TITLE X—COMMITTEE ON SMALL BUSINESS AND ENTREPRENEURSHIP

Subtitle A—Increasing Federal Contracting Opportunities for Small Businesses

SEC. 100101. VETERAN FEDERAL PROCUREMENT ENTREPRENEURSHIP TRAINING PROGRAM.

(a) Appropriations.—In addition to amounts otherwise available, there is appropriated to the Small Business Administration for fiscal year 2022, out of any money in the Treasury not otherwise appropriated, $35,000,000, to remain available until September 30, 2030, for carrying out subsection (h) of section 32 of the Small Business Act (15 U.S.C. 657b), as added by this section.

(b) Establishment.—Section 32 of the Small Business Act (15 U.S.C. 657b) is amended by adding at the end the following:

“(h) VETERAN FEDERAL PROCUREMENT ENTREPRENEURSHIP TRAINING PROGRAM.—The Administrator, acting through the Associate Administrator, shall make grants to, or enter into cooperative agreements with, nonprofit entities to operate a Federal procurement entrepre-


neurship training program to provide assistance to small business concerns owned and controlled by veterans regarding how to increase the likelihood of being awarded contracts with the Federal Government. A grant or cooperative agreement under this subsection—

“(1) shall be made to or entered into with non-profit entities that have a track record of successfully providing educational and job training services to veteran populations from diverse locations; and

“(2) shall include terms under which the non-profit entities shall use a diverse group of professional service experts, such as Federal, State, and local contracting experts and private sector industry experts with first-hand experience in Federal Government contracting, to provide assistance to small business concerns owned and controlled by veterans through a program operated under this section.”.

SEC. 100102. EXPANDING SURETY BOND PROGRAM.

(a) APPROPRIATIONS.—In addition to amounts otherwise available, there is appropriated to the Small Business Administration for fiscal year 2022, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2031—

(1) $85,000,000 for additional capital for the fund established under section 412 of the Small
Business Investment Act of 1958 (15 U.S.C. 694c); and

(2) $15,000,000 for administrative expenses and oversight costs related to carrying out this section, and any amendments made by this section.

(b) EXPANDING SURETY BOND PROGRAM.—Section 411 of the Small Business Investment Act of 1958 is amended—

(1) in subsection (a)(1)—

(A) in subparagraph (A), by striking “$6,500,000” and inserting “$10,000,000”; and

(B) by amending subparagraph (B) to read as follows:

“(B) The Administrator may guarantee a surety under subparagraph (A) for a total work order or contract in an amount that does not exceed $20,000,000.”; and

(2) in subsection (e)(2), by striking “$6,500,000” and inserting “the amount described in subparagraph (A) or (B) of subsection (a)(1), as applicable.”.
Subtitle B—Empowering Small Business Creation and Expansion in Underrepresented Communities

SEC. 100201. FUNDING FOR UPLIFT INCUBATORS.

(a) Appropriations.—In addition to amounts otherwise available, there is appropriated to the Small Business Administration for fiscal year 2022, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2031—

(1) $850,000,000 for carrying out section 50 of the Small Business Act, as added by subsection (b);

and

(2) $150,000,000 for administrative expenses and costs related to carrying out section 50 of the Small Business Act, as added by subsection (b).

(b) Establishment.—The Small Business Act is amended by inserting after section 49 the following:

“SEC. 50. UPLIFT INCUBATORS.

“(a) Definitions.—In this section:

“(1) Economic Development Organization.—The term ‘economic development organization’—

“(A) means a regional, State, tribal, or local private nonprofit organization established
for purposes of promoting or otherwise facilitating economic development; and

“(B) includes community financial institutions, as defined in section 7(a)(36)(A).

“(2) ELIGIBLE APPLICANT.—The term ‘eligible applicant’ means—

“(A) an economic development organization;

“(B) an SBA partner organization;

“(C) an institution of higher education, as described in section 371(a) of the Higher Education Act; or

“(D) a junior or community college.

“(3) ELIGIBLE SMALL BUSINESS CONCERN.—The term ‘eligible small business concern’ means a business concern that—

“(A) is organized or incorporated in the United States;

“(B) is operating primarily in the United States;

“(C) meets—

“(i) the applicable industry-based size standard established under section 3; or

“(ii) the alternate size standard applicable to the program under section 7(a) or
the loan programs under title V of the Small Business Investment Act of 1958;

“(D) is—

“(i) in the planning stages or has been in business for not more than 5 years as of the date on which assistance under this section commences; or

“(ii) a small government contractor;

and

“(E) is—

“(i) owned and controlled by 1 or more members of an underrepresented community; or

“(ii) a Native Entity.

“(4) MEMBER OF AN UNDERREPRESENTED COMMUNITY.—The term ‘member of an underrepresented community’ means an individual—

“(A) who is a resident of—

“(i) a low-income community, as defined in section 45D(e) of the Internal Revenue Code of 1986;

“(ii) a low-income rural community;

or

“(iii) a HUBZone, as defined in section 31(b);
“(B) who is a member of an Indian or Alaska Native tribe, band, nation, pueblo, village, community, component band, or component reservation, individually identified (including parenthetically) in the most recent list published pursuant to section 104 of the Federally Recognized Indian Tribe List Act of 1994;

“(C) with a disability, as defined in section 3 of the Americans with Disabilities Act of 1990;

“(D) who is a veteran;

“(E) who completed a term of imprisonment; or

“(F) who is otherwise identified by the Administrator.

