

submitted by a covered entity that is located in a federally recognized area of economic distress.

(f) Use of funds

A covered entity to which a grant is made under this section may use the grant funds to support the development, growth, or retention of minority business enterprises.

(g) Procedures

The Under Secretary shall establish procedures to—

(1) discourage and prevent waste, fraud, and abuse by applicants for, and recipients of, grants made under this section; and

(2) ensure that grants are made under this section to a diverse array of covered entities, which may include—

(A) covered entities with a national presence;

(B) community-based covered entities;

(C) covered entities with annual budgets below \$1,000,000; or

(D) covered entities that principally serve low-income and rural communities.

(h) Inspector General audit

Not later than 180 days after the date on which the Under Secretary begins making grants under this section, the Inspector General of the Department of Commerce shall—

(1) conduct an audit of grants made under this section, which shall seek to identify any discrepancies or irregularities with respect to those grants; and

(2) submit to Congress a report regarding the audit conducted under paragraph (1).

(i) Updates to Congress

Not later than 90 days after the date on which the Under Secretary makes the designation required under subsection (c), and once every 30 days thereafter, the Under Secretary shall submit to Congress a report that contains—

(1) the number of grants made under this section during the period covered by the report; and

(2) with respect to the grants described in paragraph (1)—

(A) the geographic distribution of those grants by State and county;

(B) if applicable, demographic information with respect to the minority business enterprises served by the covered entities to which the grants were made; and

(C) information regarding the industries of the minority business enterprises served by the covered entities to which the grants were made.

(Pub. L. 117–58, div. K, title IV, §100401, Nov. 15, 2021, 135 Stat. 1461.)

SUBCHAPTER V—MINORITY BUSINESS ENTERPRISES ADVISORY COUNCIL

§ 9571. Purpose

The Under Secretary shall establish the Minority Business Enterprises Advisory Council (referred to in this subchapter as the “Council”) to advise and assist the Agency.

(Pub. L. 117–58, div. K, title V, §100501, Nov. 15, 2021, 135 Stat. 1463.)

§ 9572. Composition and term

(a) Composition

The Council shall be composed of 9 members of the private sector and 1 representative from each of not fewer than 10 Federal agencies that support or otherwise have duties that relate to business formation, including duties relating to labor development, monetary policy, national security, energy, agriculture, transportation, and housing.

(b) Chair

The Under Secretary shall designate 1 of the private sector members of the Council as the Chair of the Council for a 1-year term.

(c) Term

The Council shall meet at the request of the Under Secretary and members shall serve for a term of 2 years. Members of the Council may be reappointed.

(Pub. L. 117–58, div. K, title V, §100502, Nov. 15, 2021, 135 Stat. 1463.)

§ 9573. Duties

(a) In general

The Council shall provide advice to the Under Secretary by—

(1) serving as a source of knowledge and information on developments in areas of the economic and social life of the United States that affect socially or economically disadvantaged business concerns;

(2) providing the Under Secretary with information regarding plans, programs, and activities in the public and private sectors that relate to socially or economically disadvantaged business concerns; and

(3) advising the Under Secretary regarding—

(A) any measures to better achieve the objectives of this chapter; and

(B) problems and matters the Under Secretary refers to the Council.

(b) Capacity

Members of the Council shall not be compensated for service on the Council but may be allowed travel expenses, including per diem in lieu of subsistence, in accordance with subchapter I of chapter 57 of title 5.

(c) Termination

Notwithstanding section 14 of the Federal Advisory Committee Act (5 U.S.C. App.),¹ the Council shall terminate on the date that is 5 years after November 15, 2021.

(Pub. L. 117–58, div. K, title V, §100503, Nov. 15, 2021, 135 Stat. 1463.)

Editorial Notes

REFERENCES IN TEXT

This chapter, referred to in subsec. (a)(3)(A), was in the original “this division”, meaning div. K of Pub. L. 117–58, Nov. 15, 2021, 135 Stat. 1445, which is classified principally to this chapter. For complete classification of division K to the Code, see Short Title note set out under section 9501 of this title and Tables.

¹ See References in Text note below.

Section 14 of the Federal Advisory Committee Act, referred to in subsec. (c), is section 14 of Pub. L. 92-463, which was set out in the Appendix to Title 5, Government Organization and Employees, and was repealed and restated as section 1013 of Title 5 by Pub. L. 117-286, §§3(a), 7, Dec. 27, 2022, 136 Stat. 4204, 4361.

