Public Law 106–165
106th Congress

An Act

To amend the Small Business Act with respect to the women's business center program.

Dec. 9, 1999
[S. 791]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

Women's Business Centers Sustainability Act of 1999.
15 USC 631 note.

SECTION 1. SHORT TITLE.

This Act may be cited as the "Women's Business Centers Sustainability Act of 1999".

SEC. 2. PRIVATE NONPROFIT ORGANIZATIONS.

Section 29 of the Small Business Act (15 U.S.C. 656) is amended—

(1) in subsection (a)—

(A) by redesignating paragraphs (2) and (3) as paragraphs (3) and (4), respectively; and

(B) by inserting after paragraph (1) the following:

"(2) the term 'private nonprofit organization' means an entity that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code;"; and

(2) in subsection (b), by inserting "nonprofit" after "private".

SEC. 3. INCREASED MANAGEMENT OVERSIGHT AND REVIEW OF WOMEN'S BUSINESS CENTERS.

Section 29 of the Small Business Act (15 U.S.C. 656) is amended—

(1) by striking subsection (h) and inserting the following:

"(h) PROGRAM EXAMINATION.—

"(1) IN GENERAL.—The Administration shall—

"(A) develop and implement an annual programmatic and financial examination of each women's business center established pursuant to this section, pursuant to which each such center shall provide to the Administration—

"(i) an itemized cost breakdown of actual expenditures for costs incurred during the preceding year; and

"(ii) documentation regarding the amount of matching assistance from non-Federal sources obtained and expended by the center during the preceding year in order to meet the requirements of subsection (c) and, with respect to any in-kind contributions described in subsection (c)(2) that were used to satisfy the requirements of subsection (c), verification of the existence and valuation of those contributions; and

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"(B) analyze the results of each such examination and, based on that analysis, make a determination regarding the programmatic and financial viability of each women's business center.

"(2) CONDITIONS FOR CONTINUED FUNDING.—In determining whether to award a contract (as a sustainability grant) under subsection (l) or to renew a contract (either as a grant or cooperative agreement) under this section with a women's business center, the Administration—

"(A) shall consider the results of the most recent examination of the center under paragraph (1); and

"(B) may withhold such award or renewal, if the Administration determines that—

"(i) the center has failed to provide any information required to be provided under clause (i) or (ii) of paragraph (1)(A), or the information provided by the center is inadequate; or

"(ii) the center has failed to provide any information required to be provided by the center for purposes of the report of the Administration under subsection (j), or the information provided by the center is inadequate."; and

(2) by striking subsection (j) and inserting the following:

"(j) MANAGEMENT REPORT.—

"(1) IN GENERAL.—The Administration shall prepare and submit to the Committees on Small Business of the House of Representatives and the Senate a report on the effectiveness of all projects conducted under this section.

"(2) CONTENTS.—Each report submitted under paragraph (1) shall include information concerning, with respect to each women's business center established pursuant to this section—

"(A) the number of individuals receiving assistance;

"(B) the number of startup business concerns formed;

"(C) the gross receipts of assisted concerns;

"(D) the employment increases or decreases of assisted concerns;

"(E) to the maximum extent practicable, increases or decreases in profits of assisted concerns; and

"(F) the most recent analysis, as required under subsection (h)(1)(B), and the subsequent determination made by the Administration under that subsection.".

SEC. 4. WOMEN'S BUSINESS CENTERS SUSTAINABILITY PILOT PROGRAM.

(a) IN GENERAL.—Section 29 of the Small Business Act (15 U.S.C. 656) is amended by adding at the end the following:

"(l) SUSTAINABILITY PILOT PROGRAM.—

Grants.

"(1) IN GENERAL.—There is established a 4-year pilot program under which the Administration is authorized to award grants (referred to in this section as 'sustainability grants') on a competitive basis for an additional 5-year project under this section to any private nonprofit organization (or a division thereof)—

"(A) that has received financial assistance under this section pursuant to a grant, contract, or cooperative agreement; and

"(B) that—

"(i) is in the final year of a 5-year project; or

"(ii) has completed a project financed under this section (or any predecessor to this section) and continues to provide assistance to women entrepreneurs.

"(2) CONDITIONS FOR PARTICIPATION.—In order to receive a sustainability grant, an organization described in paragraph (1) shall submit to the Administration an application, which shall include— Application.