“(5) NATIVE ENTITY.—The term ‘Native Entity’ means—

“(A) a small business concern owned and controlled by an Indian Tribe individually identified (including parenthetically) in the most recent list published pursuant to section 104 of the Federally Recognized Indian Tribe List Act of 1994;
“(B) an Alaska Native Corporation, as defined in section 3(m) of the Alaska Native Claims Settlement Act; or

“(C) a Native Hawaiian organization, as defined in section 6207 of the Elementary and Secondary Education Act of 1965.

“(6) SBA PARTNER ORGANIZATION.—The term ‘SBA partner organization’ means any organization awarded financial assistance in the form of a grant, prize, cooperative agreement, or contract for the purpose of conducting a public project funded, either in whole or in part, under a program of the Administration.

“(7) SMALL GOVERNMENT CONTRACTOR.—The term ‘small government contractor’ means a small business concern that is performing a government contract or subcontract.

“(8) UPLIFT INCUBATOR.—The term ‘uplift incubator’ means an organization that is designed to accelerate the growth and success of startups and small business concerns through a variety of business support resources and services, including—

“(A) access to physical workspace and facilities;
“(B) access to capital, business education, and counseling;
“(C) networking opportunities;
“(D) mentorship opportunities;
“(E) assistance in becoming prime contractors and submitting bids for prime contracts;
“(F) conducting market research, drafting statements, and identifying acquisition authorities under which eligible small business concerns assisted under this section may enter into Federal contracts or agreements; and
“(G) other services intended to aid in developing a business.

“(b) Authority.—The Administrator shall provide financial assistance on a competitive basis in the form of a grant, prize, cooperative agreement, or contract to an eligible applicant for purposes of—
“(1) providing the services of an uplift incubator to eligible small business concerns; or
“(2) expanding or establishing a network of eligible applicants to provide the services of an uplift incubator to eligible small business concerns.

“(c) Use of Funds.—An eligible applicant that receives assistance under this section—
“(1) shall support geographic areas that serve members of an underrepresented community by providing the services of an uplift incubator; and

“(2) shall not impose or otherwise collect a fee or other compensation from eligible small business concerns in connection with the provision of such services.

“(d) Penalties for Failure to Abide by Terms or Conditions of Award.—The Administrator shall withhold payments to an eligible applicant or order the eligible applicant to return any assistance provided under this section for failure to abide by the terms and conditions of such assistance.”.

SEC. 100202. OFFICE OF NATIVE AMERICAN AFFAIRS.

(a) Appropriations.—In addition to amounts otherwise available, there is appropriated to the Small Business Administration, out of any money in the Treasury not otherwise appropriated for fiscal year 2022, $10,000,000, to remain available until September 30, 2029, to carry out section 51 of the Small Business Act, as added by subsection (b).

(b) Establishment.—The Small Business Act is amended by inserting after section 50, as added by section 100201 of this title, the following:
SEC. 51. OFFICE OF NATIVE AMERICAN AFFAIRS.

“(a) DEFINITIONS.—In this section:

“(1) ALASKA NATIVE CORPORATION.—The term ‘Alaska Native Corporation’ has the meaning given the term section 3(m) of the Alaska Native Claims Settlement Act.

“(2) INDIAN TRIBE.—The term ‘Indian Tribe’ means any Indian or Alaska Native tribe, band, nation, pueblo, village, community, component band, or component reservation, individually identified (including parenthetically) in the most recent list published pursuant to section 104 of the Federally Recognized Indian Tribe List Act of 1994.

“(3) NATIVE AMERICAN.—The term ‘Native American’ means a member of an Indian Tribe.

“(4) NATIVE HAWAIIAN ORGANIZATION.—The term ‘Native Hawaiian Organization’ has the meaning given in section 6207 of the Elementary and Secondary Education Act of 1965.

“(5) RESOURCE PARTNERS.—The term ‘resource partners’ means—

“(A) small business development centers;

“(B) women’s business centers described in section 29;
“(C) chapters of the Service Corps of Retired Executives established under section 8(b)(1)(B); and

“(D) Veteran Business Outreach Centers described in section 32.

“(b) ESTABLISHMENT.—There is established in the Administration an Office of Native American Affairs, in this section referred to as the ‘Office’, which shall provide entrepreneurship outreach and development assistance to Native Americans, Native Hawaiian Organizations and members thereof, Alaska Native Corporations and members thereof, and Indian Tribes, through the Native American Outreach Program established under subsection (c).

“(c) NATIVE AMERICAN OUTREACH PROGRAM.—

“(1) ESTABLISHMENT.—The Administrator shall establish and administer a Native American Outreach Program within the Office—

“(A) to ensure that small business concerns owned and controlled by Native Americans, Native Hawaiian Organizations, Alaska Native Corporations, and Indian Tribes, and Native American entrepreneurs have access to programs and services of the Administration;

“(B) to provide information to State, local, and tribal governments and other interested
persons about Federal assistance available to small business concerns owned and controlled by Native Americans, Native Hawaiian Organizations, Alaska Native Corporations, and Indian Tribes, and Native American entrepreneurs; and

“(C) to ensure access to in-person and virtual counseling and training services to small business concerns owned and controlled by Native Americans, Native Hawaiian Organizations, Alaska Native Corporations, and Indian Tribes, and Native American entrepreneurs.

