

§ 9524. Grants and cooperative agreements

(a) Requirements

An MBDA Business Center (referred to in this part as a “Center”), with respect to the Federal financial assistance award made to operate the Center under the MBDA Business Center Program—

(1) shall—

(A) provide to minority business enterprises programs and services determined to be appropriate by the Under Secretary, which may include—

(i) referral services to meet the needs of minority business enterprises; and

(ii) programs and services to accomplish the goals described in section ____101(1);¹

(B) develop, cultivate, and maintain a network of strategic partnerships with organizations that foster access by minority business enterprises to economic markets, capital, or contracts;

(C) continue to upgrade and modify the services provided by the Center, as necessary, in order to meet the changing and evolving needs of the business community;

(D) establish or continue a referral relationship with not less than 1 community-based organization; and

(E) collaborate with other Centers; and

(2) in providing programs and services under the applicable MBDA Business Center agreement, may—

(A) operate on a fee-for-service basis; or

(B) generate income through the collection of—

(i) client fees;

(ii) membership fees; and

(iii) any other appropriate fees proposed by the Center in the application submitted by the Center under subsection (e).

(b) Term

Subject to subsection (g)(3), the term of an MBDA Business Center agreement shall be not less than 3 years.

(c) Financial assistance

(1) In general

The amount of financial assistance provided by the Under Secretary under an MBDA Business Center agreement shall be not less than \$250,000 for the term of the agreement.

(2) Matching requirement

(A) In general

A Center shall match not less than $\frac{1}{3}$ of the amount of the financial assistance awarded to the Center under the terms of the applicable MBDA Business Center agreement, unless the Under Secretary determines that a waiver of that requirement is necessary after a demonstration by the Center of a substantial need for that waiver.

(B) Form of funds

A Center may meet the matching requirement under subparagraph (A) by using—

(i) cash or in-kind contributions, without regard to whether the contribution is made by a third party; or

(ii) Federal funds received from other Federal programs.

(3) Use of financial assistance and program income

A Center shall use—

(A) all financial assistance awarded to the Center under the applicable MBDA Business Center agreement to carry out subsection (a); and

(B) all income that the Center generates in carrying out subsection (a)—

(i) to meet the matching requirement under paragraph (2) of this subsection; and

(ii) if the Center meets the matching requirement under paragraph (2) of this subsection, to carry out subsection (a).

(d) Criteria for selection

The Under Secretary shall—

(1) establish criteria that—

(A) the Under Secretary shall use in determining whether to enter into an MBDA Business Center agreement with an eligible entity; and

(B) may include criteria relating to whether an eligible entity is located in—

(i) an area, the population of which is composed of not less than 51 percent socially or economically disadvantaged individuals, as determined in accordance with data collected by the Bureau of the Census;

(ii) a federally recognized area of economic distress; or

(iii) a State that is underserved with respect to the MBDA Business Center Program, as defined by the Under Secretary; and

(2) make the criteria and standards established under paragraph (1) publicly available, including—

(A) on the website of the Agency; and

(B) in each Notice of Funding Opportunity soliciting MBDA Business Center agreements.

(e) Applications

An eligible entity desiring to enter into an MBDA Business Center agreement shall submit to the Under Secretary an application that includes—

(1) a statement of—

(A) how the eligible entity will carry out subsection (a); and

(B) any experience or plans of the eligible entity with respect to—

(i) assisting minority business enterprises to—

(I) obtain—

(aa) large-scale contracts, grants, or procurements;

(bb) financing; or

(cc) legal assistance;

(II) access established supply chains; and

(III) engage in—

(aa) joint ventures, teaming arrangements, and mergers and acquisitions; or

(bb) large-scale transactions in global markets;

¹ So in original. See References in Text note below.

- (ii) supporting minority business enterprises in increasing the size of the workforces of those enterprises, including, with respect to a minority business enterprise that does not have employees, aiding the minority business enterprise in becoming an enterprise that has employees; and
- (iii) advocating for minority business enterprises; and

(2) the budget and corresponding budget narrative that the eligible entity will use in carrying out subsection (a) during the term of the applicable MBDA Business Center agreement.