"(A) a certification that the applicant—

"(i) is a private nonprofit organization;

"(ii) employs a full-time executive director or program manager to manage the center; and

"(iii) as a condition of receiving a sustainability grant, agrees—

"(I) to a site visit as part of the final selection process and to an annual programmatic and financial examination; and

"(II) to the maximum extent practicable, to remedy any problems identified pursuant to that site visit or examination;

"(B) information demonstrating that the applicant has the ability and resources to meet the needs of the market to be served by the women's business center site for which a sustainability grant is sought, including the ability to fundraise;

"(C) information relating to assistance provided by the women's business center site for which a sustainability grant is sought in the area in which the site is located, including—

"(i) the number of individuals assisted;

"(ii) the number of hours of counseling, training, and workshops provided; and

"(iii) the number of startup business concerns formed;

"(D) information demonstrating the effective experience of the applicant in—

"(i) conducting financial, management, and marketing assistance programs, as described in paragraphs (1), (2), and (3) of subsection (b), designed to impart or upgrade the business skills of women business owners or potential owners;

"(ii) providing training and services to a representative number of women who are both socially and economically disadvantaged;

"(iii) using resource partners of the Administration and other entities, such as universities;

"(iv) complying with the cooperative agreement of the applicant; and

"(v) the prudent management of finances and staffing, including the manner in which the performance of the applicant compared to the business plan of the applicant and the manner in which grant funds awarded under subsection (b) were used by the applicant; and

"(E) a 5-year plan that projects the ability of the women's business center site for which a sustainability grant is sought—

"(i) to serve women business owners or potential owners in the future by improving fundraising and training activities; and

"(ii) to provide training and services to a representative number of women who are both socially and economically disadvantaged.

"(3) REVIEW OF APPLICATIONS.—

"(A) IN GENERAL.—The Administration shall—

"(i) review each application submitted under paragraph (2) based on the information provided in subparagraphs (D) and (E) of that paragraph, and the criteria set forth in subsection (f);

"(ii) as part of the final selection process, conduct a site visit at each women's business center for which a sustainability grant is sought; and

"(iii) approve or disapprove applications for sustainability grants simultaneously with applications for grants under subsection (b).

"(B) DATA COLLECTION.—Consistent with the annual report to Congress under subsection (j), each women's business center site that is awarded a sustainability grant shall, to the maximum extent practicable, collect information relating to—

"(i) the number of individuals assisted;

"(ii) the number of hours of counseling and training provided and workshops conducted;

"(iii) the number of startup business concerns formed;

"(iv) any available gross receipts of assisted concerns; and

"(v) the number of jobs created, maintained, or lost at assisted concerns.

"(C) RECORD RETENTION.—The Administration shall maintain a copy of each application submitted under this subsection for not less than 10 years.

"(4) NON-FEDERAL CONTRIBUTION.—

"(A) IN GENERAL.—Notwithstanding any other provision of this section, as a condition of receiving a sustainability grant, an organization described in paragraph (1) shall agree to obtain, after its application has been approved under paragraph (3) and notice of award has been issued, cash and in-kind contributions from non-Federal sources for each year of additional program participation in an amount equal to 1 non-Federal dollar for each Federal dollar.

"(B) FORM OF NON-FEDERAL CONTRIBUTIONS.—Not more than 50 percent of the non-Federal assistance obtained for purposes of subparagraph (A) may be in the form of in-kind contributions that are budget line items only, including office equipment and office space.

"(5) TIMING OF REQUESTS FOR PROPOSALS.—In carrying out this subsection, the Administration shall issue requests for proposals for women's business centers applying for the pilot program under this subsection simultaneously with requests for proposals for grants under subsection (b).".

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 29(k) of the Small Business Act (15 U.S.C. 656(k)) is amended—

(1) by striking paragraph (1) and inserting the following:

"(1) IN GENERAL.—There is authorized to be appropriated, to remain available until the expiration of the pilot program under subsection (l)—

"(A) $12,000,000 for fiscal year 2000;

"(B) $12,800,000 for fiscal year 2001;

"(C) $13,700,000 for fiscal year 2002; and

"(D) $14,500,000 for fiscal year 2003.";

(2) in paragraph (2)—

(A) by striking "Amounts made" and inserting the following:

"(A) IN GENERAL.—Except as provided in subparagraph (B), amounts made"; and

(B) by adding at the end the following:

"(B) EXCEPTIONS.—Of the amount made available under this subsection for a fiscal year, the following amounts shall be available for selection panel costs, post-award conference costs, and costs related to monitoring and oversight:

"(i) For fiscal year 2000, 2 percent.