“(2) SERVICES.—The services described in paragraph (1) shall include—

“(A) financial education on applying for and securing credit, loan guarantees, surety bonds, and investment capital, managing financial operations, and preparing and presenting financial statements and business plans;

“(B) education on management of a small business concern, including planning, organizing, staffing, and marketing;

“(C) identifying market opportunities; and
“(D) implementing economic and business
development strategies to improve long-term job
growth.”.

SEC. 100203. OFFICE OF RURAL AFFAIRS.

(a) APPROPRIATIONS.—In addition to amounts other-
wise available, there is appropriated to the Small Business
Administration, out of any money in the Treasury not oth-
erwise appropriated for fiscal year 2022, $10,000,000, to
remain available until September 30, 2029, to carry out
subsection (d) of section 26 of the Small Business Act (15
U.S.C. 653), as added by subsection (b).

(b) OFFICE OF RURAL AFFAIRS.—Section 26 of the
Small Business Act (15 U.S.C. 653) is amended by adding
at the end the following:

“(d) RURAL SMALL BUSINESS CONFERENCES.—The
Office shall administer 1 or more annual Rural Small
Business Conferences, to be held in various regions of the
United States. The purpose of such Conferences shall be
to—

“(1) promote policies and programs of the Ad-
ministration specific to small business concerns lo-
cated in rural areas, and make publicly available in-
formation about such policies and programs;

“(2) coordinate with all offices of the Adminis-
tration, resource partners, lenders, and other inter-
ested persons to ensure that the needs of small busi-
ness concerns located in rural area are being met;
and
“(3) analyze data on the effectiveness of pro-
grams of the Administration that benefit small busi-
ness concerns located in rural areas.”.

SEC. 100204. OFFICE OF EMERGING MARKETS.

(a) Appropriations.—In addition to amounts other-
wise available, there is appropriated to the Small Business
Administration, out of any money in the Treasury not oth-
erwise appropriated in fiscal year 2022, $10,000,000, to
remain available until September 30, 2029, to carry out
subsection (o) of section 7 of the Small Business Act (15
U.S.C. 636), as added by subsection (b).

(b) Establishment.—Section 7 of the Small Busi-
ness Act (15 U.S.C. 636) is amended by adding at the
end the following:

“(o) Office of Emerging Markets.—

“(1) Definitions.—In this subsection—

“(A) the term ‘Director’ means the Direc-
tor of the Office of Emerging Markets;

“(B) the term ‘microloan program’ means
the program described in subsection (m);
“(C) the term ‘small business concern in an emerging market’ means a small business concern—

“(i) that is located in—

“(I) a low-income or moderate-income area for purposes of the Community Development Block Grant Program under title I of the Housing and Community Development Act of 1974; or

“(II) a HUBZone, as that term is defined in section 31(b);

“(ii) that is growing, newly established, or a startup;

“(iii) owned and controlled by veterans;

“(iv) owned and controlled by individuals with a disability, as defined in section 3 of the Americans with Disabilities Act of 1990; or

“(v) owned and controlled by other individuals or groups identified by the Administrator.

“(2) ESTABLISHMENT.—There is established within the Office of Capital Access of the Adminis-
tration an office to be known as the ‘Office of Emerging Markets’. The Office of Emerging Markets shall be administered by a Director who shall be responsible for the planning, coordination, implementation, evaluation, and improvement of the efforts of the Administrator to enhance the economic well-being of small business concerns in an emerging market.’’.

SEC. 100205. STATE TRADE EXPANSION PROGRAM.

In addition to amounts otherwise available, there is appropriated to the Small Business Administration for fiscal year 2022, out of any money in the Treasury not otherwise appropriated—

(1) $31,710,000, to remain available until September 30, 2027, to carry out section 22(l) of the Small Business Act (15 U.S.C. 649(l)) in fiscal year 2023, and

(2) $31,710,000, to remain available until September 30, 2027, to carry out section 22(l) of the Small Business Act (15 U.S.C. 649(l)) in fiscal year 2024.
Subtitle C—Encouraging Small Businesses to Fully Engage in the Innovation Economy

SEC. 100301. GROWTH ACCELERATOR COMPETITION.

(a) Appropriations.—In addition to amounts otherwise available, there is appropriated to the Small Business Administration for fiscal year 2022, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2031—

(1) $190,000,000 for carrying out section 52 of the Small Business Act, as added by subsection (b); and

(2) $10,000,000 for administrative expenses and oversight costs related to carrying out section 52 of the Small Business Act, as added by subsection (b).

(b) In General.—The Small Business Act is amended by inserting after section 51, as added by section 100202 of this title, the following:

“SEC. 52. GROWTH ACCELERATOR COMPETITION.

“(a) Definitions.—In this section:

“(1) Award.—The term ‘award’ means a grant, prize, contract, cooperative agreement, or other cash or cash equivalent.
“(2) Disability. — The term ‘disability’ has the meaning given the term in section 3 of the Americans with Disabilities Act of 1990.

“(3) Eligible entity. — The term ‘eligible entity’ means—

“(A) an eligible applicant, as defined in section 50; or

“(B) an organization that is a growth accelerator located in the United States.