(f) Notification

If the Under Secretary grants an application of an eligible entity submitted under subsection (e), the Under Secretary shall notify the eligible entity that the application has been granted not later than 150 days after the last day on which an application may be submitted under that subsection.

(g) Program examination; accreditation; extensions

(1) Examination

Not later than 180 days after November 15, 2021, and biennially thereafter, the Under Secretary shall conduct a programmatic financial examination of each Center.

(2) Accreditation

The Under Secretary may provide financial support, by contract or otherwise, to an association, not less than 51 percent of the members of which are Centers, to—

- (A) pursue matters of common concern with respect to Centers; and
- (B) develop an accreditation program with respect to Centers.

(3) Extensions

(A) In general

The Under Secretary may extend the term under subsection (b) of an MBDA Business Center agreement to which a Center is a party, if the Center consents to the extension.

(B) Financial assistance

If the Under Secretary extends the term of an MBDA Business Center agreement under paragraph (1), the Under Secretary shall, in the same manner and amount in which financial assistance was provided during the initial term of the agreement, provide financial assistance under the agreement during the extended term of the agreement.

(h) MBDA involvement

The Under Secretary may take actions to ensure that the Agency is substantially involved in the activities of Centers in carrying out subsection (a), including by—

- (1) providing to each Center training relating to the MBDA Business Center Program;
- (2) requiring that the operator and staff of each Center—
 - (A) attend—
 - (i) a conference with the Agency to establish the services and programs that the Center will provide in carrying out the re-

quirements before the date on which the Center begins providing those services and programs; and

- (ii) training provided under paragraph (1);

(B) receive necessary guidance relating to carrying out the requirements under subsection (a); and

(C) work in coordination and collaboration with the Under Secretary to carry out the MBDA Business Center Program and other programs of the Agency;

(3) facilitating connections between Centers and—

(A) Federal agencies other than the Agency, as appropriate; and

(B) other institutions or entities that use Federal resources, such as—

- (i) small business development centers, as that term is defined in section 632(t) of this title;
- (ii) women's business centers described in section 656 of this title;
- (iii) eligible entities, as that term is defined in section 2411² of title 10, that provide services under the program carried out under chapter 142² of that title; and
- (iv) entities participating in the Hollings Manufacturing Extension Partnership Program established under section 278k of this title;

(4) monitoring projects carried out by each Center; and

(5) establishing and enforcing administrative and reporting requirements for each Center to carry out subsection (a).

(i) Regulations

The Under Secretary shall issue and publish regulations that establish minimum standards regarding verification of minority business enterprise status for clients of entities operating under the MBDA Business Center Program.

(Pub. L. 117-58, div. K, title I, §100114, Nov. 15, 2021, 135 Stat. 1452.)

Editorial Notes

REFERENCES IN TEXT

Section ____101(1), referred to in subsec. (a)(1)(A)(ii), probably means par. (1) of section 100101 of Pub. L. 117-58, which is classified to section 9511 of this title.

Section 2411 of title 10, referred to in subsec. (h)(3)(B)(iii), was renumbered section 4951 of Title 10, Armed Forces, by Pub. L. 116-283, div. A, title XVIII, §1872(a)(1)(B), (2), Jan. 1, 2021, 134 Stat. 4287, as amended by Pub. L. 117-81, div. A, title XVII, §1701(m)(1)(A), (3), Dec. 27, 2021, 135 Stat. 2144, 2145.

Chapter 142 of that title, referred to in subsec. (h)(3)(B)(iii), was repealed by Pub. L. 116-283, div. A, title XVIII, §1872(b)(1), Jan. 1, 2021, 134 Stat. 4289, effective Jan. 1, 2022, in conjunction with the transfer and reorganization of acquisition provisions in Title 10, Armed Forces, by Pub. L. 116-283, div. A, title XVIII, Jan. 1, 2022, 134 Stat. 4149.

§ 9525. Minimizing disruptions to existing MBDA Business Center program

The Under Secretary shall ensure that each Federal assistance award made under the Busi-

² See References in Text note below.