

cluding a challenge, filed by an interested party, relating to the veracity of a certification made or information provided to the Administration by a small business concern under section 632(p)(5) of this title); and

(B) verification by the Administrator of the accuracy of any certification made or information provided to the Administration by a small business concern under section 632(p)(5) of this title.

(2) Examinations

The procedures established under paragraph (1) may provide for program examinations (including random program examinations) by the Administrator of any small business concern making a certification or providing information to the Administrator under section 632(p)(5) of this title.

(3) Provision of data

Upon the request of the Administrator, the Secretary of Labor, the Secretary of Housing and Urban Development, and the Secretary of the Interior (or the Assistant Secretary for Indian Affairs), shall promptly provide to the Administrator such information as the Administrator determines to be necessary to carry out this subsection.

(4) Penalties

In addition to the penalties described in section 645(d) of this title, any small business concern that is determined by the Administrator to have misrepresented the status of that concern as a "HUBZone small business concern" for purposes of this section, shall be subject to—

(A) section 1001 of title 18; and

(B) sections 3729 through 3733 of title 31.

(Pub. L. 85-536, §2[31], as added Pub. L. 105-135, title VI, §602(b)(1)(B), Dec. 2, 1997, 111 Stat. 2629.)

REFERENCES IN TEXT

The Javits-Wagner-O'Day Act, referred to in subsection (b)(4), is act June 25, 1938, ch. 697, 52 Stat. 1196, as amended, which is classified to sections 46 to 48c of Title 41, Public Contracts. For complete classification of this Act to the Code, see Tables.

PRIOR PROVISIONS

A prior section 2[31] of Pub. L. 85-536 was renumbered section 2[32] and is set out as a note under section 631 of this title.

EFFECTIVE DATE

Section effective Oct. 1, 1997, see section 3 of Pub. L. 105-135, set out as an Effective Date of 1997 Amendment note under section 631 of this title.

INITIAL LIMITED APPLICABILITY

Section 602(b)(2) of Pub. L. 105-135 provided that: "During the period beginning on the date of enactment of this Act [Dec. 2, 1997] and ending on September 30, 2000, section 31 of the Small Business Act [15 U.S.C. 657a] (as added by paragraph (1) of this subsection) shall apply only to procurements by—

"(A) the Department of Defense;

"(B) the Department of Agriculture;

"(C) the Department of Health and Human Services;

"(D) the Department of Transportation;

"(E) the Department of Energy;

"(F) the Department of Housing and Urban Development;

"(G) the Environmental Protection Agency;

"(H) the National Aeronautics and Space Administration;

"(I) the General Services Administration; and

"(J) the Department of Veterans Affairs."

REPORT

Section 606 of Pub. L. 105-135 provided that: "Not later than March 1, 2002, the Administrator shall submit to the Committees a report on the implementation of the HUBZone program established under section 31 of the Small Business Act [15 U.S.C. 657a] (as added by section 602(b) of this title) and the degree to which the HUBZone program has resulted in increased employment opportunities and an increased level of investment in HUBZones (as defined in section 3(p) of the Small Business Act (15 U.S.C. 632(p)), as added by section 602(a) of this title)."

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 632, 645 of this title.

CHAPTER 14B—SMALL BUSINESS INVESTMENT PROGRAM

SUBCHAPTER I—GENERAL PROVISIONS

Sec.

661. Congressional declaration of policy.

662. Definitions.

SUBCHAPTER II—SMALL BUSINESS INVESTMENT DIVISION OF SMALL BUSINESS ADMINISTRATION

671. Establishment; Associate Administrator; appointment and compensation.

672. Repealed.

SUBCHAPTER III—SMALL BUSINESS INVESTMENT COMPANIES

681. Organization.

(a) Incorporation and charter under State law, period of succession; area of operations.

(b) Articles of incorporation; approval.

(c) Issuance of license.

(e) Fees.

682. Capital requirements.

(a) Amount.

(b) Sale of shares of stock to banking organizations.

(c) Diversification of ownership.

683. Borrowing operations.

(a) Authority to issue obligations.

(b) Debentures and participating securities.

(c) Third party debt.

(d) Required certifications.

(e) Capital impairment.

(f) Redemption or repurchase of preferred stock.

(g) Guarantee of payment of and authority to purchase participating securities.

(h) Computation of amounts due under participating securities.

(i) Leverage fee.

(j) Calculation of subsidy rate.

684. Equity capital for small-business concerns.

(a) Function of investment companies.

(b) Conditions.

(c) Repealed.

(d) Direct or cooperative provision of capital.

685. Long-term loans to small-business concerns.

(a) Authorization.

(b) Direct loans; loans on participation basis.

(c) Maximum rate of interest.

(d) Maturity.