“(4) Growth accelerator. — The term ‘growth accelerator’ means an organization that—

“(A) supports new small business concerns that have a focus on technology, research, and development;

“(B) works with a new small business concern for a predetermined amount of time;

“(C) provides mentorship and instruction to small business concerns to grow the business concern; or

“(D) offers startup capital or the opportunity to raise capital from outside investors to small business concerns.

“(5) New small business concern. — The term ‘new small business concern’ means a small
business concern that has been in operation for not more than 5 years.

“(b) ESTABLISHMENT.—The Administrator shall make competitive awards of not less than $100,000 to eligible entities to accelerate the growth of new small business concerns by providing—

“(1) assistance to small business concerns to access capital and find mentors and networking opportunities; and

“(2) advice to small business concerns, including advising on market analysis, company strategy, revenue growth, commercialization, and securing funding.

“(c) USE OF FUNDS.—An award under this section—

“(1) may be used by an eligible entity recipient for construction costs, acquisition of physical workspace and facilities, and programmatic purposes to benefit new small business concerns; and

“(2) may not be used by an eligible entity recipient to provide capital to new small business concerns directly or through the subaward of funds.

“(d) PENALTIES FOR FAILURE TO ABIDE BY TERMS OR CONDITIONS OF AWARD.—The Administrator shall withhold payments to an eligible entity or order the eligible entity to return an award made under this section for
failure to abide by the terms and conditions of the award.”.

Subtitle D—Increasing Equity Opportunities

SEC. 100401. INCREASING EQUITY INVESTMENT IN THE SBIC PROGRAM.

(a) Appropriations.—In addition to amounts otherwise available, there is appropriated to the Small Business Administration for fiscal year 2022, out of any money in the Treasury not otherwise appropriated, $20,000,000, to remain available until September 30, 2031, for carrying out this section.

(b) Establishment.—The Small Business Investment Act of 1958, is amended—

(1) in section 103 (15 U.S.C. 662)—

(A) in paragraph (9)(B)(iii)—

(i) in subclause (II), by striking “and” at the end;

(ii) in subclause (III), by adding “and” at the end; and

(iii) by adding at the end the following:

“(IV) funds obtained from any financial institution identified under section 302(b);”; and
(B) in paragraph (13)(C), by striking “in an aggregate amount that does not exceed 33 percent of the private capital of the applicant or licensee”; and

(2) in section 304 (15 U.S.C. 684), by adding at the end the following:

“(e) Notwithstanding section 310(e)(6), a licensee under section 321 may invest equity capital in investment funds that—

“(1) are majority controlled by members of an underrepresented community, as defined in section 50 of the Small Business Act;

“(2) receive annual assistance provided by such licensee; and

“(3) have an investment strategy that includes covered investments.”; and

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

“SEC. 321. EMERGING MANAGERS PROGRAM.

“(a) DEFINITIONS.—In this section:

“(1) COVERED INVESTMENTS.—The term ‘covered investments’ means investments in—

“(A) infrastructure, including—

“(i) roads, bridges, and mass transit;

“(ii) water supply and sewer;

“(iii) the electrical grid;
“(iv) broadband and telecommunications;

“(v) clean energy; or

“(vi) child care and elder care;

“(B) manufacturing;

“(C) low-income communities, as that term is defined in section 45D(e) of the Internal Revenue Code of 1986;

“(D) HUBZones, as defined in section 31(b) of the Small Business Act;

“(E) small business concerns owned and controlled by a member of an Indian tribe individually identified (including parenthetically) in the most recent list published pursuant to section 104 of the Federally Recognized Indian Tribe List Act of 1994;

“(F) small business concerns owned and controlled by an individual with a disability, as defined in section 3 of the Americans with Disabilities Act of 1990;

“(G) small business concerns owned and controlled by a veteran; or

“(H) industries identified by the Administrator.
“(2) Emerging manager company.—The term ‘emerging manager company’ means an investment management firm that invests private capital and that meets not less than 2 of the following criteria:

“(A) The partners of the firm have—

“(i) an investment track record of less than 10 years of combined investment experience; or

“(ii) a documented record of successful business experience.

“(B) The firm has an investment strategy that includes underserved markets.

“(C) The firm is not less than 50 percent owned, managed, or controlled by members of an underrepresented community (as defined in section 50 of the Small Business Act).

“(b) Establishment.—The Administrator shall establish an emerging managers program to issue licenses to emerging manager companies. An applicant described in subsection (a)(2) shall apply for a license under section 301(c) and shall—

“(1) have private capital not to exceed $100,000,000;

“(2) be managed by not less than 2 individuals;
“(3) be a second generation fund or earlier; and
“(4) have an investment strategy that includes covered investments.
“(c) MENTOR-PROTÉGÉ.—
“(1) IN GENERAL.—If an existing small business investment company or a manager thereof has a written agreement approved by the Administrator to provide guidance and assistance to an applicant for a license for a small business investment company that is to be managed by an emerging manager company, or holds minority financial interests in the Entity General Partner (as defined in section 107.160(b) of title 13, Code of Federal Regulations, or any successor regulation) of such emerging manager company, such existing small business investment company shall not be deemed to be under common control with the company licensed pursuant to this paragraph solely for the purpose of section 303(b)(2)(B).
“(2) INCREASED LEVERAGE MAXIMUM.—An existing small business investment company or a company controlled by a manager that enters into a mentor-protégé relationship under this paragraph may receive an increase in the maximum leverage cap of the company under section 303(b)(2)—
“(A) under subparagraph (A) of such section, with respect to a single license, by not more than $17,500,000; and

“(B) under subparagraph (B) of such section, with respect to multiple licenses under common control, by not more than $35,000,000.”.

