

# Calendar No. 838

106<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# S. 3121

[Report No. 106-422]

To reauthorize programs to assist small business concerns, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

SEPTEMBER 27 (legislative day, SEPTEMBER 22), 2000

Mr. BOND, from the Committee on Small Business, reported the following original bill; which was read twice and placed on the calendar

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## A BILL

To reauthorize programs to assist small business concerns,  
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; TABLE OF CONTENTS.**

4       (a) **SHORT TITLE.**—This Act may be cited as the  
5       “Small Business Reauthorization Act of 2000”.

6       (b) **TABLE OF CONTENTS.**—The table of contents for  
7       this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—REAUTHORIZATION OF SMALL BUSINESS PROGRAMS

Sec. 101. Authorizations of appropriations.

TITLE II—QUADRENNIAL SMALL BUSINESS SUMMIT

- Sec. 201. Short title.
- Sec. 202. Definitions.
- Sec. 203. National and State Quadrennial Summits on Small Business.
- Sec. 204. Purposes of Quadrennial Summits.
- Sec. 205. Summit participants.
- Sec. 206. Quadrennial Commission on Small Business.
- Sec. 207. Authorization of appropriations; availability of funds.

TITLE III—SMALL BUSINESS INVOLVEMENT IN GOVERNMENT  
REGULATION

- Sec. 301. Short title.
- Sec. 302. Findings and purposes.
- Sec. 303. Ensuring full analysis of potential impacts on small entities of rules  
proposed by certain agencies.
- Sec. 304. Definitions.
- Sec. 305. Collection of information requirement.
- Sec. 306. Effective date.

TITLE IV—OFFICE OF ADVOCACY OF THE SMALL BUSINESS  
ADMINISTRATION

- Sec. 401. Short title.
- Sec. 402. Findings.
- Sec. 403. Purposes.
- Sec. 404. Office of Advocacy.

TITLE V—CREDIT PROGRAMS

- Sec. 501. Section 7(a) program.
- Sec. 502. Small business investment companies.
- Sec. 503. Microloan program.
- Sec. 504. Small business lending company fees.
- Sec. 505. Surety bonds.
- Sec. 506. Development company debentures.

TITLE VI—HUBZONE PROGRAM

Subtitle A—HUBZones in Native America

- Sec. 601. Short title.
- Sec. 602. HUBZone small business concern.
- Sec. 603. Qualified HUBZone small business concern.
- Sec. 604. Other definitions.

Subtitle B—Other HUBZone Provisions

- Sec. 611. Definitions.
- Sec. 612. Eligible contracts.
- Sec. 613. Correction of HUBZone reference.
- Sec. 614. Community development.
- Sec. 615. Reference correction.

TITLE VII—NATIONAL WOMEN’S BUSINESS COUNCIL  
REAUTHORIZATION

- Sec. 701. Short title.  
 Sec. 702. Duties of the Council.  
 Sec. 703. Membership of the Council.  
 Sec. 704. Repeal of procurement project; State and local economic networks.  
 Sec. 705. Studies and other research.  
 Sec. 706. Authorization of appropriations.

TITLE VIII—MISCELLANEOUS PROVISIONS

- Sec. 801. Native American small business development centers.  
 Sec. 802. Cosponsorship.  
 Sec. 803. Fraud and false statements.  
 Sec. 804. Financial institution civil penalties.  
 Sec. 805. Very small business program.  
 Sec. 806. SDB.  
 Sec. 807. Subcontracting preference for veterans.  
 Sec. 808. Size standards.  
 Sec. 809. Drug-free workplace program.

1    **TITLE I—REAUTHORIZATION OF**  
 2    **SMALL BUSINESS PROGRAMS**

3    **SEC. 101. AUTHORIZATIONS OF APPROPRIATIONS.**

4           Section 20 of the Small Business Act (15 U.S.C. 631  
 5 note) is amended by striking subsections (c), (d), and (e)  
 6 and inserting the following:

7           “(c) FISCAL YEAR 2001.—

8                   “(1) PROGRAM LEVELS.—The following pro-  
 9 gram levels are authorized for fiscal year 2001:

10                           “(A) For the programs authorized by this  
 11 Act, the Administration is authorized to  
 12 make—

13                                   “(i) \$45,000,000 in technical assist-  
 14 ance grants, as provided in section 7(m);  
 15 and

1                   “(ii) \$60,000,000 in direct loans, as  
2                   provided in section 7(m).

3                   “(B) For the programs authorized by this  
4                   Act, the Administration is authorized to make  
5                   \$19,050,000,000 in deferred participation loans  
6                   and other financings, of which, the Administra-  
7                   tion is authorized to make—

8                   “(i) \$14,500,000,000 in general busi-  
9                   ness loans, as provided in section 7(a);

10                  “(ii) \$4,000,000,000 in financings, as  
11                  provided in section 7(a)(13) of this Act  
12                  and section 504 of the Small Business In-  
13                  vestment Act of 1958;

14                  “(iii) \$500,000,000 in loans, as pro-  
15                  vided in section 7(a)(21); and

16                  “(iv) \$50,000,000 in loans, as pro-  
17                  vided in section 7(m).

18                  “(C) For the programs authorized by title  
19                  III of the Small Business Investment Act of  
20                  1958, the Administration is authorized to  
21                  make—

22                  “(i) \$2,500,000,000 in purchases of  
23                  participating securities; and

24                  “(ii) \$1,500,000,000 in guarantees of  
25                  debentures.

1           “(D) For the programs authorized by part  
2           B of title IV of the Small Business Investment  
3           Act of 1958, the Administration is authorized  
4           to enter into guarantees not to exceed  
5           \$4,000,000,000, of which not more than 50  
6           percent may be in bonds approved pursuant to  
7           section 411(a)(3) of that Act.

8           “(E) The Administration is authorized to  
9           make grants or enter into cooperative  
10          agreements—

11                 “(i) for a total amount of \$5,000,000  
12                 for the Service Corps of Retired Executives  
13                 program authorized by section 8(b)(1); and

14                 “(ii) for a total amount not to exceed  
15                 \$125,000,000 (to remain available until  
16                 expended) for the activities of small busi-  
17                 ness development centers pursuant to sec-  
18                 tion 21.

19          “(2) ADDITIONAL AUTHORIZATIONS.—

20                 “(A) There are authorized to be appro-  
21                 priated to the Administration for fiscal year  
22                 2001, such sums as may be necessary to carry  
23                 out the provisions of this Act not elsewhere pro-  
24                 vided for, including administrative expenses and  
25                 necessary loan capital for disaster loans pursu-

1 ant to section 7(b), and to carry out title IV of  
2 the Small Business Investment Act of 1958, in-  
3 cluding salaries and expenses of the Adminis-  
4 tration.

5 “(B) Notwithstanding any other provision  
6 of this paragraph, for fiscal year 2001—

7 “(i) no funds are authorized to be  
8 used as loan capital for the loan program  
9 authorized by section 7(a)(21), except by  
10 transfer from another Federal department  
11 or agency to the Administration, unless the  
12 program level authorized for general busi-  
13 ness loans under paragraph (1)(B)(i) is  
14 fully funded; and

15 “(ii) the Administration may not ap-  
16 prove loans on its own behalf or on behalf  
17 of any other Federal department or agen-  
18 cy, by contract or otherwise, under terms  
19 and conditions other than those specifically  
20 authorized under this Act or the Small  
21 Business Investment Act of 1958, except  
22 that the Administration may approve loans  
23 under section 7(a)(21) of this Act in gross  
24 amounts of not more than \$1,250,000.

1           “(C) There are authorized to be appro-  
2           priated to the Administration to carry out the  
3           program under section 31, \$7,500,000 for fiscal  
4           year 2001.

5           “(d) FISCAL YEAR 2002.—

6           “(1) PROGRAM LEVELS.—The following pro-  
7           gram levels are authorized for fiscal year 2002:

8           “(A) For the programs authorized by this  
9           Act, the Administration is authorized to  
10          make—

11           “(i) \$60,000,000 in technical assist-  
12           ance grants, as provided in section 7(m);  
13           and

14           “(ii) \$80,000,000 in direct loans, as  
15           provided in section 7(m).

16           “(B) For the programs authorized by this  
17           Act, the Administration is authorized to make  
18           \$20,050,000,000 in deferred participation loans  
19           and other financings, of which, the Administra-  
20           tion is authorized to make—

21           “(i) \$15,000,000,000 in general busi-  
22           ness loans, as provided in section 7(a);

23           “(ii) \$4,500,000,000 in financings, as  
24           provided in section 7(a)(13) of this Act

1 and section 504 of the Small Business In-  
2 vestment Act of 1958;

3 “(iii) \$500,000,000 in loans, as pro-  
4 vided in section 7(a)(21); and

5 “(iv) \$50,000,000 in loans, as pro-  
6 vided in section 7(m).

7 “(C) For the programs authorized by title  
8 III of the Small Business Investment Act of  
9 1958, the Administration is authorized to  
10 make—

11 “(i) \$3,500,000,000 in purchases of  
12 participating securities; and

13 “(ii) \$2,500,000,000 in guarantees of  
14 debentures.

15 “(D) For the programs authorized by part  
16 B of title IV of the Small Business Investment  
17 Act of 1958, the Administration is authorized  
18 to enter into guarantees not to exceed  
19 \$5,000,000,000, of which not more than 50  
20 percent may be in bonds approved pursuant to  
21 section 411(a)(3) of that Act.

22 “(E) The Administration is authorized to  
23 make grants or enter into cooperative  
24 agreements—

1           “(i) for a total amount of \$6,000,000  
2           for the Service Corps of Retired Executives  
3           program authorized by section 8(b)(1); and

4           “(ii) for a total amount not to exceed  
5           \$125,000,000 (to remain available until  
6           expended) for the activities of small busi-  
7           ness development centers pursuant to sec-  
8           tion 21.

9           “(2) ADDITIONAL AUTHORIZATIONS.—

10           “(A) There are authorized to be appro-  
11           priated to the Administration for fiscal year  
12           2002, such sums as may be necessary to carry  
13           out the provisions of this Act not elsewhere pro-  
14           vided for, including administrative expenses and  
15           necessary loan capital for disaster loans pursu-  
16           ant to section 7(b), and to carry out title IV of  
17           the Small Business Investment Act of 1958, in-  
18           cluding salaries and expenses of the Adminis-  
19           tration.

20           “(B) Notwithstanding any other provision  
21           of this paragraph, for fiscal year 2002—

22           “(i) no funds are authorized to be  
23           used as loan capital for the loan program  
24           authorized by section 7(a)(21), except by  
25           transfer from another Federal department

1 or agency to the Administration, unless the  
2 program level authorized for general busi-  
3 ness loans under paragraph (1)(B)(i) is  
4 fully funded; and

5 “(ii) the Administration may not ap-  
6 prove loans on its own behalf or on behalf  
7 of any other Federal department or agen-  
8 cy, by contract or otherwise, under terms  
9 and conditions other than those specifically  
10 authorized under this Act or the Small  
11 Business Investment Act of 1958, except  
12 that the Administration may approve loans  
13 under section 7(a)(21) of this Act in gross  
14 amounts of not more than \$1,250,000.

15 “(C) There are authorized to be appro-  
16 priated to the Administration to carry out the  
17 program under section 31, \$7,500,000 for fiscal  
18 year 2002.

19 “(e) FISCAL YEAR 2003.—

20 “(1) PROGRAM LEVELS.—The following pro-  
21 gram levels are authorized for fiscal year 2003:

22 “(A) For the programs authorized by this  
23 Act, the Administration is authorized to  
24 make—

1           “(i) \$70,000,000 in technical assist-  
2           ance grants, as provided in section 7(m);  
3           and

4           “(ii) \$100,000,000 in direct loans, as  
5           provided in section 7(m).

6           “(B) For the programs authorized by this  
7           Act, the Administration is authorized to make  
8           \$21,550,000,000 in deferred participation loans  
9           and other financings, of which, the Administra-  
10          tion is authorized to make—

11           “(i) \$16,000,000,000 in general busi-  
12           ness loans, as provided in section 7(a);

13           “(ii) \$5,000,000,000 in financings, as  
14           provided in section 7(a)(13) of this Act  
15           and section 504 of the Small Business In-  
16           vestment Act of 1958;

17           “(iii) \$500,000,000 in loans, as pro-  
18           vided in section 7(a)(21); and

19           “(iv) \$50,000,000 in loans, as pro-  
20           vided in section 7(m).

21           “(C) For the programs authorized by title  
22           III of the Small Business Investment Act of  
23           1958, the Administration is authorized to  
24           make—

1                   “(i) \$4,000,000,000 in purchases of  
2                   participating securities; and

3                   “(ii) \$3,000,000,000 in guarantees of  
4                   debentures.

