

116TH CONGRESS
2D SESSION

S. 4208

To require the Minority Business Development Agency of the Department of Commerce to promote and administer programs in the public and private sectors to assist the development of minority business enterprises, to ensure that such Agency has the necessary supporting resources, particularly during economic downturns, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 2, 2020

Mr. CARDIN (for himself, Ms. CANTWELL, Mr. BOOKER, Ms. HARRIS, Mr. SCHUMER, and Ms. CORTEZ MASTO) introduced the following bill; which was read twice and referred to the Committee on Commerce, Science, and Transportation

A BILL

To require the Minority Business Development Agency of the Department of Commerce to promote and administer programs in the public and private sectors to assist the development of minority business enterprises, to ensure that such Agency has the necessary supporting resources, particularly during economic downturns, 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,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the
3 “Minority Business Resiliency Act of 2020”.

4 (b) TABLE OF CONTENTS.—The table of contents for
5 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Findings and purposes.
- Sec. 3. Definitions.
- Sec. 4. Minority Business Development Agency.

TITLE I—COVID–19 RAPID RESPONSE

- Sec. 101. Emergency appropriation.

TITLE II—EXISTING INITIATIVES

Subtitle A—Market Development, Research, and Information

- Sec. 201. Private sector development.
- Sec. 202. Public sector development.
- Sec. 203. Research and information.

Subtitle B—Minority Business Development Center Program

- Sec. 210. Purpose.
- Sec. 211. Definitions.
- Sec. 212. Establishment.
- Sec. 213. Cooperative agreements.
- Sec. 214. Minimizing disruptions to existing Business Centers program.
- Sec. 215. Publicity.
- Sec. 216. Authorization of appropriations.

**TITLE III—NEW INITIATIVES TO PROMOTE ECONOMIC
RESILIENCY FOR MINORITY BUSINESSES**

- Sec. 301. Annual diverse business forum on capital formation.
- Sec. 302. Agency study on alternative financing solutions.
- Sec. 303. Educational development relating to management and entrepreneurship.

**TITLE IV—ADMINISTRATIVE AND OTHER POWERS OF THE
AGENCY; MISCELLANEOUS PROVISIONS**

- Sec. 401. Administrative powers.
- Sec. 402. Financial assistance.
- Sec. 403. Audits.
- Sec. 404. Review and report by Comptroller general.
- Sec. 405. Annual reports; recommendations.
- Sec. 406. Separability.
- Sec. 407. Executive Order 11625.
- Sec. 408. Amendment to the Federal Acquisition Streamlining Act of 1994.

1 **SEC. 2. FINDINGS AND PURPOSES.**

2 (a) FINDINGS.—Congress finds the following:

3 (1) During times of economic downturn or re-
4 cession, communities of color, and businesses within
5 those communities, are generally more adversely af-
6 fected, which requires an expansion of the ability of
7 the Federal Government to infuse resources into
8 those communities.

9 (2) Despite the growth in the number of minor-
10 ity business enterprises, gaps remain with respect to
11 key metrics for those enterprises, such as access to
12 capital, revenue, number of employees, and survival
13 rate. Specifically—

14 (A) according to the Department of Com-
15 merce, minority business enterprises are 2 to 3
16 times more likely to be denied loans than non-
17 minority business enterprises;

18 (B) according to the Bureau of the Cen-
19 sus, the average non-minority business enter-
20 prise reports receipts that are more than 3
21 times higher than receipts reported by the aver-
22 age minority business enterprise; and

23 (C) according to the Kauffman Founda-
24 tion—

25 (i) minority business enterprises are
26 $\frac{1}{2}$ as likely to employ individuals, as com-

1 pared with non-minority business enter-
2 prises; and

3 (ii) if minorities started and owned
4 businesses at the same rate as non-minori-
5 ties, the United States economy would
6 have more than 1,000,000 additional em-
7 ployer businesses and more than 9,500,000
8 additional jobs.

9 (3) Because of the conditions described in para-
10 graph (2), it is in the interest of the United States
11 and the economy of the United States to expedi-
12 tiously ameliorate the disparities that minority busi-
13 ness enterprises experience.

14 (4) Many individuals who own minority busi-
15 ness enterprises are socially disadvantaged because
16 those individuals identify as members of certain
17 groups that have suffered the effects of discrimina-
18 tory practices or similar circumstances over which
19 those individuals have no control, including individ-
20 uals who are—

21 (A) Black or African American;

22 (B) Hispanic or Latino;

23 (C) American Indian or Alaska Native;

24 (D) Asian; and

1 (E) Native Hawaiian or other Pacific Is-
2 lander.