SEC. 100402. MICROCAP SMALL BUSINESS INVESTMENT COMPANY LICENSE.

(a) Appropriations.—In addition to amounts otherwise available, there is appropriated to the Administration for fiscal year 2022, out of amounts in the Treasury not otherwise appropriated, $40,000,000, to remain available until September 30, 2031, to carry out paragraph (5) of section 301(c) of the Small Business Investment Act of 1958 (15 U.S.C. 681(c)), as added by subsection (b).

(b) Microcap Small Business Investment Company License.—Section 301(c) of the Small Business Investment Act of 1958 (15 U.S.C. 681(c)) is amended by adding at the end the following:

“(5) Microcap small business investment company license.—

“(A) In general.—The Administrator shall issue licenses under this subsection to applicants—
“(i) that do not satisfy the qualification requirements under paragraph (3)(A)(ii) to the extent that such requirements relate to investment experience and track record, including any such requirements further set forth in section 107.305 of title 13, Code of Federal Regulations, or any successor regulation;

“(ii) that would otherwise be issued a license under this subsection, except that the management of the applicant does not satisfy the requirements under paragraph (3)(A)(ii) to the extent that such requirements relate to investment experience and track record, including any such requirements further set forth in section 107.305 of title 13, Code of Federal Regulations, or any successor regulation;

“(iii) for which the managers of such applicant have—

“(I) a documented record of successful business experience;

“(II) a record of business management success; or
“(III) knowledge in the particular industry or business for which the applicant is pursuing an investment strategy; and

“(iv) that have demonstrated appropriate qualifications for the license.

“(B) REQUIRED INVESTMENTS.—A licensee under this paragraph shall invest not less than 50 percent of the total financings of the licensee in covered investments (as defined in section 321), of which not more than 33 percent of those investments are in small business concerns in infrastructure or manufacturing.

“(C) LEVERAGE.—A company licensed pursuant to this paragraph shall—

“(i) not be eligible to receive leverage in an amount that is more than $50,000,000; and

“(ii) be able to access leverage in an amount that is not more than 200 percent of the private capital of the company.

“(D) INVESTMENT COMMITTEE.—If a company licensed pursuant to this paragraph has investment committee members or control persons who are principals approved by the Admin-
istrator or control persons of licensed small
business investment companies not licensed
under this paragraph, such licensee or licensees
shall not be deemed to be under common con-
trol with the company licensed pursuant to this
paragraph solely for the purpose of section
303(b)(2)(B).”.

SEC. 100403. FUNDING FOR SBIC OUTREACH AND EDU-
CATION.

(a) Appropriations.—In addition to amounts other-
wise available, there is appropriated to the Small Business
Administration for fiscal year 2022, out of any money in
the Treasury not otherwise appropriated, $2,500,000, to
remain available until September 30, 2031, for carrying
out this section.

(b) Outreach and Education.—The Adminis-
trator shall develop and implement a program to promote
to, conduct outreach to, and educate prospective licensees
on the licensing procedures and other programs of small
business investment companies under title III of the Small
Subtitle E—Increasing Access to Lending and Investment Capital

SEC. 100501. FUNDING FOR COMMUNITY ADVANTAGE LOAN PROGRAM.

(a) Appropriations.—In addition to amounts otherwise available, there is appropriated to the Small Business Administration for fiscal year 2022, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2031—

(1) $224,800,000 for carrying out paragraph (38) of section 7(a) of the Small Business Act (15 U.S.C. 636(a)), as added by subsection (b);

(2) $4,000,000 for the Administrator of the Small Business Administration to develop a training course and provide free or low-cost training to covered institutions making loans under the program established under such paragraph (38); and

(3) $47,100,000 for administrative expenses related to carrying out such paragraph (38), including issuing interim final rules.

(b) Establishment.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)) is amended by adding at the end the following:

“(38) Community Advantage Loan Program.—
“(A) DEFINITIONS.—In this paragraph—

“(i) the term ‘covered institution’ means—

“(I) a development company, as defined in section 103 of the Small Business Investment Act of 1958, participating in the loan program established under title V of such Act;

“(II) a non-Federally regulated entity certified as a community development financial institution under the Community Development Banking and Financial Institutions Act of 1994;

“(III) an intermediary, as defined in subsection (m)(11), that is a nonprofit organization and is participating in the microloan program under subsection (m); and

“(IV) an eligible intermediary, as defined in subsection (l)(1), participating in the small business intermediary lending pilot program established under subsection (l)(2);
“(ii) the term ‘new business’ means a small business concern that has been in business for not more than 2 years on the date on which a loan is made to the small business concern under the program;

“(iii) the term ‘program’ means the Community Advantage Loan Program established under subparagraph (B);

“(iv) the term ‘small business concern in an underserved market’ means a small business concern—

“(I) that is located in—

“(aa) a low- to moderate-income community;