5                   “(D) For the programs authorized by part  
6                   B of title IV of the Small Business Investment  
7                   Act of 1958, the Administration is authorized  
8                   to enter into guarantees not to exceed  
9                   \$6,000,000,000, of which not more than 50  
10                  percent may be in bonds approved pursuant to  
11                  section 411(a)(3) of that Act.

12                  “(E) The Administration is authorized to  
13                  make grants or enter into cooperative  
14                  agreements—

15                         “(i) for a total amount of \$7,000,000  
16                         for the Service Corps of Retired Executives  
17                         program authorized by section 8(b)(1); and

18                         “(ii) for a total amount not to exceed  
19                         \$125,000,000 (to remain available until  
20                         expended) for the activities of small busi-  
21                         ness development centers pursuant to sec-  
22                         tion 21.

23                  “(2) ADDITIONAL AUTHORIZATIONS.—

24                         “(A) There are authorized to be appro-  
25                         priated to the Administration for fiscal year

1           2003, such sums as may be necessary to carry  
2           out the provisions of this Act not elsewhere pro-  
3           vided for, including administrative expenses and  
4           necessary loan capital for disaster loans pursu-  
5           ant to section 7(b), and to carry out title IV of  
6           the Small Business Investment Act of 1958, in-  
7           cluding salaries and expenses of the Adminis-  
8           tration.

9           “(B) Notwithstanding any other provision  
10          of this paragraph, for fiscal year 2003—

11                 “(i) no funds are authorized to be  
12                 used as loan capital for the loan program  
13                 authorized by section 7(a)(21), except by  
14                 transfer from another Federal department  
15                 or agency to the Administration, unless the  
16                 program level authorized for general busi-  
17                 ness loans under paragraph (1)(B)(i) is  
18                 fully funded; and

19                 “(ii) the Administration may not ap-  
20                 prove loans on its own behalf or on behalf  
21                 of any other Federal department or agen-  
22                 cy, by contract or otherwise, under terms  
23                 and conditions other than those specifically  
24                 authorized under this Act or the Small  
25                 Business Investment Act of 1958, except

1           that the Administration may approve loans  
 2           under section 7(a)(21) of this Act in gross  
 3           amounts of not more than \$1,250,000.

4           “(C) There are authorized to be appro-  
 5           priated to the Administration to carry out the  
 6           program under section 31, \$7,500,000 for fiscal  
 7           year 2003.”.

8           **TITLE II—QUADRENNIAL SMALL**  
 9           **BUSINESS SUMMIT**

10       **SEC. 201. SHORT TITLE.**

11       This title may be cited as the “Quadrennial Small  
 12       Business Summit Act of 2000”.

13       **SEC. 202. DEFINITIONS.**

14       In this title—

15           (1) the term “Administrator” means the Ad-  
 16           ministrator of the Small Business Administration;

17           (2) the term “Chief Counsel” means the Chief  
 18           Counsel for Advocacy of the Small Business Admin-  
 19           istration;

20           (3) the term “Quadrennial Commission” means  
 21           the national Quadrennial Commission on Small  
 22           Business established under section 206;

23           (4) the term “Quadrennial Summit”—

1 (A) means the Quadrennial Summit on  
 2 Small Business conducted under section 203(a);  
 3 and

4 (B) includes the last White House Con-  
 5 ference on Small Business occurring before  
 6 2002;

7 (5) the term “small business” has the meaning  
 8 given the term “small business concern” in section  
 9 3 of the Small Business Act;

10 (6) the term “State” means any of the 50  
 11 States of the United States, the District of Colum-  
 12 bia, the Commonwealth of Puerto Rico, and the  
 13 United States Virgin Islands; and

14 (7) the term “State Summit” means a State  
 15 Summit on Small Business conducted under section  
 16 203(b).

17 **SEC. 203. NATIONAL AND STATE QUADRENNIAL SUMMITS**  
 18 **ON SMALL BUSINESS.**

19 (a) QUADRENNIAL SUMMITS.—There shall be a na-  
 20 tional Quadrennial Summit on Small Business once every  
 21 4 years, to be held during the second year following each  
 22 Presidential election, to carry out the purposes set forth  
 23 in section 204.

24 (b) STATE SUMMITS.—Each Quadrennial Summit re-  
 25 ferred to in subsection (a) shall be preceded by a State

1 Summit on Small Business, with not fewer than 1 such  
2 summit held in each State, and with not fewer than 2 such  
3 summits held in any State having a population of more  
4 than 10,000,000.

5 **SEC. 204. PURPOSES OF QUADRENNIAL SUMMITS.**

6 The purposes of each Quadrennial Summit shall be—

7 (1) to increase public awareness of the con-  
8 tribution of small business to the national economy;

9 (2) to identify the problems of small business;

10 (3) to examine the status of minorities and  
11 women as small business owners;

12 (4) to assist small business in carrying out its  
13 role as the Nation's job creator;

14 (5) to assemble small businesses to develop  
15 such specific and comprehensive recommendations  
16 for legislative and regulatory action as may be ap-  
17 propriate for maintaining and encouraging the eco-  
18 nomic viability of small business and thereby, the  
19 Nation; and

20 (6) to review the status of recommendations  
21 adopted at the immediately preceding Quadrennial  
22 Summit on Small Business.

23 **SEC. 205. SUMMIT PARTICIPANTS.**

24 (a) IN GENERAL.—To carry out the purposes set  
25 forth in section 204, the Quadrennial Commission shall

1 conduct Quadrennial Summits and State Summits to  
2 bring together individuals concerned with issues relating  
3 to small business.

4 (b) SUMMIT DELEGATES.—

5 (1) QUALIFICATION.—Only individuals who are  
6 owners or officers of a small business shall be eligi-  
7 ble for appointment or election as delegates (or al-  
8 ternates) to the Quadrennial Summit, or be eligible  
9 to vote in the selection of delegates at the State  
10 Summits pursuant to this subsection.

11 (2) APPOINTED DELEGATES.—Two months be-  
12 fore the date of the first State Summit, there shall  
13 be—

14 (A) 1 delegate (and 1 alternate) appointed  
15 by the Governor of each State;

16 (B) 1 delegate (and 1 alternate) appointed  
17 by each Member of the House of Representa-  
18 tives, from the congressional district of that  
19 Member;

20 (C) 1 delegate (and 1 alternate) appointed  
21 by each Member of the Senate from the home  
22 State of that Member; and

23 (D) 53 delegates (and 53 alternates) ap-  
24 pointed by the President, 1 from each State.

1           (3) ELECTED DELEGATES.—The participants at  
2 each State Summit shall elect 3 delegates and 3 al-  
3 ternates to the Quadrennial Summit for each con-  
4 gressional district within the State, or part of the  
5 State represented at the Summit, or not fewer than  
6 9 delegates, pursuant to rules developed by the  
7 Quadrennial Commission.

8           (4) POWERS AND DUTIES.—Delegates to each  
9 Quadrennial Summit shall—

10                   (A) attend the State summits in his or her  
11                   respective State;

12                   (B) elect a delegation chairperson, vice  
13                   chairperson, and other leadership as may be  
14                   necessary;

15                   (C) conduct meetings and other activities  
16                   at the State level before the date of the Quad-  
17                   rennial Summit, subject to the approval of the  
18                   Quadrennial Commission; and

19                   (D) direct such State level summits, meet-  
20                   ings, and activities toward the consideration of  
21                   the purposes set forth in section 204, in order  
22                   to prepare for the next Quadrennial Summit.

23           (5) ALTERNATES.—Alternates shall serve dur-  
24           ing the absence or unavailability of the delegate.

1 (c) ROLE OF THE CHIEF COUNSEL.—The Chief  
2 Counsel shall, after consultation and in coordination with  
3 the Quadrennial Commission, assist in carrying out the  
4 Quadrennial Summits and State Summits required by this  
5 title by—

6 (1) preparing and providing background infor-  
7 mation and administrative materials for use by par-  
8 ticipants in the summits;

9 (2) distributing issue information and adminis-  
10 trative communications, electronically where possible  
11 through an Internet web site and e-mail, and in  
12 printed form if requested;

13 (3) maintaining an Internet web site and reg-  
14 ular e-mail communications after each Quadrennial  
15 Summit to inform delegates and the public of the  
16 status of recommendations and related governmental  
17 activity; and

18 (4) maintaining, between summits, an active in-  
19 terim organization of delegate representatives from  
20 each region of the Administration, to advise the  
21 Chief Counsel on each of the major small business  
22 issue areas, and monitor the progress of the Sum-  
23 mits' recommendations.

24 (d) EXPENSES.—Each delegate (and alternate) to  
25 each Quadrennial Summit and State Summit—

1           (1) shall be responsible for the expenses of that  
2 delegate related to attending the summits; and

3           (2) shall not be reimbursed either from funds  
4 appropriated pursuant to this section or the Small  
5 Business Act.

6           (e) ADVISORY COMMITTEE.—

7           (1) IN GENERAL.—The Quadrennial Commis-  
8 sion shall appoint a Summit Advisory Committee,  
9 which shall be composed of 10 individuals who were  
10 participants at the most recently preceding Quadren-  
11 nial Summit, to advise the Quadrennial Commission  
12 on the organization, rules, and processes of the  
13 Summits.

14           (2) PREFERENCE.—Preference for appointment  
15 under this subsection shall be given to individuals  
16 who have been active participants in the implemen-  
17 tation process following the most recently preceding  
18 Quadrennial Summit.

19           (f) PUBLIC PARTICIPATION.—Quadrennial Summits  
20 and State Summits shall be open to the public, and no  
21 fee or charge may be imposed on any attendee, other than  
22 an amount necessary to cover the cost of any meal pro-  
23 vided, plus a registration fee to defray the expense of  
24 meeting rooms and materials of not to exceed \$15 per per-  
25 son.

1 **SEC. 206. QUADRENNIAL COMMISSION ON SMALL BUSI-**  
2 **NESS.**

3 (a) **ESTABLISHMENT.**—There is established the  
4 Quadrennial Commission on Small Business.

5 (b) **MEMBERSHIP.**—

6 (1) **APPOINTMENT.**—The Quadrennial Commis-  
7 sion shall be composed of 9 members, including—

8 (A) the Chief Counsel;

9 (B) 4 members appointed by the President;

10 (C) 1 member appointed by the Majority  
11 Leader of the Senate;

12 (D) 1 member appointed by the Minority  
13 Leader of the Senate;

14 (E) 1 member appointed by the Majority  
15 Leader of the House of Representatives; and

16 (F) 1 member appointed by the Minority  
17 Leader of the House of Representatives.

18 (2) **SELECTION.**—Members of the Quadrennial  
19 Commission described in subparagraphs (B) through  
20 (F) of paragraph (1) shall be selected from among  
21 distinguished individuals noted for their knowledge  
22 and experience in fields relevant to the issue of small  
23 business and the purposes set forth in section 204.

24 (3) **TIME OF APPOINTMENT.**—The appoint-  
25 ments required by paragraph (1)—

1           (A) shall be made not later than 18  
2           months before the opening date of each Quad-  
3           rennial Summit; and

4           (B) shall expire 6 months after the date on  
5           which each Quadrennial Summit is convened.

6           (c) ELECTION OF CHAIRPERSON.—At the first meet-  
7           ing of the Quadrennial Commission, a majority of the  
8           members present and voting shall elect a member of the  
9           Quadrennial Commission to serve as the Chairperson.

10          (d) POWERS AND DUTIES OF COMMISSION.—The  
11          Quadrennial Commission—

12           (1) may enter into contracts with public agen-  
13           cies, private organizations, and academic institutions  
14           to carry out this title;

15           (2) shall consult, coordinate, and contract with  
16           an independent, nonpartisan organization that—

17           (A) has both substantive and logistical ex-  
18           perience in developing and organizing con-  
19           ferences and forums throughout the Nation  
20           with elected officials and other government and  
21           business leaders;

22           (B) has experience in generating private  
23           resources from multiple States in the form of  
24           event sponsorships; and

1           (C) can demonstrate evidence of a working  
2           relationship with Members of Congress from the  
3           majority and minority parties, and at least 1  
4           Federal agency; and

5           (3) shall prescribe such financial controls and  
6           accounting procedures as needed for the handling of  
7           funds from fees and charges and the payment of au-  
8           thorized meal, facility, travel, and other related ex-  
9           penses.

10          (e) PLANNING AND ADMINISTRATION OF SUMMITS.—

11         In carrying out the Quadrennial Summits and State Sum-  
12         mits, the Quadrennial Commission shall consult with—

13                 (1) the Chief Counsel;

14                 (2) Congress; and

15                 (3) such other Federal agencies as the Quad-  
16         rennial Commission determines to be appropriate.