SUBCHAPTER VI—FEDERAL COORDINATION OF MINORITY BUSINESS PROGRAMS

§ 9581. General duties

The Under Secretary may coordinate, as consistent with law, the plans, programs, and operations of the Federal Government that affect, or may contribute to, the establishment, preservation, and strengthening of socially or economically disadvantaged business concerns.

(Pub. L. 117-58, div. K, title VI, §100601, Nov. 15, 2021, 135 Stat. 1464.)

§ 9582. Participation of Federal departments and agencies

The Under Secretary shall—

(1) consult with other Federal agencies and departments as appropriate to—

(A) develop policies, comprehensive plans, and specific program goals for the programs carried out under part B of subchapter I and subchapter III;

(B) establish regular performance monitoring and reporting systems to ensure that goals established by the Under Secretary with respect to the implementation of this chapter are being achieved; and

(C) evaluate the impact of Federal support of socially or economically disadvantaged business concerns in achieving the objectives of this chapter;

(2) conduct a coordinated review of all proposed Federal training and technical assistance activities in direct support of the programs carried out under part B of subchapter I and subchapter III to ensure consistency with program goals and to avoid duplication; and

(3) convene, for purposes of coordination, meetings of the heads of such Federal agencies and departments, or their designees, the programs and activities of which may affect or contribute to the carrying out of this chapter.

(Pub. L. 117-58, div. K, title VI, §100602, Nov. 15, 2021, 135 Stat. 1464.)

Editorial Notes

REFERENCES IN TEXT

This chapter, referred to in pars. (1)(B), (C), and (3), was in the original “this division”, meaning div. K of Pub. L. 117-58, Nov. 15, 2021, 135 Stat. 1445, which is classified principally to this chapter. For complete classification of division K to the Code, see Short Title note set out under section 9501 of this title and Tables.

SUBCHAPTER VII—ADMINISTRATIVE POWERS OF THE AGENCY; MISCELLANEOUS PROVISIONS

§ 9591. Administrative powers

(a) In general

In carrying out this chapter, the Under Secretary may—

(1) adopt and use a seal for the Agency, which shall be judicially noticed;

(2) hold hearings, sit and act, and take testimony as the Under Secretary may determine to be necessary or appropriate to carry out this chapter;

(3) acquire, in any lawful manner, any property that the Under Secretary determines to be necessary or appropriate to carry out this chapter;

(4) with the consent of another Federal agency, enter into an agreement with that Federal agency to utilize, with or without reimbursement, any service, equipment, personnel, or facility of that Federal agency;

(5) coordinate with the heads of the Offices of Small and Disadvantaged Business Utilization of Federal agencies;

(6) develop procedures under which the Under Secretary may evaluate the compliance of a recipient of assistance under this chapter with the requirements of this chapter;

(7) deobligate assistance provided under this chapter to a recipient that has demonstrated an insufficient level of performance with respect to the assistance, or has engaged in wasteful or fraudulent spending; and

(8) provide that a recipient of assistance under this chapter that has demonstrated an insufficient level of performance with respect to the assistance, or has engaged in wasteful or fraudulent spending, shall be ineligible to receive assistance under this chapter for a period determined by the Under Secretary, consistent with the considerations under section 180.865 of title 2, Code of Federal Regulations (or any successor regulation), beginning on the date on which the Under Secretary makes the applicable finding.

(b) Use of property

(1) In general

Subject to paragraph (2), in carrying out this chapter, the Under Secretary may, without cost (except for costs of care and handling), allow any public sector entity, or any recipient nonprofit organization, for the purpose of the development of minority business enterprises, to use any real or tangible personal property acquired by the Agency in carrying out this chapter.

(2) Terms, conditions, reservations, and restrictions

The Under Secretary may impose reasonable terms, conditions, reservations, and restrictions upon the use of any property under paragraph (1).

(Pub. L. 117-58, div. K, title VII, §100701, Nov. 15, 2021, 135 Stat. 1464.)

Editorial Notes

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (b)(1), was in the original “this division” or “this Act”, meaning div. K of Pub. L. 117-58, Nov. 15, 2021, 135 Stat. 1445, known as the Minority Business Development Act of 2021, which is classified principally to this chapter. For complete classification of this Act to the Code, see Short Title note set out under section 9501 of this title and Tables.