“(bb) a HUBZone, as that term is defined in section 31(b);

“(cc) a rural area; or

“(dd) any area for which a disaster declaration or determination described in subparagraph (B), (C), or (E) of subsection (b)(2) has been made that has not terminated more than 2 years (or later, as determined by the Administrator) before the
date on which a loan is made to
such concern under such sub-
section, or in any area for which
a major disaster described in
subsection (b)(2)(A) has been de-
clared, that period shall be 5
years;
“(II) that is a new business;
“(III) owned and controlled by
veterans;
“(IV) owned and controlled by an
individual who has completed a term
of imprisonment;
“(V) owned and controlled by an
individual with a disability, as that
term is defined in section 3 of the
Americans with Disabilities Act of
1990;
“(VI) owned and controlled by a
member of an Indian tribe individ-
ually identified (including parentheti-
cally) in the most recent list published
pursuant to section 104 of the Feder-
ally Recognized Indian Tribe List Act
of 1994; or
“(VII) otherwise identified by the Administrator.

“(B) Establishment.—There is established a Community Advantage Loan Program under which the Administration may guarantee loans made by covered institutions under this subsection.

“(C) Requirement to make loans to underserved markets.—Not less than 60 percent of loans made by a covered institution under the program shall consist of loans made to small business concerns in an underserved market.

“(D) Maximum loan amount.—

“(i) In general.—Except as provided in clause (ii), the maximum loan amount for a loan guaranteed under the program is $250,000.

“(ii) Exceptions.—

“(I) Requested exception.—

“(aa) In general.—Upon request by a covered institution, the Administrator may guarantee a loan under the program that is
more than $250,000 and not
more than $350,000.

“(bb) Notification.—As
soon as practicable and not later
than 14 business days after re-
ceiving a request under item
(aa), the Administration shall—

“(AA) review the re-
quest; and

“(BB) provide a deci-
sion regarding the request to
the covered institution mak-
ing the loan.

“(II) Major Disasters.—The
maximum loan amount for a loan
guaranteed under the program that is
made to a small business concern lo-
cated in an area affected by a major
disaster described in subsection
(b)(2)(A) is $350,000.

“(E) Interest Rates.—The maximum
interest rate for a loan guaranteed under the
program shall not exceed the maximum interest
rate, as determined by the Administration, ap-
plicable to other loans guaranteed under this subsection.”.

SEC. 100502. FUNDING FOR CREDIT ENHANCEMENT AND SMALL DOLLAR LOAN FUNDING.

(a) APPROPRIATIONS.—In addition to amounts otherwise available, there is appropriated to the Small Business Administration for fiscal year 2022, out of any money in the Treasury not otherwise appropriated, to remain available until September 30, 2031—

(1) $1,480,600,000 to carry out paragraph (39) of section 7(a) of the Small Business Act (15 U.S.C. 636(a)), as added by subsection (b); and

(2) $484,000,000 for administrative expenses related to carrying out such paragraph (39), including issuing interim final rules within 90 days after the date of the enactment of this title, of which $25,000,000 is reserved for grants to conduct outreach to entities eligible to receive a loan under such paragraph (39).

(b) SMALL DOLLAR LOAN FUNDING.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)), as amended by section 100501, is further amended—

(1) in paragraph (1)(A)(i), in the third sentence, by striking “; and” and all that follows through the period at the end and inserting a period;
(2) in paragraph (4)(A), by striking the comma after “prescribed by the Administration” and all that follows through the period at the end and inserting a period;

(3) in paragraph (26), by inserting “(except for those collected under paragraph (39))” after “profits”; and

(4) by adding at the end the following:

“(39) SMALL DOLLAR LOAN FUNDING.—

“(A) DEFINITIONS.—In this paragraph:

“(i) SMALL GOVERNMENT CONTRACTOR.—The term ‘small government contractor’ means a small business concern that is performing a government contract.

“(ii) SMALL MANUFACTURER.—The term ‘small manufacturer’ means a small business concern that is assigned a North American Industry Classification System code beginning with 31, 32, or 33 at the time at which the small business concern receives loan under this subsection.

“(B) DIRECT LOANS.—The Administrator is authorized to originate and disburse direct loans, including through partnerships with third parties, to small business concerns.
“(C) Maximum Loan Size.—Notwithstanding paragraph (3)(C) of this subsection, a loan made in accordance with this paragraph shall be—

“(i) except as provided in clause (ii), not more than $150,000; or

“(ii) not more than $1,000,000, if the borrower is a small manufacturer or a small government contractor.

“(D) Fees.—With respect to each loan made in accordance with this paragraph, the Administrator shall—

“(i) impose, collect, retain, and utilize fees, which may be charged to the borrower, to cover any costs associated with referring applications or originating, making, underwriting, disbursing, closing, servicing, or liquidating the loan, including any direct lending agent costs, other program or contract costs, or other agent administrative expenses;

“(ii) impose, collect, retain, and use fees (including unused fees and draw fees), which may be charged to the borrower on loans for revolving lines of credit; and
“(iii) pay third parties, including direct lending agents and financial institutions, with which the Administration partners for assistance in referring applicants or promoting, originating, making, underwriting, disbursing, closing, servicing, or liquidating loans in accordance with this paragraph on behalf of the Administration.