17          (f) REPORTS REQUIRED.—Not later than 6 months  
18         after the date on which each Quadrennial Summit is con-  
19         vened, the Quadrennial Commission shall submit to the  
20         President and to the Chairpersons and Ranking Members  
21         of the Committees on Small Business of the Senate and  
22         the House of Representatives a final report, which shall—

23                 (1) include the findings and recommendations  
24         of the Quadrennial Summit and any proposals for

1 legislative action necessary to implement those rec-  
2 ommendations; and

3 (2) be made available to the public.

4 (g) QUORUM.—Four voting members of the Quadren-  
5 nial Commission shall constitute a quorum for purposes  
6 of transacting business.

7 (h) MEETINGS.—The Quadrennial Commission shall  
8 meet not later than 20 calendar days after the appoint-  
9 ment of the initial members of the Quadrennial Commis-  
10 sion, and not less frequently than every 30 calendar days  
11 thereafter.

12 (i) VACANCIES.—Any vacancy on the Quadrennial  
13 Commission shall not affect its powers, but shall be filled  
14 in the manner in which the original appointment was  
15 made.

16 (j) EXECUTIVE DIRECTOR AND STAFF.—The Quad-  
17 rennial Commission may appoint and compensate an Ex-  
18 ecutive Director and such other personnel to conduct the  
19 Quadrennial Summits and State Summits as the Quadren-  
20 nial Commission may determine to be advisable, without  
21 regard to title 5, United States Code, governing appoint-  
22 ments in the competitive service, and without regard to  
23 chapter 51 and subchapter III of chapter 53 of such title,  
24 relating to classification and General Schedule pay rates,  
25 except that the rate of pay for the Executive Director and

1 other personnel may not exceed the rate payable for level  
2 V of the Executive Schedule under section 5316 of such  
3 title.

4 (k) FUNDING.—Members of the Quadrennial Com-  
5 mission shall be allowed travel expenses, including per  
6 diem in lieu of subsistence at rates authorized for employ-  
7 ees of agencies under subchapter I of chapter 57 of title  
8 5, United States Code, while away from their homes or  
9 regular places of business in the performance of services  
10 for the Quadrennial Commission.

11 **SEC. 207. AUTHORIZATION OF APPROPRIATIONS; AVAIL-**  
12 **ABILITY OF FUNDS.**

13 (a) AUTHORIZATION OF APPROPRIATIONS.—There is  
14 authorized to be appropriated to carry out each Quadren-  
15 nial Summit and the State Summits required by this title,  
16 \$5,000,000, which shall remain available until expended.  
17 New spending authority or authority to enter contracts as  
18 provided in this title shall be effective only to such extent  
19 and in such amounts as are provided in advance in appro-  
20 priations Acts.

21 (b) SPECIFIC EARMARK.—No amount made available  
22 to the Small Business Administration may be made avail-  
23 able to carry out this title, other than amounts made avail-  
24 able specifically for the purpose of conducting the Quad-  
25 rennial Summits and State Summits.

1 **TITLE III—SMALL BUSINESS IN-**  
2 **VOLVEMENT IN GOVERN-**  
3 **MENT REGULATION**

4 **SEC. 301. SHORT TITLE.**

5 This title may be cited as the “Small Business Advoca-  
6 cacy Review Panel Technical Amendments Act of 2000”.

7 **SEC. 302. FINDINGS AND PURPOSES.**

8 (a) FINDINGS.—Congress finds that—

9 (1) a vibrant and growing small business sector  
10 is critical to creating jobs in a dynamic economy;

11 (2) small businesses bear a disproportionate  
12 share of regulatory costs and burdens;

13 (3) Federal agencies must consider the impact  
14 of their regulations on small businesses early in the  
15 rulemaking process; and

16 (4) the Small Business Advocacy Review Panel  
17 process established by the Small Business Regu-  
18 latory Enforcement Fairness Act of 1996 has been  
19 effective in allowing small businesses to participate  
20 in rules that are being developed by the Environ-  
21 mental Protection Agency and the Occupational  
22 Safety and Health Administration.

23 (b) PURPOSES.—The purposes of this title are—

1           (1) to provide a forum for the effective partici-  
2           pation of small businesses in the Federal regulatory  
3           process;

4           (2) to clarify and strengthen the Small Busi-  
5           ness Advocacy Review Panel process; and

6           (3) to expand the number of Federal agencies  
7           that are required to convene Small Business Advoca-  
8           cacy Review Panels.

9 **SEC. 303. ENSURING FULL ANALYSIS OF POTENTIAL IM-**  
10 **PACTS ON SMALL ENTITIES OF RULES PRO-**  
11 **POSED BY CERTAIN AGENCIES.**

12           Section 609(b) of title 5, United States Code, is  
13 amended to read as follows:

14           “(b)(1) Before the publication of an initial regulatory  
15 flexibility analysis that a covered agency is required to  
16 conduct under this chapter, the head of the covered agency  
17 shall—

18           “(A) notify the Chief Counsel for Advocacy of  
19 the Small Business Administration (referred to in  
20 this subsection as the ‘Chief Counsel’) in writing;

21           “(B) provide the Chief Counsel with informa-  
22 tion on the potential impacts of the proposed rule on  
23 small entities and the type of small entities that  
24 might be affected; and

1           “(C) not later than 30 days after complying  
2 with subparagraphs (A) and (B)—

3           “(i) in consultation with the Chief Counsel,  
4 identify affected small entity representatives;  
5 and

6           “(ii) transmit to the identified small entity  
7 representatives a detailed summary of the infor-  
8 mation referred to in subparagraph (B) or the  
9 information in full, if so requested by the small  
10 entity representative, for the purposes of ob-  
11 taining advice and recommendations about the  
12 potential impacts of the draft proposed rule.

13           “(2)(A) Not earlier than 30 days after the covered  
14 agency transmits information under paragraph (1)(C)(ii),  
15 the head of the covered agency shall convene a review  
16 panel for the draft proposed rule. The review panel shall  
17 consist solely of full-time Federal employees of the office  
18 within the covered agency that will be responsible for car-  
19 rying out the proposed rule, the Office of Information and  
20 Regulatory Affairs of the Office of Management and  
21 Budget, and the Chief Counsel.

22           “(B) The review panel shall—

23           “(i) review any material that the covered agen-  
24 cy has prepared in connection with this chapter, in-  
25 cluding any draft proposed rule;

1           “(ii) collect advice and recommendations from  
2           the small entity representatives identified under  
3           paragraph (1)(C)(i) on issues related to paragraphs  
4           (3), (4), and (5) of section 603(b) and section  
5           603(c); and

6           “(iii) allow any small entity representative iden-  
7           tified under paragraph (1)(C)(i) to make an oral  
8           presentation to the review panel, if requested.

9           “(C) Not later than 60 days after the date a covered  
10          agency convenes a review panel under this paragraph, the  
11          review panel shall report to the head of the covered agency  
12          on—

13           “(i) the comments received from the small enti-  
14          ty representatives identified under paragraph  
15          (1)(C)(i); and

16           “(ii) the findings of the review panel regarding  
17          issues related to paragraphs (3), (4), and (5) of sec-  
18          tion 603(b) and section 603(c).

19          “(3)(A) Except as provided in subparagraph (B), the  
20          head of the covered agency shall print in the Federal Reg-  
21          ister the report of the review panel under paragraph  
22          (2)(C), including any written comments submitted by the  
23          small entity representatives and any appendices cited in  
24          the report, as soon as practicable, but not later than—

1           “(i) 180 days after the date on which the head  
2           of the covered agency receives the report; or

3           “(ii) the date of the publication of the notice of  
4           proposed rulemaking for the proposed rule.

5           “(B) The report of the review panel printed in the  
6           Federal Register shall not include any confidential busi-  
7           ness information submitted by any small entity represent-  
8           ative.

9           “(4) If appropriate, the covered agency shall modify  
10          the draft proposed rule, the initial regulatory flexibility  
11          analysis for the draft proposed rule, or the decision on  
12          whether an initial regulatory flexibility analysis is required  
13          for the draft proposed rule.”.

14       **SEC. 304. DEFINITIONS.**

15          Section 609(d) of title 5, United States Code, is  
16          amended to read as follows:

17          “(d) In this section—

18               “(1) the term ‘covered agency’ means the Envi-  
19               ronmental Protection Agency, the Occupational  
20               Safety and Health Administration of the Depart-  
21               ment of Labor, and the Internal Revenue Service of  
22               the Department of the Treasury; and

23               “(2) the term ‘small entity representative’  
24               means a small entity, or an individual or organiza-

1       tion that primarily represents the interests of 1 or  
2       more small entities.”.

3 **SEC. 305. COLLECTION OF INFORMATION REQUIREMENT.**

4       (a) DEFINITION.—Section 601 of title 5, United  
5 States Code, is amended—

6           (1) in paragraph (5) by inserting “and” after  
7       the semicolon;

8           (2) in paragraph (6) by striking “; and” and in-  
9       serting a period; and

10          (3) by striking paragraphs (7) and (8).

11       (b) INITIAL REGULATORY FLEXIBILITY ANALYSIS.—

12 The fifth sentence of section 603 of title 5, United States  
13 Code, is amended to read as follows: “In the case of an  
14 interpretative rule involving the internal revenue laws of  
15 the United States, this chapter applies to interpretative  
16 rules (including proposed, temporary, and final regula-  
17 tions) published in the Federal Register for codification  
18 in the Code of Federal Regulations.”.

19 **SEC. 306. EFFECTIVE DATE.**

20       This title and the amendments made by this title  
21 shall take effect 90 days after the date of enactment of  
22 this Act.

1 **TITLE IV—OFFICE OF ADVOCACY**  
2 **OF THE SMALL BUSINESS AD-**  
3 **MINISTRATION**

4 **SEC. 401. SHORT TITLE.**

5 This title may be cited as the “Independent Office  
6 of Advocacy Act”.

7 **SEC. 402. FINDINGS.**

8 Congress finds that—

9 (1) excessive regulations continue to burden the  
10 Nation’s small businesses;

11 (2) Federal agencies are reluctant to comply  
12 with the requirements of chapter 6 of title 5, United  
13 States Code, and continue to propose regulations  
14 that impose disproportionate burdens on small busi-  
15 nesses;

16 (3) the Office of Advocacy of the Small Busi-  
17 ness Administration (referred to in this title as the  
18 “Office”) is an effective advocate for small busi-  
19 nesses that can help to ensure that agencies are re-  
20 sponsive to small businesses and that agencies com-  
21 ply with their statutory obligations under chapter 6  
22 of title 5, United States Code, and under the Small  
23 Business Regulatory Enforcement Fairness Act of  
24 1996 (Public Law 104–121; 106 Stat. 4249 et seq.);

1           (4) the independence of the Office is essential  
2           to ensure that it can serve as an effective advocate  
3           for small businesses, without being restricted by the  
4           views or policies of the Small Business Administra-  
5           tion or any other executive branch agency;

6           (5) the Office needs sufficient resources to con-  
7           duct the research required to assess effectively the  
8           impact of regulations on small businesses; and

9           (6) the research, information, and expertise of  
10          the Office make it a valuable adviser to Congress, as  
11          well as the executive branch agencies with which the  
12          Office works on behalf of small businesses.

13 **SEC. 403. PURPOSES.**

14          The purposes of this title are—

15           (1) to ensure that the Office has the statutory  
16           independence and adequate financial resources to  
17           advocate for and on behalf of small businesses;

18           (2) to require that the Office report to the  
19           Chairmen and Ranking Members of the Committees  
20           on Small Business of the Senate and the House of  
21           Representatives and the Administrator of the Small  
22           Business Administration in order to keep them fully  
23           and currently informed about issues and regulations  
24           affecting small businesses and the necessity for cor-  
25           rective action by the regulatory agency or Congress;

1           (3) to provide a separate authorization for ap-  
2           propriations for the Office;

3           (4) to authorize the Office to report to the  
4           President and to Congress regarding agency compli-  
5           ance with chapter 6 of title 5, United States Code;  
6           and

7           (5) to enhance the role of the Office pursuant  
8           to chapter 6 of title 5, United States Code.

9   **SEC. 404. OFFICE OF ADVOCACY.**

10          (a) IN GENERAL.—The Small Business Act (15  
11          U.S.C. 631 et seq.) is amended—

12                 (1) by redesignating sections 32 through 34 as  
13                 sections 33 through 35, respectively; and

14                 (2) by inserting after section 31 the following:

15   **“SEC. 32. OFFICE OF ADVOCACY.**

16                 “(a) DEFINITIONS.—In this section—

17                         “(1) the term ‘Chief Counsel’ means the Chief  
18                         Counsel for Advocacy appointed under subsection  
19                         (b); and

20                         “(2) the term ‘Office’ means the Office of Ad-  
21                         vocacy established under subsection (b).

22                 “(b) ESTABLISHMENT.—

23                         “(1) IN GENERAL.—There is established in the  
24                         Administration an Office of Advocacy.