<p>Sec.</p> <p>686.</p> <p>687.</p> <p>687a.</p> <p>687b.</p> <p>687c.</p> <p>687d.</p> <p>687e.</p> <p>687f.</p>	<p>(e) Soundness of loan; security. (f) Extension or renewal.</p> <p>Aggregate limitations on amount of assistance to any single enterprise. (a) Percentage limitation of private capital. (b) Repealed. (c) Application of provisions to commitments incurred prior to effective date of section.</p> <p>Operation and regulation of companies. (a) Cooperation with banks and other financial institutions. (b) Use of advisory services; depository or fiscal agents; investment of funds. (c) Rules and regulations. (d) Forfeiture of rights, privileges, and franchises; jurisdiction. (e) Liability of United States. (f) Performance of functions, powers, and duties by Administration and Administrator. (g) Annual report on Small Business Investment activities. (h) Certifications of eligibility. (i) Interest rates.</p> <p>Revocation and suspension of licenses; cease and desist orders. (a) Grounds for suspension or revocation. (b) Grounds for cease and desist order. (c) Order to show cause; contents; hearing; issuance and service. (d) Subpena of person, and books, papers and documents; fees and mileage; enforcement. (e) Petition to modify or set aside order; filing, time and place, Administration to submit record; action of court; review. (f) Enforcement of order.</p> <p>Investigations and examinations; power to subpena and take oaths and affirmations; aid of courts; examiners; reports. (a) Investigation of violations. (b) Examinations and reports. (c) Examinations of small business investment companies. (d) Valuations.</p> <p>Injunctions and other orders. (a) Grounds; jurisdiction of court. (b) Equity jurisdiction of licensee and assets thereof. (c) Trusteeship or receivership over licensee.</p> <p>Conflicts of interest.</p> <p>Removal and suspension of directors and officers of licensees. (a) Written notice of intention to remove; grounds. (b) Suspension pending completion of administrative proceedings. (c) Hearing; order of removal. (d) Stay by United States district court of suspension or prohibition. (e) Suspension of directors and officers charged with felonies involving dishonesty or breach of trust; notice; duration of suspension; removal. (f) Hearings; procedure; form and requisites of decision; review; stay of orders.</p> <p>Unlawful acts and omissions by officers, directors, employees, or agents. (a) Violation by licensee deemed violation by persons participating. (b) Breach of fiduciary duty. (c) Disqualification of officers and employees for dishonesty, fraud, or breach of trust.</p>	<p>Sec.</p> <p>687g.</p> <p>687h.</p> <p>687i, 687j.</p> <p>687k.</p> <p>687l.</p> <p>687m.</p> <p>688.</p> <p>SUBCHAPTER IV—STATE CHARTERED INVESTMENT COMPANIES AND STATE DEVELOPMENT COMPANIES</p> <p>691.</p> <p>SUBCHAPTER IV—A—GUARANTEES</p> <p>PART A. COMMERCIAL OR INDUSTRIAL LEASE AND QUALIFIED CONTRACT GUARANTEES</p> <p>692.</p> <p>693.</p> <p>694.</p> <p>694-1.</p> <p>694-2.</p> <p>694a.</p> <p>694b.</p> <p>PART B—SURETY BOND GUARANTEES</p> <p>694a.</p> <p>694b.</p>	<p>Penalties and forfeitures. (a) Report violations. (b) Exemption from reporting requirements.</p> <p>Jurisdiction and service of process.</p> <p>Repealed.</p> <p>Guaranteed obligations not eligible for purchase by Federal Financing Bank.</p> <p>Issuance and guarantee of trust certificates. (a) Issuance; debentures or participating securities composing trust or pool. (b) Terms and conditions of guarantee; payment of principal and interest. (c) Full faith and credit of United States. (d) Collection of fees. (e) Subrogation rights; ownership rights in debentures or participating securities. (f) Central registration requirements; regulation of brokers and dealers.</p> <p>Periodic issuance of guarantees and trust certificates.</p> <p>Repealed.</p> <p>SUBCHAPTER IV—STATE CHARTERED INVESTMENT COMPANIES AND STATE DEVELOPMENT COMPANIES</p> <p>Repealed.</p> <p>SUBCHAPTER IV—A—GUARANTEES</p> <p>PART A. COMMERCIAL OR INDUSTRIAL LEASE AND QUALIFIED CONTRACT GUARANTEES</p> <p>Authority of Administration to guarantee payment of rentals by small business concerns under leases of commercial and industrial property. (a) Nonavailability of guarantees from other sources; participation with qualified sureties. (b) Uniform annual fee; processing fees. (c) Escrow; default; additional discretionary provisions.</p> <p>Powers of Administration respecting loans; liquidation of obligations through creation of new leases, execution of subleases, and assignments of leases.</p> <p>Repealed.</p> <p>Planning design or installation of pollution control facilities. (a) Definitions. (b) Financing disadvantage; guarantee of payment by Administration; restrictions and limitations. (c) Uniform annual fees; processing fees; time and condition for payment; periodic review. (d) Requirements of Administration; escrow; default; discretionary provisions. (e) Assignment of guarantee. (f) Application of section 693 of this title.</p> <p>Revolving fund for qualified contract guarantees; investment of idle funds.</p> <p>PART B—SURETY BOND GUARANTEES</p> <p>Definitions.</p> <p>Surety bond guarantees. (a) Authority of Administration to guarantee surety against loss from principal's breach of bond. (b) Indemnification of surety against loss from avoiding breach. (c) Limitation of liability. (d) Regulations. (e) Reimbursement of surety; conditions. (f) Procedure for reimbursement. (g) Audit. (h) Administrative provisions.</p>
---	--	--	--