“(E) Terms.—Not later than 90 days after the date of the enactment of this paragraph, the Administrator shall issue interim final rules and revise any relevant rules to establish the terms and conditions for a direct loan, including repayment, underwriting criteria, interest rate, maturity, and other terms of a loan made in accordance with this paragraph.”.

SEC. 100503. EXTENSION OF TEMPORARY FEE REDUCTIONS.

(a) Appropriations.—In addition to amounts otherwise available, there is appropriated to the Small Business Administration for fiscal year 2022, out of any money in the Treasury not otherwise appropriated, $950,000,000, to remain available until September 30, 2026, for carrying out this section and any amendments made by this section.
(b) 7(a) Loan Program.—Section 326 of the Economic Aid to Hard-Hit Small Businesses, Nonprofits, and Venues Act (title III of division N of Public Law 116–260; 134 Stat. 2036; 15 U.S.C. 636 note) is amended—

(1) in subsection (a)(2), by striking “October 1, 2021” and inserting “October 1, 2026”; and

(2) in subsection (b)(2), by striking “October 1, 2021” and inserting “October 1, 2026”.


(1) in subsection (a)(1), by striking “September 30, 2021” and inserting “September 30, 2026”; and

(2) in subsection (b)(1), by striking “September 30, 2021” and inserting “September 30, 2026”.

SEC. 100504. FUNDING FOR COOPERATIVES.

(a) Appropriations.—In addition to amounts otherwise available, there is appropriated to the Small Business Administration for fiscal year 2022, out of any money in the Treasury not otherwise appropriated, $100,000,000, to remain available until September 30, 2031, for carrying out paragraph (40) of section 7(a) of the Small Business Act (15 U.S.C. 636(a)), as added by subsection (b).
(b) COOPERATIVE LENDING PILOT.—Section 7(a) of the Small Business Act (15 U.S.C. 636(a)), as amended by section 100502, is further amended by adding at the end the following:

“(40) COOPERATIVE LENDING PILOT.—

“(A) DEFINITIONS.—In this paragraph:

“(i) COMMUNITY FINANCIAL INSTITUTION.—The term ‘community financial institution’ has the meaning given in paragraph (36)(A).

“(ii) COOPERATIVE.—The term ‘cooperative’—

“(I) means an entity determined by the Administrator to be a cooperative; and

“(II) includes an entity owned by employees or consumers of the entity.

“(iii) ELIGIBLE EMPLOYEE-OWNED BUSINESS CONCERN.—The term ‘eligible employee-owned business concern’ means—

“(I) a cooperative in which the employees of the cooperative are eligible for membership;

“(II) a qualified employee trust;

or
“(III) other employee-owned entities as determined by the Administrator.

“(iv) PILOT PROGRAM.—The term ‘pilot program’ means the pilot program established under subparagraph (B).

“(B) ESTABLISHMENT.—There is established a pilot program under which the Administrator shall guarantee loans (including loans made by community financial institutions), without the requirement of a personal or entity guarantee, where such loans shall be made to cooperatives or eligible employee-owned business concerns.

“(C) TERMINATION.—The pilot program shall terminate on the date that is 5 years after the date of enactment of this paragraph.”.

(c) DELEGATED LENDING AUTHORITY FOR PREFERRED LENDERS.—Section 5(b)(7) of the Small Business Act (15 U.S.C. 634(b)(7)) is amended by striking “paragraph (15) or (35)” and inserting “paragraph (15), (35), or (40)”.
Subtitle F—Supporting
Entrepreneurial Second Chances

SEC. 100601. REENTRY ENTREPRENEURSHIP COUNSELING AND TRAINING FOR INCARCERATED AND FORMERLY INCARCERATED INDIVIDUALS.

(a) REENTRY ENTREPRENEURSHIP COUNSELING AND TRAINING FOR INCARCERATED INDIVIDUALS.—

(1) Appropriations.—In addition to amounts otherwise available, there is appropriated to the Small Business Administration, out of money in the Treasury not otherwise appropriated for fiscal year 2022, $35,000,000, to remain available until September 30, 2029, to carry out section 53 of the Small Business Act, as added by paragraph (2).

(2) In general.—The Small Business Act is amended by inserting after section 52, as added by section 100301 of this title, the following:

“SEC. 53. REENTRY ENTREPRENEURSHIP COUNSELING AND TRAINING FOR INCARCERATED INDIVIDUALS.

“(a) DEFINITIONS.—In this section:

“(1) COVERED INDIVIDUAL.—The term ‘covered individual’ means an individual who is within 1 year of completing a term of imprisonment in a fa-
ility designated as a minimum, low, or medium se-
curity.

“(2) Resource partners.—The term ‘re-
source partners’ means a small business development
center (defined in section 3) or a women’s business
center (described under section 29).

“(b) Establishment.—The Administrator shall co-
ordinate with resource partners and associations formed
to pursue matters of common concern to resource partners
to provide entrepreneurship counseling and training serv-
ices to covered individuals pursuant to subsection (c).

“(c) Use of Funds.—Amounts made available
under this section shall be used to—

“(1) develop and deliver a curriculum, including
classroom instruction and in-depth training to de-
develop skills related to business planning and finan-
cial literacy;

“(2) train mentors and instructors;

“(3) establish public-private partnerships to
support covered individuals; and

“(4) identify opportunities to access capital.”.