25                         “(2) CHIEF COUNSEL FOR ADVOCACY.—

1           “(A) IN GENERAL.—The management of  
2           the Office shall be vested in a Chief Counsel for  
3           Advocacy, who shall be appointed from civilian  
4           life by the President, by and with the advice  
5           and consent of the Senate, without regard to  
6           political affiliation and solely on the ground of  
7           fitness to perform the duties of the office.

8           “(B) EMPLOYMENT RESTRICTION.—The  
9           individual appointed to the office of Chief  
10          Counsel may not serve as an officer or employee  
11          of the Administration during the 5-year period  
12          preceding the date of appointment.

13          “(C) REMOVAL.—The Chief Counsel may  
14          be removed from office by the President, and  
15          the President shall notify Congress of any such  
16          intent to remove the Chief Counsel not later  
17          than 30 days before the removal.

18          “(3) APPROPRIATION REQUEST.—Each appro-  
19          priation request prepared and submitted by the Ad-  
20          ministration under section 1108 of title 31, United  
21          States Code, shall include a separate request relat-  
22          ing to the Office.

23          “(c) PRIMARY FUNCTIONS.—The Office shall—

24                 “(1) examine the role of small business con-  
25                 cerns in the economy of the United States and the

1 contribution that small business concerns can make  
2 in improving competition, encouraging economic and  
3 social mobility for all citizens, restraining inflation,  
4 spurring production, expanding employment oppor-  
5 tunities, increasing productivity, promoting exports,  
6 stimulating innovation and entrepreneurship, and  
7 providing the means by which new and untested  
8 products and services can be brought to the market-  
9 place;

10 “(2) assess the effectiveness of Federal subsidy  
11 and assistance programs for small business concerns  
12 and the desirability of reducing the emphasis on  
13 those programs and increasing the emphasis on gen-  
14 eral assistance programs designed to benefit all  
15 small business concerns;

16 “(3) measure the direct costs and other effects  
17 of government regulation of small business concerns,  
18 and make legislative, regulatory, and nonlegislative  
19 proposals for eliminating the excessive or unneces-  
20 sary regulation of small business concerns;

21 “(4) determine the impact of the tax structure  
22 on small business concerns and make legislative, reg-  
23 ulatory, and other proposals for altering the tax  
24 structure to enable all small business concerns to re-

1       alize their potential for contributing to the improve-  
2       ment of the Nation’s economic well-being;

3           “(5) study the ability of financial markets and  
4       institutions to meet small business concerns credit  
5       needs and determine the impact of government de-  
6       mands on credit for small business concerns;

7           “(6) determine financial resource availability  
8       and recommend methods for—

9           “(A) delivery of financial assistance to mi-  
10       nority and women-owned small business con-  
11       cerns, including methods for securing equity  
12       capital;

13          “(B) generating markets for goods and  
14       services;

15          “(C) providing effective business education,  
16       more effective management and technical assist-  
17       ance, and training; and

18          “(D) assistance in complying with Federal,  
19       State, and local laws;

20          “(7) evaluate the efforts of Federal agencies  
21       and the private sector to assist minority and women-  
22       owned small business concerns;

23          “(8) make such recommendations as may be  
24       appropriate to assist the development and strength-

1 ening of minority, women-owned, and other small  
2 business concerns;

3 “(9) recommend specific measures for creating  
4 an environment in which all businesses will have the  
5 opportunity to—

6 “(A) compete effectively and expand to  
7 their full potential; and

8 “(B) ascertain any common reasons for  
9 small business successes and failures;

10 “(10) determine the desirability of developing a  
11 set of rational, objective criteria to be used to define  
12 small business, and to develop such criteria, if ap-  
13 propriate; and

14 “(11) make recommendations and submit re-  
15 ports to the Chairmen and Ranking Members of the  
16 Committees on Small Business of the Senate and  
17 the House of Representatives and the Administrator  
18 with respect to issues and regulations affecting small  
19 business concerns and the necessity for corrective  
20 action by the Administrator, any Federal depart-  
21 ment or agency, or Congress.

22 “(d) ADDITIONAL FUNCTIONS.—The Office shall, on  
23 a continuing basis—

24 “(1) serve as a focal point for the receipt of  
25 complaints, criticisms, and suggestions concerning

1 the policies and activities of the Administration and  
2 any other department or agency of the Federal Gov-  
3 ernment that affects small business concerns;

4 “(2) counsel small business concerns on the  
5 means by which to resolve questions and problems  
6 concerning the relationship between small business  
7 concerns and the Federal Government;

8 “(3) develop proposals for changes in the poli-  
9 cies and activities of departments and agencies of  
10 the Federal Government that, in the determination  
11 of the Office, will better fulfill the purposes of this  
12 section and communicate such proposals to the ap-  
13 propriate departments and agencies of the Federal  
14 Government;

15 “(4) represent the views and interests of small  
16 business concerns before other departments and  
17 agencies of the Federal Government, the policies and  
18 activities of which may affect small business;

19 “(5) enlist the cooperation and assistance of  
20 public and private agencies, business concerns, and  
21 other organizations in disseminating information  
22 about the programs and services provided by the  
23 Federal Government that are of benefit to small  
24 business concerns, and information on the means by

1       which small business concerns can participate in or  
2       make use of those programs and services; and

3               “(6) carry out the responsibilities of the Office  
4       under chapter 6 of title 5, United States Code.

5       “(e) STAFF AND POWERS.—

6               “(1) STAFF.—

7                       “(A) IN GENERAL.—The Chief Counsel  
8       may, without regard to the civil service laws  
9       and regulations, appoint and terminate such ad-  
10      ditional personnel as may be necessary to en-  
11      able the Chief Counsel to perform the duties of  
12      the Chief Counsel under this section.

13                      “(B) COMPENSATION.—The Chief Counsel  
14      may fix the compensation of personnel ap-  
15      pointed under this paragraph without regard to  
16      the provisions of chapter 51 and subchapter III  
17      of chapter 53 of title 5, United States Code, re-  
18      lating to classification of positions and General  
19      Schedule pay rates, but at rates not to exceed  
20      the minimum rate payable for a position at GS–  
21      15 of the General Schedule, except that not  
22      more than 14 employees of the Office at any  
23      one time may be compensated at a rate not to  
24      exceed the maximum rate payable for a position  
25      at GS–15 of the General Schedule.

1           “(2) POWERS.—In carrying out this section, the  
2 Chief Counsel may—

3           “(A) procure temporary and intermittent  
4 services to the same extent as is authorized by  
5 section 3109 of title 5, United States Code;

6           “(B) consult with—

7           “(i) experts and authorities in the  
8 fields of small business investment, venture  
9 capital, investment and commercial bank-  
10 ing, and other comparable financial institu-  
11 tions involved in the financing of business;  
12 and

13           “(ii) individuals with regulatory, legal,  
14 economic, or financial expertise, including  
15 members of the academic community, and  
16 individuals who generally represent the  
17 public interest;

18           “(C) use the services of the National Advi-  
19 sory Council established under section 8(b) and,  
20 in accordance with that section, appoint such  
21 other advisory boards or committees as the  
22 Chief Counsel determines to be reasonably nec-  
23 essary and appropriate to carry out this section;  
24 and

1           “(D) hold hearings and sit and act at such  
2           times and places as the Chief Counsel deter-  
3           mines to be appropriate.

4           “(f) OVERHEAD AND ADMINISTRATIVE SUPPORT.—  
5 The Administrator shall—

6           “(1) provide the Office with appropriate and  
7           adequate office space at central and field office loca-  
8           tions of the Administration, together with such  
9           equipment, office supplies, and communications fa-  
10          cilities and services as may be necessary for the op-  
11          eration of such offices; and

12          “(2) provide necessary maintenance services for  
13          those offices, equipment, and facilities.

14          “(g) INFORMATION FROM FEDERAL AGENCIES.—  
15 The Chief Counsel may secure directly from any depart-  
16 ment or agency of the Federal Government such informa-  
17 tion as the Chief Counsel considers to be necessary to  
18 carry out this section. Upon request of the Chief Counsel,  
19 the head of such department or agency shall furnish such  
20 information to the Office.

21          “(h) REPORTS.—

22          “(1) ANNUAL REPORTS.—Not less than annu-  
23          ally, the Chief Counsel shall submit to the President  
24          and to the Committees on Small Business of the  
25          Senate and the House of Representatives, the Com-

1        mittee on Governmental Affairs of the Senate, the  
2        Committee on Government Reform of the House of  
3        Representatives, and the Committees on the Judici-  
4        ary of the Senate and the House of Representatives,  
5        a report on agency compliance with chapter 6 of title  
6        5, United States Code.

7            “(2) ADDITIONAL REPORTS.—In addition to the  
8        reports required under paragraph (1) of this sub-  
9        section and subsection (c)(11), the Chief Counsel  
10       may prepare and publish such reports as the Chief  
11       Counsel determines to be appropriate.

12           “(3) PROHIBITION.—No report under this sec-  
13       tion shall be submitted to the Office of Management  
14       and Budget or to any other department or agency  
15       of the Federal Government for any purpose before  
16       submission of the report to the President and to  
17       Congress.

18           “(i) AUTHORIZATION OF APPROPRIATIONS.—

19           “(1) IN GENERAL.—There are authorized to be  
20       appropriated to the Office to carry out this section  
21       such sums as may be necessary for each fiscal year.

22           “(2) AVAILABILITY.—Any sums appropriated  
23       under paragraph (1) shall remain available, without  
24       fiscal year limitation, until expended.”.

1 (b) REPEAL.—Title II of Public Law 94–305 (15  
2 U.S.C. 634a et seq.) is repealed.

3 (c) INCUMBENT CHIEF COUNSEL FOR ADVOCACY.—  
4 The individual serving as the Chief Counsel for Advocacy  
5 of the Small Business Administration on the date of enact-  
6 ment of this Act shall continue to serve in that position  
7 after such date in accordance with section 32 of the Small  
8 Business Act, as amended by this section.

## 9 **TITLE V—CREDIT PROGRAMS**

### 10 **SEC. 501. SECTION 7(a) PROGRAM.**

11 (a) LEVELS OF PARTICIPATION.—Section 7(a)(2)(A)  
12 of the Small Business Act (15 U.S.C. 636(a)(2)(A)) is  
13 amended by striking clauses (i) and (ii) and inserting the  
14 following:

15 “(i) 75 percent of the balance of the  
16 financing outstanding at the time of dis-  
17 bursement of the loan, if the balance is  
18 equal to more than \$150,000; or

19 “(ii) 85 percent of the balance of the  
20 financing outstanding at the time of dis-  
21 bursement of the loan, if the balance is not  
22 more than \$150,000.”.

23 (b) LOAN AMOUNTS.—Section 7(a)(3)(A) of the  
24 Small Business Act (15 U.S.C. 636(a)(3)(A)) is amended

1 by striking “\$750,000,” and inserting, “\$1,000,000 (or  
2 if the gross loan amount would exceed \$2,000,000),”.

3 (c) INTEREST ON DEFAULTED LOANS.—Section  
4 7(a)(4)(B) of the Small Business Act (15 U.S.C.  
5 636(a)(4)(B)) is amended by adding at the end the fol-  
6 lowing:

7 “(iii) APPLICABILITY.—Clauses (i)  
8 and (ii) shall not apply to any loan made  
9 on or after October 1, 2000.”.

10 (d) PREPAYMENT OF LOANS.—Section 7(a)(4) of the  
11 Small Business Act (15 U.S.C. 636(a)(4)) is amended—

12 (1) by striking “(4) INTEREST RATES AND  
13 FEES.—” and inserting “(4) INTEREST RATES AND  
14 PREPAYMENT CHARGES.—”; and

15 (2) by adding at the end the following:

16 “(C) PREPAYMENT CHARGES.—

17 “(i) IN GENERAL.—A borrower who  
18 prepays any loan guaranteed under this  
19 subsection shall remit to the Administra-  
20 tion a subsidy recoupment fee calculated in  
21 accordance with clause (ii), if—

22 “(I) the loan is for a term of not  
23 less than 15 years;

24 “(II) the prepayment is vol-  
25 untary;

1                   “(III) the amount of prepayment  
2                   in any calendar year is more than 25  
3                   percent of the outstanding balance of  
4                   the loan; and

5                   “(IV) the prepayment is made  
6                   within the first 3 years after disburse-  
7                   ment of the loan proceeds.

8                   “(ii) SUBSIDY RECOUPMENT FEE.—  
9                   The subsidy recoupment fee charged under  
10                  clause (i) shall be—

11                  “(I) 5 percent of the amount of  
12                  prepayment, if the borrower prepays  
13                  during the first year after disburse-  
14                  ment;

15                  “(II) 3 percent of the amount of  
16                  prepayment, if the borrower prepays  
17                  during the second year after disburse-  
18                  ment; and

19                  “(III) 1 percent of the amount of  
20                  prepayment, if the borrower prepays  
21                  during the third year after disburse-  
22                  ment.”.