3 (5) Discriminatory practices and similar cir-
4 cumstances described in paragraph (4) are a signifi-
5 cant determinant of overall economic disadvantage
6 in the United States, which is evident in the per-
7 sistent racial wealth gap in the United States.

8 (6) While other Federal agencies focus only on
9 small businesses and businesses that represent a
10 broader demographic than solely minority business
11 enterprises, the Agency focuses exclusively on—

12 (A) the unique needs of minority business
13 enterprises; and

14 (B) enhancing the capacity of minority
15 business enterprises.

16 (b) PURPOSES.—The purposes of this Act are to—

17 (1) require the Agency to promote and admin-
18 ister programs in the public and private sectors to
19 assist the development of minority business enter-
20 prises; and

21 (2) achieve the development described in para-
22 graph (1) by authorizing the Assistant Secretary to
23 carry out programs that will result in increased ac-
24 cess to capital, management, and technology for mi-
25 nority business enterprises.

1 **SEC. 3. DEFINITIONS.**

2 In this Act:

3 (1) AGENCY.—The term “Agency” means the
4 Minority Business Development Agency of the De-
5 partment of Commerce.

6 (2) ASSISTANT SECRETARY.—The term “Assist-
7 ant Secretary” means the Assistant Secretary of
8 Commerce for Minority Business Development who
9 is appointed as described in section 4(b) to admin-
10 ister this Act.

11 (3) FEDERAL AGENCY.—The term “Federal
12 agency” has the meaning given the term “agency”
13 in section 551 of title 5, United States Code.

14 (4) FEDERALLY RECOGNIZED AREA OF ECO-
15 NOMIC DISTRESS.—The term “federally recognized
16 area of economic distress” means—

17 (A) a HUBZone, as that term is defined in
18 section 31(b) of the Small Business Act (15
19 U.S.C. 657a(b));

20 (B) an area that—

21 (i) has been designated as—

22 (I) an empowerment zone under
23 section 1391 of the Internal Revenue
24 Code of 1986; or

1 (II) a Promise Zone by the Sec-
 2 retary of Housing and Urban Devel-
 3 opment; or

4 (ii) is a low or moderate income area,
 5 as determined by the Bureau of the Cen-
 6 sus;

7 (C) a qualified opportunity zone, as that
 8 term is defined in section 1400Z-1 of the Inter-
 9 nal Revenue Code of 1986; or

10 (D) any other political subdivision or unin-
 11 corporated area of a State determined by the
 12 Assistant Secretary to be an area of economic
 13 distress.

14 (5) INDIAN TRIBE.—

15 (A) IN GENERAL.—Subject to subpara-
 16 graph (B), the term “Indian Tribe” has the
 17 meaning given the term “Indian tribe” in sec-
 18 tion 4 of the Indian Self-Determination and
 19 Education Assistance Act (25 U.S.C. 5304).

20 (B) NATIVE HAWAIIAN ORGANIZATION.—
 21 The term “Indian Tribe” includes a Native Ha-
 22 waiian organization.

23 (6) INSTITUTION OF HIGHER EDUCATION.—The
 24 term “institution of higher education” has the

1 meaning given the term in section 101 of the Higher
2 Education Act of 1965 (20 U.S.C. 1001).

3 (7) MINORITY BUSINESS ENTERPRISE.—The
4 term “minority business enterprise” means a for-
5 profit business enterprise—

6 (A) that is not less than 51 percent-owned
7 by 1 or more socially disadvantaged individuals;
8 and

9 (B) the management and daily business
10 operations of which are controlled by 1 or more
11 socially disadvantaged individuals.

12 (8) PRIVATE SECTOR ENTITY.—The term “pri-
13 vate sector entity”—

14 (A) means an entity that is not a public
15 sector entity; and

16 (B) does not include—

17 (i) the Federal Government;

18 (ii) any Federal agency; or

19 (iii) any instrumentality of the Fed-
20 eral Government.

21 (9) PUBLIC SECTOR ENTITY.—The term “public
22 sector entity” means—

23 (A) a State;

24 (B) an agency of a State;

25 (C) a political subdivision of a State; or

1 (D) an agency of a political subdivision of
2 a State.