(b) Reentry Entrepreneurship Counseling
and Training for Formerly Incarcerated Individ-
uals.—
(1) APPROPRIATIONS.—In addition to amounts otherwise available, there is appropriated to the Small Business Administration, out of any money in the Treasury not otherwise appropriated for fiscal year 2022, $35,000,000, to remain available until September 30, 2029, to carry out section 54 of the Small Business Act, as added by paragraph (2).

(2) IN GENERAL.—The Small Business Act is amended by inserting after section 53, as added by subsection (a), the following:

"SEC. 54. REENTRY ENTREPRENEURSHIP COUNSELING AND TRAINING FOR FORMERLY INCARCERATED INDIVIDUALS.

"(a) COVERED INDIVIDUAL DEFINED.—In this section, the term ‘covered individual’ means an individual who completed a term of imprisonment.

"(b) ESTABLISHMENT.—The Administrator shall establish a program under which the Service Corps of Retired Executives authorized by section 8(b)(1)(B) shall provide entrepreneurship counseling and training services to covered individuals on a nationwide basis.

"(c) USE OF FUNDS.—Amounts made available under this section shall be used by the Service Corps of Retired Executives for providing to covered individuals the following services:
“(1) Regular individualized mentoring sessions to identify and support development of the business plans of covered individuals.

“(2) Workshops on topics specifically tailored to meet the needs of covered individuals.

“(3) Instructional videos designed specifically for covered individuals on how to start or expand a small business concern.”.

SEC. 100602. NEW START ENTREPRENEURIAL DEVELOPMENT PROGRAM FOR FORMERLY INCARCERATED INDIVIDUALS.

(a) Appropriations.—In addition to amounts otherwise available, there is appropriated to the Small Business Administration, out of any money in the Treasury not otherwise appropriated for fiscal year 2022, $35,000,000, to remain available until September 30, 2029, for carrying out this section.

(b) Definitions.—In this section—

(1) Covered individual.—The term “covered individual” means an individual who—

(A) completed a term of imprisonment; and

(B) meets the offense eligibility requirements set forth in any applicable policy notice or other guidance issued by the Small Business
Administration for the program established under section 7(m) of the Small Business Act (15 U.S.C. 636(m)).

(2) INTERMEDIARY; MICROLOAN.—The terms “intermediary” and “microloan” have the meanings given those terms, respectively, in section 7(m)(11) of the Small Business Act (15 U.S.C. 636(m)(11)).

(3) PARTICIPATING LENDER.—The term “participating lender” means a participating lender described under section 7(a) of the Small Business Act (15 U.S.C. 636(a)).

(4) PILOT PROGRAM.—The term “pilot program” means the pilot program established under subsection (b).

(5) RESOURCE PARTNER.—The term “resource partner” means—

(A) a small business development center (defined in section 3 of the Small Business Act (15 U.S.C. 632));

(B) a women’s business center (described under section 29 of such Act (15 U.S.C. 656));

(C) a chapter of the Service Corps of Retired Executives (established under section 8(b)(1)(B) of such Act ((15 U.S.C. 637(b)(1)(B))); and
(D) a Veteran Business Outreach Center
described under section 32 of such Act (15
U.S.C. 657b)).

(e) Establishment.—The Administrator shall es-
lish a pilot program to award grants to organizations,
or partnerships of organizations, to provide assistance to
covered individuals throughout the United States.

(d) Application.—

(1) In general.—An organization or partner-
ship of organizations desiring a grant under the
pilot program shall submit an application to the Ad-
ministrator in such form, in such manner, and con-
taining such information as the Administrator may
reasonably require.

(2) Contents.—An application submitted
under paragraph (1) shall—

(A) demonstrate that the applicant has a
partnership with, or is, an intermediary that
shall make microloans to covered individuals;

(B) demonstrate an ability to provide a full
range of entrepreneurial development program-
ing on an ongoing basis;

(C) include a plan for reaching covered in-
dividuals, including by identifying particular
target populations within the community in which a covered individual lives;

(D) include a plan to refer covered individuals who have completed participation in the pilot program to existing resource partners and participating lenders;

(E) include a comprehensive plan for the use of grant funds, including estimates for administrative expenses and outreach costs; and

(F) any other requirements, as determined by the Administrator.

Subtitle G—Other Matters

SEC. 100701. ADMINISTRATIVE EXPENSES.

(a) In General.—In addition to amounts otherwise available, there is appropriated to the Administration for fiscal year 2022, out of any money in the Treasury not otherwise appropriated, $125,000,000, to remain available until September 30, 2030, for administrative expenses related to carrying out this title (or any amendments made by this title), except as otherwise provided in this title.

(b) Rulemaking.—Using amounts made available under subsection (a), not later than 30 days after the date of the enactment of this Act, the Administrator shall issue rules, including interim final rules, as necessary to carry out this title and the amendments made by this title.
SEC. 100702. OFFICE OF INSPECTOR GENERAL OF THE SMALL BUSINESS ADMINISTRATION.

In addition to amounts otherwise available, there is appropriated to the Office of Inspector General of the Small Business Administration for fiscal year 2022, out of any money in the Treasury not otherwise appropriated, $12,500,000, to remain available until September 30, 2030, for audits, investigations, and other oversight of projects and activities carried out with funds made available by this title to the Small Business Administration.