23                  (e) GUARANTEE FEES.—Section 7(a)(18) of the  
24                  Small Business Act (15 U.S.C. 636(a)(18)) is amended  
25                  to read as follows:

1           “(18) GUARANTEE FEES.—

2                   “(A) IN GENERAL.—With respect to each  
3 loan guaranteed under this subsection (other  
4 than a loan that is repayable in 1 year or less),  
5 the Administration shall collect a guarantee fee,  
6 which shall be payable by the participating  
7 lender, and may be charged to the borrower, as  
8 follows:

9                   “(i) A guarantee fee equal to 2 per-  
10 cent of the deferred participation share of  
11 a total loan amount that is not more than  
12 \$150,000.

13                   “(ii) A guarantee fee equal to 3 per-  
14 cent of the deferred participation share of  
15 a total loan amount that is more than  
16 \$150,000, but less than \$700,000.

17                   “(iii) A guarantee fee equal to 3.5  
18 percent of the deferred participation share  
19 of a total loan amount that is more than  
20 \$700,000.

21                   “(B) RETENTION OF CERTAIN FEES.—  
22 Lenders participating in the programs estab-  
23 lished under this subsection may retain not  
24 more than 25 percent of a fee collected under  
25 subparagraph (A)(i).”.

1 (f) LEASE TERMS.—Section 7(a) of the Small Busi-  
2 ness Act (15 U.S.C. 636(a)) is amended by adding at the  
3 end the following:

4 “(28) LEASING.—In addition to such other  
5 lease arrangements as may be authorized by the Ad-  
6 ministration, a borrower may permanently lease to 1  
7 or more tenants not more than 20 percent of any  
8 property constructed with the proceeds of a loan  
9 guaranteed under this subsection, if the borrower  
10 permanently occupies and uses not less than 60 per-  
11 cent of the total business space in the property.”.

12 (g) BACKGROUND CHECKS.—Section 7(a)(1)(B) of  
13 the Small Business Act (15 U.S.C. 636(a)(1)(B)) is  
14 amended to read as follows:

15 “(B) BACKGROUND CHECKS.—

16 “(i) IN GENERAL.—For the purpose  
17 of any loan made pursuant to this sub-  
18 section, or section 503 of the Small Busi-  
19 ness Investment Act of 1958, the Adminis-  
20 trator may—

21 “(I) conduct a criminal back-  
22 ground check of any applicant, loan  
23 packager, lender service provider, re-  
24 ferral agent, or a principal thereof,  
25 through the National Crime Informa-

1           tion Center computer system at the  
 2           Federal Bureau of Investigation, and  
 3           other appropriate sources; and

4                   “(II) require any person or entity  
 5           described in subclause (I) to provide  
 6           identifying information (including a  
 7           social security account number) need-  
 8           ed to perform such criminal back-  
 9           ground check.

10                   “(ii) COOPERATION.—The Director of  
 11           the Federal Bureau of Investigation shall,  
 12           upon request of the Administrator, make  
 13           available to the Administrator use of the  
 14           National Crime Information Center com-  
 15           puter system for purposes of clause (i).”.

16 **SEC. 502. SMALL BUSINESS INVESTMENT COMPANIES.**

17           (a) CAPITAL REQUIREMENTS.—Section 302(b) of the  
 18 Small Business Investment Act of 1958 (15 U.S.C.  
 19 682(b)) is amended—

20                   (1) by striking “(b) Notwithstanding” and in-  
 21           serting the following:

22                   “(b) FINANCIAL INSTITUTION INVESTMENTS.—

23                   “(1) CERTAIN BANKS.—Notwithstanding”; and

24                   (2) by adding at the end the following:



1 by the Administration based on a claim formerly held by  
2 a current or former licensee shall be the longer of—

3 “(1) the periods provided for in sections 2415  
4 and 2416 of title 28, United States Code; or

5 “(2) the expiration of 6 years (for contract  
6 claims) or 3 years (for tort claims) following the  
7 date on which such claim is assigned to the Adminis-  
8 tration.

9 “(e) STATE LAW.—

10 “(1) IN GENERAL.—In the case of any tort  
11 claim described in paragraph (2) for which the stat-  
12 ute of limitations applicable under State law with re-  
13 spect to such claim has expired not more than 5  
14 years before the assignment of such claim to the Ad-  
15 ministration, the Administration may bring an ac-  
16 tion on such claim without regard to the expiration  
17 of the statute of limitations applicable under that  
18 State law.

19 “(2) DEFINITION.—A tort claim described in  
20 this paragraph is a claim arising from fraud, inten-  
21 tional misconduct resulting in unjust enrichment, or  
22 intentional misconduct that causes actual damages  
23 of \$100,000 or more.”.

1 (d) DISCIPLINARY ACTIONS.—Section 313 of the  
2 Small Business Investment Act of 1958 (15 U.S.C. 687e)  
3 is amended—

4 (1) by striking the section heading and insert-  
5 ing the following:

6 “REMOVAL OR SUSPENSION OF OFFICERS, DIRECTORS,  
7 EMPLOYEES, AGENTS, OR PARTICIPANTS”;

8 (2) by striking “director or officer of a li-  
9 censee” each place that term appears and inserting  
10 “covered person”;

11 (3) by striking “director or officer” each place  
12 that term appears and inserting “covered person”;  
13 and

14 (4) by adding at the end the following:

15 “(g) COVERED PERSON.—In this section, the term  
16 ‘covered person’ means an officer, director, employee,  
17 agent, or other participant in the management or conduct  
18 of the affairs of a licensee.”.

19 (e) CORRECTIONS.—

20 (1) DEFINITIONS.—

21 (A) SMALL BUSINESS CONCERN.—Section  
22 103(5)(A) of the Small Business Investment  
23 Act of 1958 (15 U.S.C. 662(5)(A)) is  
24 amended—

25 (i) in clause (i), by inserting before  
26 the semicolon “, regardless of the alloca-

1           tion of control during the investment pe-  
2           riod under any investment agreement be-  
3           tween the business concern and the entity  
4           making the investment”; and

5           (ii) in clause (iii), by striking the pe-  
6           riod at the end and inserting “; and”.

7           (B) LONG TERM.—Section 103 of the  
8           Small Business Investment Act of 1958 (15  
9           U.S.C. 662) is amended—

10           (i) in paragraph (15), by striking  
11           “and” at the end;

12           (ii) in paragraph (16), by striking the  
13           period at the end and inserting “; and”;  
14           and

15           (iii) by adding at the end the fol-  
16           lowing:

17           “(17) the term ‘long term’, when used in con-  
18           nection with equity capital or loan funds invested in  
19           any small business concern or smaller enterprise,  
20           means any period of time of not less than 1 year.”.

21           (2) SUBSIDY FEES.—

22           (A) DEBENTURES.—Section 303(b) of the  
23           Small Business Investment Act of 1958 (15  
24           U.S.C. 683(b)) is amended in the fifth sen-  
25           tence, by striking “plus an additional charge of

1           1 percent per annum which shall be paid to and  
2           retained by the Administration” and inserting  
3           “plus an additional charge, which shall be paid  
4           to and retained by the Administration, in an  
5           amount established annually by the Administra-  
6           tion, which amount shall not exceed the lesser  
7           of 1 percent per year or the minimum amount  
8           necessary to reduce the cost (as defined in sec-  
9           tion 502 of the Federal Credit Reform Act of  
10          1990 (2 U.S.C. 661a)) to the Administration of  
11          purchasing and guaranteeing debentures under  
12          this Act to zero”.

13                   (B) PARTICIPATING SECURITIES.—Section  
14          303(g)(2) of the Small Business Investment Act  
15          of 1958 (15 U.S.C. 683(g)(2)) is amended by  
16          striking “plus an additional charge of 1 percent  
17          per annum which shall be paid to and retained  
18          by the Administration” and inserting “plus an  
19          additional charge, which shall be paid to and  
20          retained by the Administration, in an amount  
21          established annually by the Administration,  
22          which amount shall not exceed the lesser of 1  
23          percent per year or the minimum amount nec-  
24          essary to reduce the cost (as defined in section  
25          502 of the Federal Credit Reform Act of 1990

1 (2 U.S.C. 661a)) to the Administration of pur-  
2 chasing and guaranteeing participating securi-  
3 ties under this Act to zero”.

4 (3) DISTRIBUTIONS.—Section 303(g)(8) of the  
5 Small Business Investment Act of 1958 (15 U.S.C.  
6 683(g)(8)) is amended—

7 (A) in the first sentence, by striking “sub-  
8 chapter s corporation” and inserting “sub-  
9 chapter S corporation”;

10 (B) in the fourth sentence, by striking  
11 “the end of any calendar quarter based on a  
12 quarterly” and inserting “any time during any  
13 calendar quarter, based on an”; and

14 (C) in the fifth sentence, by striking  
15 “quarterly distributions for a calendar year,”  
16 and inserting “interim distributions for a cal-  
17 endar year,”.

18 (4) CONFORMING AMENDMENT.—Section  
19 310(c)(4) of the Small Business Investment Act of  
20 1958 (15 U.S.C. 687b(e)(4)) is amended by striking  
21 “five years” and inserting “1 year”.

22 **SEC. 503. MICROLOAN PROGRAM.**

23 (a) IN GENERAL.—Section 7(m) of the Small Busi-  
24 ness Act (15 U.S.C. 636(m)) is amended—

1 (1) in paragraphs (1)(B)(iii) and (3)(E), by  
2 striking “\$25,000” each place it appears and insert-  
3 ing “\$35,000”;

4 (2) in paragraphs (1)(A)(iii)(I), (3)(A)(ii), and  
5 (4)(C)(i)(II), by striking “\$7,500” each place it ap-  
6 pears and inserting “\$10,000”;

7 (3) in paragraph (1)(B)(i), by striking “short-  
8 term,”;

9 (4) in paragraph (2)(B), by inserting before the  
10 period “, or equivalent experience, as determined by  
11 the Administration”;

12 (5) in paragraph (3)(E), by striking “\$15,000”  
13 and inserting “\$20,000”;

14 (6) in paragraph (4)(E)—

15 (A) by striking clause (i) and inserting the  
16 following:

17 “(i) IN GENERAL.—Each intermediary  
18 may expend the grant funds received under  
19 the program authorized by this subsection  
20 to provide or arrange for loan technical as-  
21 sistance to small business concerns that  
22 are borrowers or prospective borrowers  
23 under this subsection.”; and

24 (B) in clause (ii), by striking “25” and in-  
25 serting “35”;

1 (7) in paragraph (5)(A)—

2 (A) by striking “25 grants” and inserting  
3 “55 grants”; and

4 (B) by striking “\$125,000” and inserting  
5 “\$200,000”;

6 (8) in paragraph (6)(B), by striking “\$10,000”  
7 and inserting “\$15,000”;

8 (9) in paragraph (7), by striking subparagraph  
9 (A) and inserting the following:

10 “(A) NUMBER OF PARTICIPANTS.—Under  
11 the program authorized by this subsection, the  
12 Administration may fund, on a competitive  
13 basis, not more than—

14 “(i) 250 intermediaries in fiscal year  
15 2001;

16 “(ii) 300 intermediaries in fiscal year  
17 2002; and

18 “(iii) 350 intermediaries in fiscal year  
19 2003.”; and

20 (10) in paragraph (9), by adding at the end the  
21 following:

22 “(D) PEER-TO-PEER CAPACITY BUILDING  
23 AND TRAINING.—The Administrator may use  
24 not more than \$1,000,000 of the annual appro-  
25 priation to the Administration for technical as-

1           sistance grants to subcontract with 1 or more  
2           national trade associations of eligible inter-  
3           mediaries under this subsection to provide peer-  
4           to-peer capacity building and training to lenders  
5           under this subsection and organizations seeking  
6           to become lenders under this subsection.”.

7           (b)        CONFORMING        AMENDMENTS.—Section  
8           7(n)(11)(B) of the Small Business Act (15 U.S.C.  
9           636(n)(11)(B)) is amended—

10           (1) by striking “\$25,000” and inserting  
11           “\$35,000”; and

12           (2) by striking “short-term,”.

13   **SEC. 504. SMALL BUSINESS LENDING COMPANY FEES.**

14           Section 5(b) of the Small Business Act (15 U.S.C.  
15           634(b)) is amended—

16           (1) in paragraph (12), by striking “and” at the  
17           end;

18           (2) in paragraph (13), by striking the period at  
19           the end and inserting “; and”; and

20           (3) by adding at the end the following:

21           “(14) effective in fiscal year 2001, require a  
22           small business lending company to pay the costs of  
23           any examination by the Administration, including  
24           compensation of the examiners, such amounts to be  
25           deposited in the account for salaries and expenses of

1 the Administration and made available solely to  
2 cover costs of examinations and other program over-  
3 sight activities.”.