"(ii) For fiscal year 2001, 1.9 percent.

"(iii) For fiscal year 2002, 1.9 percent.

"(iv) For fiscal year 2003, 1.6 percent."; and

(3) by adding at the end the following:

"(4) RESERVATION OF FUNDS FOR SUSTAINABILITY PILOT PROGRAM.—

"(A) IN GENERAL.—Subject to subparagraph (B), of the total amount made available under this subsection for a fiscal year, the following amounts shall be reserved for sustainability grants under subsection (l):

"(i) For fiscal year 2000, 17 percent.

"(ii) For fiscal year 2001, 18.8 percent.

"(iii) For fiscal year 2002, 30.2 percent.

"(iv) For fiscal year 2003, 30.2 percent.

"(B) USE OF UNAWARDED FUNDS FOR SUSTAINABILITY PILOT PROGRAM GRANTS.—If the amount reserved under subparagraph (A) for any fiscal year is not fully awarded to private nonprofit organizations described in subsection (l)(1)(B), the Administration is authorized to use the unawarded amount to fund additional women's business center sites or to increase funding of existing women's business center sites under subsection (b).".

(c) GUIDELINES.—Not later than 30 days after the date of enactment of this Act, the Administrator of the Small Business Administration shall issue guidelines to implement the amendments made by this section.

Deadline.
15 USC 656 note.

SEC. 5. SENSE OF THE SENATE REGARDING GOVERNMENT PROCUREMENT ACCESS FOR WOMEN-OWNED SMALL BUSINESSES.

(a) FINDINGS.—The Senate finds that—

(1) women-owned small businesses are a powerful force in the economy;

(2) between 1987 and 1996—

(A) the number of women-owned small businesses in the United States increased by 78 percent, almost twice the rate of increase of all businesses in the United States;

(B) the number of women-owned small businesses increased in every State;

(C) total sales by women-owned small businesses in the United States increased by 236 percent;

(D) employment provided by women-owned small businesses in the United States increased by 183 percent; and

(E) the rates of growth for women-owned small businesses in the United States for the fastest growing industries were—

(i) 171 percent in construction;

(ii) 157 percent in wholesale trade;

(iii) 140 percent in transportation and communications;

(iv) 130 percent in agriculture; and

(v) 112 percent in manufacturing;

(3) approximately 8,000,000 women-owned small businesses in the United States provide jobs for 15,500,000 individuals and generate almost $1,400,000,000,000 in sales each year;

(4) the participation of women-owned small businesses in the United States in the procurement market of the Federal Government is limited;

(5) the Federal Government is the largest purchaser of goods and services in the United States, spending more than $200,000,000,000 each year;

(6) the majority of Federal Government purchases are for items that cost $25,000 or less; and

(7) the rate of Federal procurement for women-owned small businesses is 2.2 percent.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that, not later than 1 year after the date of enactment of this Act, the Comptroller General of the United States should—

(1) conduct an audit of the Federal procurement system regarding Federal contracting involving women-owned small businesses for the 3 preceding fiscal years;

(2) solicit from Federal employees involved in the Federal procurement system any suggestions regarding how to increase the number of Federal contracts awarded to women-owned small businesses; and

(3) submit to Congress a report on the results of that audit, which report shall include—

(A) an analysis of any identified trends in Federal contracting with respect to women-owned small businesses;

(B) any recommended means to increase the number of Federal contracts awarded to women-owned small businesses that the Comptroller General considers to be appropriate, after taking into consideration any suggestions received pursuant to a solicitation described in paragraph (2), including any such means that incorporate the concepts of teaming or partnering; and

(C) a discussion of any barriers to the receipt of Federal contracts by women-owned small businesses and other small businesses that are created by legal or regulatory procurement requirements or practices.

SEC. 6. EFFECTIVE DATE. 15 USC 656 note.

This Act and the amendments made by this Act shall take effect on October 1, 1999.

Approved December 9, 1999.

LEGISLATIVE HISTORY—S. 791 (H.R. 1497):

HOUSE REPORTS: No. 106–365 accompanying H.R. 1497 (Comm. on Small Business.

SENATE REPORTS: No. 106–214 (Comm. on Small Business).

CONGRESSIONAL RECORD, Vol. 145 (1999):

Nov. 5, considered and passed Senate.

Nov. 18, considered and passed House.