seq.) would reduce the percentage required under section 3(n) or paragraph (2)(A) of this subsection, as applicable, to less than 51 percent.”.

SEC. 3. REQUIRED TRAINING AND REPORTING ON GOVERNMENTWIDE GOALS.

Section 15(g)(2) of the Small Business Act (15 U.S.C. 644(g)(2)) is amended by adding at the end the following:

“(G) REQUIRED TRAINING.—

“(i) IN GENERAL.—Notwithstanding the goals established under this subsection for each Federal agency, the Administration, in consultation with the National Women’s Business Council established under section 405 of the Women’s Business Ownership Act of 1988 (15 U.S.C. 7105), shall provide training to employees with responsibility for procurement or acquisition at any Federal agency that awards less than 5 percent of prime contracts and sub-

1 contracts to small business concerns owned and
2 controlled by women in a fiscal year.

3 “(ii) GUIDANCE.—The Administration
4 shall issue publicly available guidance for each
5 Federal agency identified in a report submitted
6 under clause (iii) to meet the 5 percent goal de-
7 scribed in clause (iii)(I).

8 “(iii) REPORT.—Not later than 1 year
9 after the date of enactment of this Act, and an-
10 nually thereafter, the Administration shall sub-
11 mit to Congress—

12 “(I) a list of each Federal agency that
13 awarded less than 5 percent of the prime
14 contracts and subcontracts of the Federal
15 agency to small business concerns owned
16 and controlled by women in the fiscal year
17 covered by the report;

18 “(II) the number of training sessions
19 provided under clause (i) to each Federal
20 agency described in subclause (I);

21 “(III) an overview of the content of
22 each training session described in sub-
23 clause (II); and

24 “(IV) the result of each training ses-
25 sion described in subclause (II), including

1 whether additional contracting opportuni-
 2 ties were provided to small business con-
 3 cerns owned and controlled by women and
 4 the 5 percent threshold described in clause
 5 (i) was met by the Federal agency.”.

6 **SEC. 4. INTERAGENCY REPORT.**

7 (a) DEFINITION.—In this section—

8 (1) the term “covered agency” means—

9 (A) the Department of Commerce;

10 (B) the Small Business Administration;

11 (C) the Department of Agriculture; and

12 (D) the Department of the Treasury;

13 (2) the term “covered small business concern”

14 means—

15 (A) a small business concern owned and

16 controlled by women; and

17 (B) a small business concern owned and

18 controlled by women described in and certified

19 under subparagraphs (A) and (E), respectively,

20 of section 8(m)(2) of the Small Business Act

21 (15 U.S.C. 638(m)(2)); and

22 (3) the term “small business concern owned

23 and controlled by women” has the meaning given the

24 term in section 3 of the Small Business Act (15

25 U.S.C. 632).

1 (b) REPORT.—Not later than 1 year after the date
2 of enactment of this Act, the Secretary of Commerce, in
3 consultation with the Administrator of the Small Business
4 Administration, the Secretary of Agriculture, and the Sec-
5 retary of the Treasury, shall submit to Congress an inter-
6 agency report that—

7 (1) identifies the leading economic barriers for
8 small business concerns owned and controlled by
9 women, particularly for industries underrepresented
10 by small business concerns owned and controlled by
11 women;

12 (2) includes a detailed description of the impact
13 of inflation and supply chain disruptions on small
14 business concerns owned and controlled by women
15 during the 3-year period preceding the report;

16 (3) makes recommendations to improve access
17 to capital for small business concerns owned and
18 controlled by women; and

19 (4) in consultation with the Office of Small
20 Business and Disadvantaged Business Utilization of
21 each covered agency, identifies Federal contract op-
22 portunities for covered small business concerns.

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