4 **SEC. 505. SURETY BONDS.**

5 (a) CONTRACT AMOUNTS.—Section 411 of the Small  
6 Business Investment Act of 1958 (15 U.S.C. 694b) is  
7 amended—

8 (1) in subsection (a)(1), by striking  
9 “\$1,250,000” and inserting “\$2,000,000”; and

10 (2) in subsection (e)(2), by striking  
11 “\$1,250,000” and inserting “\$2,000,000”.

12 (b) EXTENSION OF CERTAIN AUTHORITY.—Section  
13 207 of the Small Business Administration Reauthorization  
14 and Amendment Act of 1988 (15 U.S.C. 694b note) is  
15 amended by striking “2000” and inserting “2003”.

16 **SEC. 506. DEVELOPMENT COMPANY DEBENTURES.**

17 Section 503(b)(3) of the Small Business Investment  
18 Act of 1958 (15 U.S.C. 697(b)(3)) is amended to read  
19 as follows:

20 “(3) the interest rate on such debenture is not  
21 less than the rate of interest that is acceptable to  
22 the Secretary of the Treasury;”.

1 **TITLE VI—HUBZONE PROGRAM**  
2 **Subtitle A—HUBZones in Native**  
3 **America**

4 **SEC. 601. SHORT TITLE.**

5 This subtitle may be cited as the “HUBZones in Na-  
6 tive America Act of 2000”.

7 **SEC. 602. HUBZONE SMALL BUSINESS CONCERN.**

8 Section 3(p)(3) of the Small Business Act (15 U.S.C.  
9 632(p)(3)) is amended to read as follows:

10 “(3) HUBZONE SMALL BUSINESS CONCERN.—

11 The term ‘HUBZone small business concern’  
12 means—

13 “(A) a small business concern that is  
14 owned and controlled by 1 or more persons,  
15 each of whom is a United States citizen;

16 “(B) a small business concern that is  
17 owned and controlled by an Alaska Native Cor-  
18 poration, if that Alaska Native Corporation is—

19 “(i) a corporation owned and con-  
20 trolled by Natives (as determined pursuant  
21 to section 29(e)(1) of the Alaska Native  
22 Claims Settlement Act (43 U.S.C.  
23 1626(e)(1))); or

24 “(ii) a direct or indirect subsidiary  
25 corporation, joint venture, or partnership

1           that is owned and controlled by Natives (as  
 2           determined pursuant to section 29(e)(2) of  
 3           the Alaska Native Claims Settlement Act  
 4           (43 U.S.C. 1626(e)(2))); or

5           “(C) a small business concern that is  
 6           owned in whole or in part by 1 or more Indian  
 7           tribal governments, or by a corporation that is  
 8           wholly owned by 1 or more Indian tribal gov-  
 9           ernments.”.

10 **SEC. 603. QUALIFIED HUBZONE SMALL BUSINESS CON-**  
 11 **CERN.**

12           (a) IN GENERAL.—Section 3(p)(5)(A)(i) of the Small  
 13 Business Act (15 U.S.C. 632(p)(5)(A)(i)) is amended by  
 14 striking subclauses (I) and (II) and inserting the fol-  
 15 lowing:

16                                   “(I) it is a HUBZone small busi-  
 17                                   ness concern—

18   “(aa) pursuant to paragraph  
 19   (3)(A), and that its principal of-  
 20   fice is located in a HUBZone and  
 21   not fewer than 35 percent of its  
 22   employees reside in a HUBZone;

23   “(bb) pursuant to paragraph  
 24   (3)(B), and that its principal of-  
 25   fice is located in a HUBZone lo-

1 cated within the State of Alaska,  
2 not fewer than 35 percent of its  
3 employees engaged in performing  
4 a contract awarded to it on the  
5 basis of a preference provided  
6 under section 31(b) perform their  
7 work in any HUBZone located  
8 within the State of Alaska, or not  
9 fewer than 35 percent of its em-  
10 ployees reside in a HUBZone lo-  
11 cated within the State of Alaska  
12 or within any Alaska Native Vil-  
13 lage; or

14 “(cc) pursuant to paragraph  
15 (3)(C), and not fewer than 35  
16 percent of its employees engaged  
17 in performing a contract awarded  
18 to the small business concern on  
19 the basis of a preference provided  
20 under section 31(b) reside within  
21 any Indian reservation governed  
22 by 1 or more of the tribal govern-  
23 ment owners, or reside within  
24 any HUBZone adjacent to any  
25 such Indian reservation;

1                   “(II) it will attempt to maintain  
 2                   the applicable employment percentage  
 3                   under subclause (I) during the per-  
 4                   formance of any contract awarded to  
 5                   the small business concern on the  
 6                   basis of a preference provided under  
 7                   section 31(b); and”.

8           (b) HUBZONE PILOT PROGRAM FOR SPARSELY POP-  
 9    ULATED AREAS.—Section 3(p)(5) of the Small Business  
 10 Act (15 U.S.C. 632(p)(5)) is amended by adding at the  
 11 end the following:

12                   “(E) HUBZONE PILOT PROGRAM FOR  
 13                   SPARSELY POPULATED AREAS.—

14                   “(i) IN GENERAL.—Notwithstanding  
 15                   subparagraph (A)(i)(I)(aa), during the pe-  
 16                   riod beginning on the date of enactment of  
 17                   the Small Business Reauthorization Act of  
 18                   2000 and ending on September 30, 2003,  
 19                   a small business concern, the principal of-  
 20                   fice of which is located in the State of  
 21                   Alaska, shall be considered to be a quali-  
 22                   fied HUBZone small business concern if—

23                   “(I) its principal office is located  
 24                   within a HUBZone within the State  
 25                   of Alaska;

1                   “(II) not fewer than 35 percent  
2                   of its employees engaged in per-  
3                   forming a contract awarded to it on  
4                   the basis of a preference provided  
5                   under section 31(b) perform their  
6                   work in any HUBZone located within  
7                   the State of Alaska; or

8                   “(III) not fewer than 35 percent  
9                   of its employees reside in a HUBZone  
10                  located within the State of Alaska.

11                  “(ii) EXCEPTION.—Clause (i) does not  
12                  apply in any fiscal year following a fiscal  
13                  year in which the total amount of contract  
14                  dollars awarded in furtherance of the con-  
15                  tracting goals established under section  
16                  15(g)(1) to small business concerns located  
17                  within the State of Alaska is equal to more  
18                  than 1.5 percent of the total amount of  
19                  such contract dollars awarded to all small  
20                  business concerns.”.

21                  (c)           CONFORMING            AMENDMENT.—Section  
22                  3(p)(5)(D)(i) of the Small Business Act (15 U.S.C.  
23                  632(p)(5)(D)(i)) is amended by inserting “once the Ad-  
24                  ministrators has received the certification required by sub-  
25                  paragraph (A)(i) from a qualified HUBZone small busi-

1 ness concern and has determined that subparagraph  
 2 (A)(ii) does not apply to that concern,” before “include”.

3 **SEC. 604. OTHER DEFINITIONS.**

4 Section 3(p) of the Small Business Act (15 U.S.C.  
 5 632(p)) is amended by adding at the end the following:

6 “(6) NATIVE AMERICAN SMALL BUSINESS CON-  
 7 CERNS.—

8 “(A) ALASKA NATIVE CORPORATION.—The  
 9 term ‘Alaska Native Corporation’ has the same  
 10 meaning as the term ‘Native Corporation’ in  
 11 section 3 of the Alaska Native Claims Settle-  
 12 ment Act (43 U.S.C. 1602).

13 “(B) ALASKA NATIVE VILLAGE.—The term  
 14 ‘Alaska Native village’ has the same meaning as  
 15 the term ‘Native village’ in section 3 of the  
 16 Alaska Native Claims Settlement Act (43  
 17 U.S.C. 1602).

18 “(C) INDIAN RESERVATION.—The term  
 19 ‘Indian reservation’ means—

20 “(i) all land within the limits of any  
 21 Indian reservation under the jurisdiction of  
 22 the United States Government, notwith-  
 23 standing the issuance of any patent, and  
 24 including rights-of-way running through  
 25 the reservation;

1           “(ii) all dependent Indian commu-  
 2           nities within the borders of the United  
 3           States, whether within the original or sub-  
 4           sequently acquired territory thereof, and  
 5           whether within or outside of the limits of  
 6           a State; and

7           “(iii) lands within the State of Okla-  
 8           homa that—

9                   “(I) are within the jurisdictional  
 10                   areas of an Oklahoma Indian tribe (as  
 11                   determined by the Secretary of the In-  
 12                   terior); and

13                   “(II) are recognized by the Sec-  
 14                   retary of the Interior as eligible for  
 15                   trust land status under part 151 of  
 16                   title 25, Code of Federal Regulations  
 17                   (as in effect on the date of enactment  
 18                   of this paragraph).”.

19           **Subtitle B—Other HUBZone**  
 20           **Provisions**

21   **SEC. 611. DEFINITIONS.**

22           (a) QUALIFIED CENSUS TRACT.—Section 3(p)(4)(A)  
 23   of the Small Business Act (15 U.S.C. 632(p)(4)(A)) is  
 24   amended by striking “(I)”.

1 (b) QUALIFIED NONMETROPOLITAN COUNTY.—Sec-  
2 tion 3(p)(4) of the Small Business Act (15 U.S.C.  
3 632(p)(4)) is amended by striking subparagraph (B) and  
4 inserting the following:

5 “(B) QUALIFIED NONMETROPOLITAN  
6 COUNTY.—The term ‘qualified nonmetropolitan  
7 county’ means any county—

8 “(i) that was not located in a metro-  
9 politan statistical area (as defined in sec-  
10 tion 143(k)(2)(B) of the Internal Revenue  
11 Code of 1986) at the time of the most re-  
12 cent census taken for purposes of selecting  
13 qualified census tracts under section  
14 42(d)(5)(C)(ii) of the Internal Revenue  
15 Code of 1986; and

16 “(ii) in which—

17 “(I) the median household in-  
18 come is less than 80 percent of the  
19 nonmetropolitan State median house-  
20 hold income, based on the most recent  
21 data available from the Bureau of the  
22 Census of the Department of Com-  
23 merce; or

24 “(II) for any 3 of the preceding  
25 5 years, the unemployment rate has

1                   been not less than 140 percent of the  
2                   Statewide average unemployment rate  
3                   for the State in which the county is  
4                   located, based on the most recent data  
5                   available from the Secretary of Labor.

6                   “(C) EXCLUSIONS.—Notwithstanding sub-  
7                   paragraph (B)—

8                   “(i) a firm that is certified as a quali-  
9                   fied HUBZone small business concern on  
10                  September 30, 2000 (or that has applied  
11                  for such certification on or before Sep-  
12                  tember 30, 2000, and is later so certified)  
13                  and that was located in a qualified non-  
14                  metropolitan county, as defined on the day  
15                  before the date of enactment of the Small  
16                  Business Reauthorization Act of 2000,  
17                  shall be considered to be a qualified  
18                  HUBZone small business concern until  
19                  September 30, 2001, and such firm may  
20                  perform any contract awarded to it on the  
21                  basis of a preference provided under sec-  
22                  tion 31(b), if such award is made on or be-  
23                  fore September 30, 2001; and

24                  “(ii) if release of new statistical infor-  
25                  mation by the Department of Labor results

1           in disqualification of an area that was a  
2           qualified nonmetropolitan county before  
3           that release, any firm that is certified as a  
4           qualified HUBZone small business concern  
5           on the date of that release (or that has ap-  
6           plied for such certification on or before  
7           that date of release, and is later so cer-  
8           tified) shall be considered to be a qualified  
9           HUBZone small business concern during  
10          the 1-year period beginning on that date of  
11          release, and such firm may perform any  
12          contract awarded to it on the basis of a  
13          preference provided under section 31(b), if  
14          such award is made on or before the expi-  
15          ration of that 1-year period.”.

