

103^D CONGRESS
2^D SESSION

S. 2390

Entitled the “Mentorship for American Indian Small Enterprise Act”.

IN THE SENATE OF THE UNITED STATES

AUGUST 15 (legislative day, AUGUST 11), 1994

Mr. PRESSLER introduced the following bill; which was read twice and referred to the Committee on Indian Affairs

A BILL

Entitled the “Mentorship for American Indian Small Enterprise Act”.

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. MICROLOAN DEMONSTRATION PROGRAM**

4 **AMENDMENTS.**

5 (a) PURPOSES.—Section 7(m)(1)(A)(iii) of the Small
6 Business Act (15 U.S.C. 636(m)(1)(A)(iii)) is amended—

7 (1) in subclause (I), by inserting “commercial
8 real estate,” after “acquisition of”; and

9 (2) in subclause (III), by striking “and” at the
10 end;

1 (3) by redesignating subclause (IV) as
2 subclause (VI); and

3 (4) by inserting after subclause (III) the follow-
4 ing new subclauses:

5 “(IV) to make grants to eligible
6 intermediaries that, together with non-Fed-
7 eral matching funds, will enable such
8 intermediaries to provide marketing, man-
9 agement, and technical assistance to
10 microloan borrowers that are members of
11 qualified Indian tribes;

12 “(V) to make grants to institutions of
13 higher education serving Indian lands that,
14 together with non-Federal matching funds,
15 will enable such institutions to provide in-
16 struction on marketing, management, and
17 technical assistance to eligible
18 intermediaries and to mentors, in order to
19 enable such intermediaries and mentors to
20 assist members of qualified Indian tribes
21 to obtain private sector financing for their
22 businesses, with or without loan guaran-
23 tees; and”.

1 (b) ESTABLISHMENT.—Section 7(m)(1)(B) of the
2 Small Business Act (15 U.S.C. 636(m)(1)(B)) is amend-
3 ed—

4 (1) in clause (ii), by striking “and” at the end;

5 (2) in clause (iii), by striking the period at the
6 end and inserting a semicolon; and

7 (3) by adding at the end the following new
8 clauses:

9 “(iv) in conjunction with loans made under
10 clause (i) and subject to the requirements of
11 paragraph (4), make grants to eligible
12 intermediaries for the purpose of providing
13 marketing, management, and technical assist-
14 ance to members of qualified Indian tribes that
15 are seeking to start or enlarge their small busi-
16 ness concerns and that are borrowers under this
17 subsection; and

18 “(v) subject to the requirements of para-
19 graph (7), make grants to institutions of higher
20 education serving Indian lands for the purpose
21 of providing instruction on marketing, manage-
22 ment, and technical assistance to eligible
23 intermediaries and to mentors, in order to en-
24 able such intermediaries and mentors to assist
25 members of qualified Indian tribes to obtain

1 private sector financing for their businesses,
2 with or without loan guarantees.”.

3 (c) INTERMEDIARY APPLICATIONS.—Section
4 7(m)(3)(A)(i) of the Small Business Act (15 U.S.C.
5 636(m)(3)(A)(i)) is amended—

6 (1) in subclause (VII), by striking “and” at the
7 end;

8 (2) in subclause (VIII), by striking the period
9 at the end and inserting “; and”; and

10 (3) by adding at the end the following new
11 subclause:

12 “(IX) with respect to eligible
13 intermediaries serving Indian lands, any
14 plan to work with—

15 “(aa) an institution of higher
16 education that has received a grant
17 under paragraph (1)(B)(v); or

18 “(bb) a mentor that has received
19 training from any such institution of
20 higher education pursuant to such a
21 grant.”.

22 (d) ADDITIONAL TECHNICAL ASSISTANCE GRANTS
23 FOR MAKING CERTAIN LOANS.—Section 7(m)(4) of the
24 Small Business Act (15 U.S.C. 636(m)(4)) is amended in
25 the matter preceding subparagraph (A), by striking “sub-

1 paragraph (B)(ii) of paragraph (1)” and inserting “clause
2 (ii) or (iv) of paragraph (1)(B)”.

3 (e) LOANS FROM ELIGIBLE INTERMEDIARIES.—Sec-
4 tion 7(m)(6)(A) of the Small Business Act (15 U.S.C.
5 636(m)(6)(A)) is amended by inserting “commercial real
6 estate,” after “acquisition of”.