16 **SEC. 612. ELIGIBLE CONTRACTS.**

17          Section 31(b) of the Small Business Act (15 U.S.C.  
18 657a(b)) is amended—

19           (1) in paragraph (3)—

20                (A) by striking “In any” and inserting the  
21                following:

22                “(A) IN GENERAL.—Subject to subpara-  
23                graph (B), in any”; and

24                (B) by adding at the end the following:

1           “(B) PROCUREMENT OF COMMODITIES.—

2           The 10 percent price evaluation preference  
3           under subparagraph (A) does not apply to the  
4           quantity of a commodity being purchased under  
5           full and open competition in a particular  
6           tender—

7                   “(i) if—

8                           “(I) the contracting officer sets  
9                           aside not less than 10 percent of the  
10                          tender for—

11                                   “(aa) competition restricted  
12                                   to small business concerns that  
13                                   are eligible to be awarded a con-  
14                                   tract under section 8(a)(1)(D)(i)  
15                                   or other socially and economically  
16                                   disadvantaged small business  
17                                   concerns (as defined in section  
18                                   8(a)(4)(A));

19                                   “(bb) sole source contracts  
20                                   for small business concerns that  
21                                   are eligible to be awarded a con-  
22                                   tract under section 8(a)(3), or  
23                                   other socially and economically  
24                                   disadvantaged small business

1 concerns (as defined in section  
2 8(a)(4)(A)); or

3 “(cc) competition restricted  
4 to small business concerns in  
5 general; and

6 “(II) the contracting officer pro-  
7 vides for a set-aside under paragraph  
8 (2)(B), or a sole-source contract  
9 under paragraph (2)(A), of not less  
10 than an additional 10 percent of the  
11 quantity of commodity to be pur-  
12 chased in that tender; or

13 “(ii) if the contracting officer allocates  
14 not less than 20 percent of the tender for  
15 a set-aside under paragraph (2)(B) or a  
16 sole-source contract under paragraph  
17 (2)(A), in the absence of any other small  
18 business program set-asides or sole source  
19 contract under this Act.”;

20 (2) in paragraph (4), by striking “paragraph  
21 (2) or (3)” and inserting “this subsection”; and

22 (3) by adding at the end the following:

23 “(5) PREFERENCE FOR CERTAIN SMALL BUSI-  
24 NESSES.—

1           “(A) IN GENERAL.—Except as provided in  
2 paragraph (4), a contracting officer shall give  
3 preference in awarding contracts under sub-  
4 paragraph (A) or (B) of paragraph (2) to quali-  
5 fied HUBZone small business concerns that are  
6 also eligible to be awarded contracts under sec-  
7 tion 8(a).

8           “(B) REGULATORY LIMITATION.—No rule,  
9 regulation, or order of the Administration or  
10 the Federal Acquisition Regulatory Council may  
11 require a contracting officer, in awarding  
12 contracts—

13           “(i) to give preferential treatment to a  
14 qualified HUBZone small business concern  
15 relative to a small business concern that is  
16 eligible to be awarded a contract under  
17 section 8(a); or

18           “(ii) to give preferential treatment to  
19 a small business concern that is eligible to  
20 be awarded a contract under section 8(a)  
21 relative to a qualified HUBZone small  
22 business concern.”.

23 **SEC. 613. CORRECTION OF HUBZONE REFERENCE.**

24           Section 8(d)(4)(D) of the Small Business Act (15  
25 U.S.C. 637(d)(4)(D)) is amended by inserting “qualified

1 HUBZone small business concerns,” after “small business  
2 concerns,”.

3 **SEC. 614. COMMUNITY DEVELOPMENT.**

4 Section 3(p) of the Small Business Act (15 U.S.C.  
5 632(p)), as amended by this Act, is amended—

6 (1) in paragraph (3)—

7 (A) in subparagraph (B), by striking “or”  
8 at the end;

9 (B) in subparagraph (C), by striking the  
10 period at the end and inserting “; or”; and

11 (C) by adding at the end the following:

12 “(D) a community development corpora-  
13 tion that has received financial assistance under  
14 Part 1 of Subchapter A of the Community Eco-  
15 nomic Development Act of 1981 (42 U.S.C.  
16 9805 et seq.).”; and

17 (2) in paragraph (5)(A)(i)(I)(aa), as amended  
18 by this Act, by striking “paragraph (3)(A)” and in-  
19 serting “subparagraph (A) or (D) of paragraph  
20 (3)”.

21 **SEC. 615. REFERENCE CORRECTION.**

22 Section 3(p)(5)(C) of the Small Business Act (15  
23 U.S.C. 632(p)(5)(C)) is amended by striking “subclause  
24 (IV) and (V) of subparagraph (A)(i)” and inserting “items  
25 (aa) and (bb) of subparagraph (A)(i)(III)”.

1 **TITLE VII—NATIONAL WOMEN’S**  
2 **BUSINESS COUNCIL REAU-**  
3 **THORIZATION**

4 **SEC. 701. SHORT TITLE.**

5 This title may be cited as the “National Women’s  
6 Business Council Reauthorization Act of 2000”.

7 **SEC. 702. DUTIES OF THE COUNCIL.**

8 Section 406 of the Women’s Business Ownership Act  
9 of 1988 (15 U.S.C. 631 note) is amended to read as fol-  
10 lows:

11 **“SEC. 406. DUTIES OF THE COUNCIL.**

12 “(a) IN GENERAL.—The Council shall—

13 “(1) provide advice and counsel to the Presi-  
14 dent and to the Congress on economic matters of  
15 importance to women business owners;

16 “(2) promote initiatives designed to increase ac-  
17 cess to capital and to markets, training and tech-  
18 nical assistance, research, resources, and leadership  
19 opportunities for and about women business owners;

20 “(3) provide a source of information and a cat-  
21 alyst for action to support women’s business devel-  
22 opment;

23 “(4) promote the implementation of the policy  
24 agenda, initiatives and recommendations issued at

1 Summit '98, the National Women's Economic  
2 Forum;

3 “(5) review, coordinate, and monitor plans and  
4 programs developed in the public and private sectors  
5 that affect the ability of women-owned small busi-  
6 ness concerns to obtain capital and credit;

7 “(6) work with—

8 “(A) the Federal agencies for the purpose  
9 of assisting them in meeting the 5 percent  
10 women's procurement goal established under  
11 section 15(g) of the Small Business Act; and

12 “(B) the private sector in increasing con-  
13 tracting opportunities for women-owned small  
14 business concerns;

15 “(7) promote and assist in the development of  
16 a women's business census and other statistical sur-  
17 veys of women-owned small business concerns;

18 “(8) support new and ongoing research on  
19 women-owned small business concerns;

20 “(9) monitor and promote the plans, programs,  
21 and operations of the departments and agencies of  
22 the Federal Government that may contribute to the  
23 establishment and growth of women's business en-  
24 terprise;

1           “(10) develop and promote new initiatives, poli-  
2           cies, programs, and plans designed to foster women’s  
3           business enterprise; and

4           “(11) advise and consult with State and local  
5           leaders to develop and implement programs and poli-  
6           cies that promote women’s business ownership.

7           “(b) INTERACTION WITH THE INTERAGENCY COM-  
8           MITTEE ON WOMEN’S BUSINESS ENTERPRISE.—The  
9           Council shall—

10           “(1) advise the Interagency Committee on  
11           Women’s Business Enterprise (in this section re-  
12           ferred to as the ‘Committee’) on matters relating to  
13           the activities, functions, and policies of the Com-  
14           mittee, as provided in this title; and

15           “(2) meet jointly with the Committee at the dis-  
16           cretion of the chairperson of the Council and the  
17           chairperson of the Committee, but not less fre-  
18           quently than biannually.

19           “(c) MEETINGS.—The Council shall meet separately  
20           at such times as the Council deems necessary. A majority  
21           of the members of the Council shall constitute a quorum  
22           for the approval of recommendations or reports issued  
23           pursuant to this section.

24           “(d) RECOMMENDATIONS AND REPORTS.—

1           “(1) IN GENERAL.—Not later than 90 days  
2 after the last day of each fiscal year, the Council  
3 shall—

4           “(A) make recommendations for consider-  
5 ation by the Committee; and

6           “(B) submit a report to the President, the  
7 Committee, the Administrator, the Committee  
8 on Small Business of the Senate, and the Com-  
9 mittee on Small Business of the House of Rep-  
10 resentatives, as described in paragraph (2).

11           “(2) CONTENTS OF REPORTS.—The reports re-  
12 quired by paragraph (1) shall contain—

13           “(A) a detailed description of the activities  
14 of the Council during the preceding fiscal year,  
15 including a status report on the progress of the  
16 Council toward meeting its duties under sub-  
17 sections (a);

18           “(B) the findings, conclusions, and rec-  
19 ommendations of the Council; and

20           “(C) the recommendations of the Council  
21 for such legislation and administrative actions  
22 as the Council considers appropriate to promote  
23 the development of small business concerns  
24 owned and controlled by women.

1       “(e) SEPARATE SUBMISSIONS.—The Administrator  
 2 shall submit any additional, concurring, or dissenting  
 3 views or recommendations to the President, the Com-  
 4 mittee, and the Congress separately from any rec-  
 5 ommendations or report submitted by the Council under  
 6 this section.”.

7 **SEC. 703. MEMBERSHIP OF THE COUNCIL.**

8       Section 407 of the Women’s Business Ownership Act  
 9 of 1988 (15 U.S.C. 631 note) is amended—

10           (1) in subsection (a), by striking “Not later”  
 11 and all that follows through “the President” and in-  
 12 serting “The President”;

13           (2) in subsection (b)—

14               (A) by striking “Not later” and all that  
 15 follows through “the Administrator” and insert-  
 16 ing “The Administrator”; and

17               (B) by striking “the Assistant Adminis-  
 18 trator of the Office of Women’s Business Own-  
 19 ership and”;

20           (3) in subsection (d), by striking “, except  
 21 that” and all that follows through the end of the  
 22 subsection and inserting a period; and

23           (4) in subsection (h), by striking “Not later”  
 24 and all that follows through “the Administrator”  
 25 and inserting “The Administrator”.

1 **SEC. 704. REPEAL OF PROCUREMENT PROJECT; STATE AND**  
 2 **LOCAL ECONOMIC NETWORKS.**

3 Section 409 of the Women’s Business Ownership Act  
 4 of 1988 (15 U.S.C. 631 note) is amended to read as fol-  
 5 lows:

6 **“SEC. 409. STATE AND LOCAL ECONOMIC NETWORKS.**

7 “The Council shall work with State and local officials  
 8 and business leaders to develop the infrastructure for  
 9 women’s business enterprise for the purpose of increasing  
 10 women’s effectiveness in shaping the economic agendas of  
 11 their States and communities.”.

12 **SEC. 705. STUDIES AND OTHER RESEARCH.**

13 Section 410 of the Women’s Business Ownership Act  
 14 of 1988 (15 U.S.C. 631 note) is amended to read as fol-  
 15 lows:

16 **“SEC. 410. STUDIES, OTHER RESEARCH, AND ISSUE INITIA-**  
 17 **TIVES.**

18 “(a) IN GENERAL.—

19 “(1) AUTHORITY.—The Council may, as it de-  
 20 termines to be appropriate, conduct such studies, re-  
 21 search, and issue initiatives relating to—

22 “(A) the award of Federal, State, local,  
 23 and private sector prime contracts and sub-  
 24 contracts to women-owned businesses; and

25 “(B) access to credit and investment cap-  
 26 ital by women entrepreneurs and business de-

1           velopment assistance programs, including the  
2           identification of best practices.

3           “(2) PURPOSES.—Studies, research, and issue  
4           initiatives may be conducted under paragraph (1)  
5           for purposes including—

6                   “(A) identification of several focused out-  
7                   reach initiatives in nontraditional industry sec-  
8                   tors for the purpose of increasing contract  
9                   awards to women in those areas;

10                   “(B) supporting the growth and prolifera-  
11                   tion of programs designed to prepare women to  
12                   successfully access the equity capital markets;

13                   “(C) continuing to identify and report on  
14                   financial best practices that have worked to in-  
15                   crease credit and capital availability to women  
16                   business owners; and

17                   “(D) working with Women’s Business Cen-  
18                   ters to develop programs and coordinate activi-  
19                   ties.

20           “(b) CONTRACT AUTHORITY.—In conducting any  
21           study or other research under this section, the Council  
22           may contract with 1 or more public or private entities.”.

1 **SEC. 706. AUTHORIZATION OF APPROPRIATIONS.**

2 Section 411 of the Women’s Business Ownership Act  
3 of 1988 (15 U.S.C. 631 note) is amended to read as fol-  
4 lows:

5 **“SEC. 411. AUTHORIZATION OF APPROPRIATIONS.**

6 “(a) IN GENERAL.—There is authorized to be appro-  
7 priated to carry out this title \$1,000,000, for each of fiscal  
8 years 2001 through 2003, of which \$550,000 shall be  
9 available in each such fiscal year to carry out sections 409  
10 and 410.

11 “(b) BUDGET REVIEW.—No amount made available  
12 under this section for any fiscal year may be obligated or  
13 expended by the Council before the date on which the  
14 Council reviews and approves the operating budget of the  
15 Council to carry out the responsibilities of the Council for  
16 that fiscal year.”.

17 **TITLE VIII—MISCELLANEOUS**  
18 **PROVISIONS**

19 **SEC. 801. NATIVE AMERICAN SMALL BUSINESS DEVELOP-**  
20 **MENT CENTERS.**

21 The Small Business Act (15 U.S.C. 631 et seq.) is  
22 amended by inserting after section 21A the following:

23 **“SEC. 21B. NATIVE AMERICAN SMALL BUSINESS DEVELOP-**  
24 **MENT CENTER NETWORK.**

25 “(a) DEFINITIONS.—In this section—

1           “(1) the term ‘Alaska Native’ means a Native  
2           (as such term is defined in section 3(b) of the Alas-  
3           ka Native Claims Settlement Act (43 U.S.C.  
4           1602(b)));

5           “(2) the term ‘Indian tribe’ has the same mean-  
6           ing as in section 8(a)(13);

7           “(3) the terms ‘Native American Small Busi-  
8           ness Development Center Network’ and ‘Network’  
9           mean 1 lead center small business development cen-  
10          ter with satellite locations located on reservations;

11          “(4) the terms ‘Native Hawaiian’ and ‘Native  
12          Hawaiian Organization’ have the same meanings as  
13          in paragraphs (1) and (3), respectively, of section  
14          9212 of the Native Hawaiian Education Act (20  
15          U.S.C. 7912) and section 8(a)(15) of this Act;

16          “(5) the term ‘reservation’ means—

17                 “(A) the geographically defined area over  
18                 which a tribal organization exercises govern-  
19                 mental jurisdiction; or

20                 “(B) a geographic area with a substantial  
21                 proportion of Alaska Natives, members of 1 or  
22                 more Indian tribes, or Native Hawaiians, as  
23                 designated by the Administration;

24          “(6) the term ‘Tribal Business Information  
25          Center’ means a business information center estab-

1 lished by the Administration and a tribal organiza-  
2 tion on a reservation, as authorized by this section;

3 “(7) the terms ‘Tribal Electronic Commerce  
4 Small Business Resource Center’ and ‘Resource  
5 Center’ mean an information sharing system and re-  
6 source center providing research and resources to  
7 the Network, as authorized by this section; and

8 “(8) the term ‘tribal organization’ has the same  
9 meaning as in section 4(1) of the Indian Self-Deter-  
10 mination and Education Assistance Act (25 U.S.C.  
11 450b(1)), except for the proviso contained in that  
12 paragraph, and includes Native Hawaiian Organiza-  
13 tions and organizations of Alaska Natives.

14 “(b) AUTHORITY FOR NETWORK.—

15 “(1) IN GENERAL.—The Administration may  
16 establish a Native American Small Business Devel-  
17 opment Center Network and a Tribal Electronic  
18 Commerce Small Business Resource Center.

19 “(2) PURPOSE.—The purpose of the Network  
20 shall be to stimulate reservation economies through  
21 the creation and expansion of small businesses.

22 “(3) ESTABLISHMENT.—The Administration  
23 may provide 1 or more contracts, grants, and coop-  
24 erative agreements to any established tribal organi-  
25 zation to establish the Network and the Resource

1 Center. Awards made under this section may be sub-  
2 granted.

3 “(c) USES OF ASSISTANCE.—Services provided by the  
4 Network shall include—

5 “(1) providing current business management  
6 and technical assistance in a cost-effective and cul-  
7 turally tailored manner that primarily serves Alaska  
8 Natives, members of Indian tribes, and Native Ha-  
9 waiians;

10 “(2) providing Tribal Business Information  
11 Centers with current electronic commerce informa-  
12 tion, training, and other forms of technical assist-  
13 ance;

14 “(3) supporting the Resource Center; and

15 “(4) providing any of the services that a small  
16 business development center may provide under sec-  
17 tion 21.

18 “(d) GRANT AND COOPERATIVE AGREEMENT  
19 MATCHING REQUIREMENT.—

20 “(1) IN GENERAL.—As a condition for receiving  
21 a contract, grant, or cooperative agreement author-  
22 ized by this section, the recipient organization shall  
23 agree to obtain, after its application has been ap-  
24 proved and notice of award has been issued, cash or

1 in kind contributions from non-Federal sources as  
2 follows:

3 “(A) One non-Federal dollar for each 4  
4 Federal dollars in the first and second years of  
5 the term of the assistance.

6 “(B) One non-Federal dollar for each 3  
7 Federal dollars in the third and fourth years of  
8 the term of the assistance.

9 “(C) One non-Federal dollar for each Fed-  
10 eral dollar in the fifth and succeeding years of  
11 the term of the assistance.

12 “(2) WAIVER.—The Administration may waive  
13 or reduce the matching funds requirements in para-  
14 graph (1) with respect to a recipient organization if  
15 the Administration determines that such action is  
16 consistent with the purposes of this section and in  
17 the best interests of the program authorized by this  
18 section.

19 “(3) EXCEPTION.—The matching funds re-  
20 quirement of paragraph (1) does not apply to con-  
21 tracts, grants, or cooperative agreements made to a  
22 tribal organization for the Resource Center.

23 “(e) AUTHORIZATION.—There is authorized to be  
24 appropriated—

1           “(1) to carry out this section, \$3,000,000 for  
2           fiscal year 2001 and each subsequent fiscal year;  
3           and

4           “(2) to fund the establishment and implementa-  
5           tion of one Resource Center under the authority of  
6           this section, \$500,000 for fiscal year 2001 and each  
7           subsequent fiscal year.”.

8   **SEC. 802. COSPONSORSHIP.**

9           Section 8(b)(1)(A) of the Small Business Act (15  
10          U.S.C. 637(b)(1)(A)) is amended to read as follows:

11           “(1)(A) to provide—

12                   “(i) technical, managerial, and informa-  
13                   tional aids to small business concerns—

14                           “(I) by advising and counseling on  
15                           matters in connection with Government  
16                           procurement and policies, principles, and  
17                           practices of good management;

18                           “(II) by cooperating and advising  
19                           with—

20                                   “(aa) voluntary business, profes-  
21                                   sional, educational, and other non-  
22                                   profit organizations, associations, and  
23                                   institutions (except that the Adminis-  
24                                   tration shall take such actions as it  
25                                   determines necessary to ensure that

1           such cooperation does not constitute  
2           or imply an endorsement by the Ad-  
3           ministration of the organization or its  
4           products or services, and shall ensure  
5           that it receives appropriate recogni-  
6           tion in all printed materials); and

7                   “(bb) other Federal and State  
8           agencies;

9                   “(III) by maintaining a clearinghouse  
10          for information on managing, financing,  
11          and operating small business enterprises;  
12          and

13                   “(IV) by disseminating such informa-  
14          tion, including through recognition events,  
15          and by other activities that the Adminis-  
16          tration determines to be appropriate; and

17                   “(ii) through cooperation with a profit-  
18          making concern (referred to in this paragraph  
19          as a ‘cosponsor’), training, information, and  
20          education to small business concerns, except  
21          that the Administration shall—

22                           “(I) take such actions as it deter-  
23          mines to be appropriate to ensure that—

24                                   “(aa) the Administration receives  
25          appropriate recognition and publicity;

1           “(bb) the cooperation does not  
2           constitute or imply an endorsement by  
3           the Administration of any product or  
4           service of the cosponsor;

5           “(cc) unnecessary promotion of  
6           the products or services of the cospon-  
7           sor is avoided; and

8           “(dd) utilization of any 1 cospon-  
9           sor in a marketing area is minimized;  
10          and

11          “(II) develop an agreement, executed  
12          on behalf of the Administration by an em-  
13          ployee of the Administration in Wash-  
14          ington, the District of Columbia, that pro-  
15          vides, at a minimum, that—

16               “(aa) any printed material to an-  
17               nounce the cosponsorship or to be dis-  
18               tributed at the cosponsored activity,  
19               shall be approved in advance by the  
20               Administration;

21               “(bb) the terms and conditions of  
22               the cooperation shall be specified;

23               “(cc) only minimal charges may  
24               be imposed on any small business con-

1                   cern to cover the direct costs of pro-  
2                   viding the assistance;

3                   “(dd) the Administration may  
4                   provide to the cosponsorship mailing  
5                   labels, but not lists of names and ad-  
6                   dresses of small business concerns  
7                   compiled by the Administration;

8                   “(ee) all printed materials con-  
9                   taining the names of both the Admin-  
10                  istration and the cosponsor shall in-  
11                  clude a prominent disclaimer that the  
12                  cooperation does not constitute or  
13                  imply an endorsement by the Adminis-  
14                  tration of any product or service of  
15                  the cosponsor; and

16                  “(ff) the Administration shall en-  
17                  sure that it receives appropriate rec-  
18                  ognition in all cosponsorship printed  
19                  materials.”.

20 **SEC. 803. FRAUD AND FALSE STATEMENTS.**

21                  Section 1014 of title 18, United States Code, is  
22                  amended by striking “a small business investment com-  
23                  pany” and inserting “the Small Business Administration  
24                  or a small business investment company as to actions  
25                  taken under the Small Business Investment Act of 1958”.

1 **SEC. 804. FINANCIAL INSTITUTION CIVIL PENALTIES.**

2 Section 951(c) of the Financial Institutions Reform  
3 Recovery and Enforcement Act of 1989 (12 U.S.C.  
4 1833a(c)(1)) is amended—

5 (1) in paragraph (1), by striking “or” at the  
6 end;

7 (2) in paragraph (2), by striking the period at  
8 the end and inserting “, Federal lending agency, or  
9 Federal guarantor; or”; and

10 (3) by adding at the end the following:

11 “(3) section 16(a) of the Small Business Act.”.

12 **SEC. 805. VERY SMALL BUSINESS PROGRAM.**

13 Section 304(i) of the Small Business Administration  
14 Reauthorization and Amendments Act of 1994 (15 U.S.C.  
15 644 note) is amended by striking “September 30, 2000”  
16 and inserting “September 30, 2003.”.

17 **SEC. 806. SDB.**

18 Section 7102(c) of the Federal Acquisition Stream-  
19 lining Act of 1994 (15 U.S.C. 644 note) is amended by  
20 striking “September 30, 2000” and inserting “September  
21 30, 2005”.

22 **SEC. 807. SUBCONTRACTING PREFERENCE FOR VETERANS.**

23 Section 8(d) of the Small Business Act (15 U.S.C.  
24 637(d)) is amended—

25 (1) in paragraph (1), by inserting “small busi-  
26 ness concerns owned and controlled by veterans,”

1 after “small business concerns,” the first place that  
2 term appears in each of the first and second sen-  
3 tences;

4 (2) in paragraph (3)—

5 (A) in subparagraph (A), by inserting  
6 “small business concerns owned and controlled  
7 by service-disabled veterans,” after “small busi-  
8 ness concerns owned and controlled by vet-  
9 erans,” in each of the first and second sen-  
10 tences; and

11 (B) in subparagraph (F), by inserting  
12 “small business concern owned and controlled  
13 by service-disabled veterans,” after “small busi-  
14 ness concern owned and controlled by vet-  
15 erans,”; and

16 (3) in each of paragraphs (4)(D), (4)(E),  
17 (6)(A), (6)(C), (6)(F), and (10)(B), by inserting  
18 “small business concern owned and controlled by  
19 service-disabled veterans,” after “small business con-  
20 cerns owned and controlled by veterans,”.

21 **SEC. 808. SIZE STANDARDS.**

22 (a) **INDUSTRY CLASSIFICATIONS.**—Section 15(a) of  
23 the Small Business Act (15 U.S.C. 644(a)) is amended  
24 in the eighth sentence, by striking “four-digit standard”  
25 and all that follows through “published” and inserting

1 “definition of a ‘United States industry’ under the North  
2 American Industry Classification System, as established”.

3 (b) ANNUAL RECEIPTS.—Section 3(a)(1) of the  
4 Small Business Act (15 U.S.C. 632(a)(1)) is amended by  
5 striking “\$500,000” and inserting “\$750,000”.

6 (c) CERTAIN PACKING HOUSES.—

7 (1) IN GENERAL.—Section 3(a)(1) of the Small  
8 Business Act (15 U.S.C. 632(a)(1)) is amended by  
9 inserting before the period “and, in the case of an  
10 enterprise that is a fresh fruit and vegetable packing  
11 house, has not more than 200 employees”.

12 (2) EFFECTIVE DATE.—The amendment made  
13 by paragraph (1) shall apply to any application to  
14 the Small Business Administration for emergency or  
15 disaster loan assistance that was pending on or after  
16 April 1, 1999.

17 (d) PUBLIC COMMENT.—Section 3(a)(2)(C)(i) of the  
18 Small Business Act (15 U.S.C. 632 (a)(2)(C)(i)) is  
19 amended to read as follows:

20 “(i) is published as a notice of pro-  
21 posed rulemaking for public comment;”.

22 **SEC. 809. DRUG-FREE WORKPLACE PROGRAM.**

23 Section 27(g)(1) of the Small Business Act (15  
24 U.S.C. 654(g)(1)) is amended by striking “1999 and  
25 2000” and inserting “2001 and 2002”.



**Calendar No. 838**

106TH CONGRESS  
2D SESSION

**S. 3121**

**[Report No. 106-422]**

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**A BILL**

To reauthorize programs to assist small business concerns, and for other purposes.

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SEPTEMBER 27 (legislative day, SEPTEMBER 22), 2000

Read twice and placed on the calendar