7 (f) GRANTS TO INSTITUTIONS OF HIGHER EDU-
8 CATION.—Section 7(m) of the Small Business Act (15
9 U.S.C. 636(m)) is amended—

10 (1) by redesignating paragraphs (7) through
11 (11) as paragraphs (9) through (13), respectively;
12 and

13 (2) by inserting after paragraph (6) the follow-
14 ing new subparagraph:

15 “(7) GRANTS TO INSTITUTIONS OF HIGHER
16 EDUCATION.—Grants made in accordance with para-
17 graph (1)(B)(v) shall be subject to the following re-
18 quirements:

19 “(A) GRANT AMOUNTS.—For each eligible
20 intermediary receiving a grant under paragraph
21 (1)(B)(iv), 1 grant shall be made to a qualified
22 institution of higher education serving the same
23 tribal lands as the eligible intermediary. The
24 amount of the grant to the institution of higher
25 education shall not exceed the grant amount re-

1 ceived by the eligible intermediary pursuant to
2 paragraph (1)(B)(iv).

3 “(B) CONTRIBUTION.—As a condition of
4 any grant made under subparagraph (A), the
5 Administration shall require the institution of
6 higher education to contribute an amount equal
7 to 25 percent of the amount of the grant, ob-
8 tained solely from non-Federal sources. In addi-
9 tion to cash or other direct funding, the con-
10 tribution may include indirect costs or in-kind
11 contributions paid for under non-Federal pro-
12 grams.

13 “(C) INDIAN MENTOR EDUCATION
14 GRANTS.—Institutions of higher education re-
15 ceiving grants under paragraph (1)(B)(v) shall
16 be eligible to receive grants to educate owners,
17 managers, or employees of established small
18 business concerns for purposes of providing ad-
19 ditional technical assistance to small business
20 concerns located on or near Indian lands that
21 are borrowers under this subsection, as well as
22 to other small business concerns seeking private
23 sector financing.”.

24 (g) INDIAN ASSISTANCE.—Section 7(m) of the Small
25 Business Act (15 U.S.C. 636(m)) is amended by inserting

1 after paragraph (7), as added by subsection (f), the follow-
2 ing new paragraph:

3 “(8) INDIAN ASSISTANCE.—In funding
4 microloan programs, the Administration shall ensure
5 that not less than 10 percent of the programs fund-
6 ed under this subsection will provide microloans to
7 small business concerns located on or near Indian
8 lands.”.

9 (h) REPORT TO CONGRESS.—Section 7(m)(12)(F) of
10 the Small Business Act (15 U.S.C. 636(m)(12)(F)), as re-
11 designated by subsection (f), is amended by inserting “and
12 to small business concerns located on or near Indian
13 lands” immediately before the semicolon.

14 (i) DEFINITIONS.—Section 7(m)(13) of the Small
15 Business Act (15 U.S.C. 636(m)(13)), as redesignated by
16 subsection (f), is amended—

17 (1) in subparagraph (C), by striking the period
18 at the end and inserting a semicolon; and

19 (2) by adding at the end the following new sub-
20 paragraphs:

21 “(D) the term ‘Indian lands’ has the same
22 meaning as in section 4(4) of the Indian Gam-
23 ing Regulatory Act;

1 “(E) the term ‘Indian tribe’ has the same
2 meaning as in section 4(e) of the Indian Self-
3 Determination and Education Assistance Act;

4 “(F) the term ‘institution of higher edu-
5 cation’ has the same meaning as in section
6 1201(a) of the Higher Education Act of 1965;

7 “(G) the term ‘mentor’ means a business
8 concern that demonstrates, to the satisfaction
9 of the Administration, the capability to assist
10 members of qualified Indian tribes to obtain
11 private sector financing for their businesses,
12 with or without loan guarantees; and

13 “(H) the term ‘qualified Indian tribe’
14 means an Indian tribe with—

15 “(i) an employable adult population of
16 not less than 400 persons; and

17 “(ii) an unemployment rate of not less
18 than 40 percent;

19 based on the statistics of the Bureau of Indian
20 Affairs, Department of the Interior.”.

21 **SEC. 2. IMPLEMENTATION.**

22 Not later than 270 days after the date of enactment
23 of this Act, the Small Business Administration shall pro-
24 mulgate final regulations implementing the amendments
25 made by section 1.

1 **SEC. 3. REPORT TO CONGRESS.**

2 Not later than 180 days after the effective date of
3 the regulations promulgated in accordance with section 2,
4 the Small Business Administration shall report to the
5 Congress regarding the effectiveness of the amendments
6 made by section 1 in improving the small business climate
7 and promoting business development on or near Indian
8 lands, as such term is defined in section 7(m)(13) of the
9 Small Business Act.

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