3 (10) SECRETARY.—The term “Secretary”
4 means the Secretary of Commerce.

5 (11) SOCIALLY DISADVANTAGED INDIVIDUAL.—

6 (A) IN GENERAL.—The term “socially dis-
7 advantaged individual” means an individual
8 who has been subjected to racial or ethnic prej-
9 udice or cultural bias because of the identity of
10 the individual as a member of a group, without
11 regard to any individual quality of the indi-
12 vidual that is unrelated to that identity.

13 (B) PRESUMPTION.—In carrying out this
14 Act, the Assistant Secretary shall presume that
15 the term “socially disadvantaged individual” in-
16 cludes any individual who is—

- 17 (i) Black or African American;
- 18 (ii) Hispanic or Latino;
- 19 (iii) American Indian or Alaska Na-
20 tive;
- 21 (iv) Asian;
- 22 (v) Native Hawaiian or other Pacific
23 Islander; or
- 24 (vi) a member of a group that the Mi-
25 nority Business Development Agency de-

1 termines under part 1400 of title 15, Code
 2 of Federal Regulations, as in effect on No-
 3 vember 23, 1984, is a socially disadvan-
 4 taged group eligible to receive assistance.

5 (12) STATE.—The term “State” means—

6 (A) each of the States of the United
 7 States;

8 (B) the District of Columbia;

9 (C) the Commonwealth of Puerto Rico;

10 (D) the United States Virgin Islands;

11 (E) Guam;

12 (F) American Samoa;

13 (G) the Commonwealth of the Northern
 14 Mariana Islands; and

15 (H) each Indian Tribe.

16 **SEC. 4. MINORITY BUSINESS DEVELOPMENT AGENCY.**

17 (a) IN GENERAL.—There is within the Department
 18 of Commerce the Minority Business Development Agency.

19 (b) ASSISTANT SECRETARY.—

20 (1) APPOINTMENT AND DUTIES.—The Agency
 21 shall be headed by an Assistant Secretary of Com-
 22 merce for Minority Business Development, who shall
 23 be—

24 (A) appointed by the President, by and
 25 with the advice and consent of the Senate; and

1 (B) except as otherwise expressly provided,
2 responsible for the administration of this Act.

3 (2) COMPENSATION.—The Assistant Secretary
4 shall be compensated at an annual rate of basic pay
5 prescribed for level IV of the Executive Schedule
6 under section 5315 of title 5, United States Code.

7 (c) REPORT TO CONGRESS.—Not later than 120 days
8 after the date of enactment of this Act, the Secretary shall
9 submit to Congress a report that describes—

10 (1) the organizational structure of the Agency;

11 (2) the organizational position of the Agency
12 within the Department of Commerce; and

13 (3) a description of how the Agency shall func-
14 tion in relation to the operations carried out by each
15 other component of the Department of Commerce.

16 (d) OFFICE OF BUSINESS CENTERS.—

17 (1) ESTABLISHMENT.—There is established
18 within the Agency an Office of Business Centers.

19 (2) DIRECTOR.—The Office of Business Cen-
20 ters shall be administered by a Director, who shall
21 be appointed by the Assistant Secretary.

22 (e) OFFICES OF THE AGENCY.—

23 (1) IN GENERAL.—The Assistant Secretary
24 shall establish such other offices within the Agency
25 as are necessary to carry out this Act.

1 (2) REGIONAL OFFICES.—

2 (A) IN GENERAL.—In order to carry out
3 this Act, the Assistant Secretary may establish
4 a regional office of the Agency for each of the
5 regions of the United States, as determined by
6 the Assistant Secretary.

7 (B) DUTIES.—Each regional office estab-
8 lished under subparagraph (A) shall expand the
9 reach of the Agency and enable the Federal
10 Government to better serve the needs of minor-
11 ity business enterprises in the region served by
12 the office, including by—

13 (i) understanding and participating in
14 the business environment of that region;

15 (ii) working with—

16 (I) Centers, as that term is de-
17 fined in section 211, that are located
18 in that region; and

19 (II) resource and lending part-
20 ners of the Small Business Adminis-
21 tration that are located in that region;

22 (iii) being aware of business retention
23 or expansion programs specific to that re-
24 gion;

- 1 (iv) seeking out opportunities to col-
2 laborate with regional public and private
3 programs that focus on minority business
4 enterprises; and
5 (v) promoting business continuity and
6 preparedness.

7 **TITLE I—COVID-19 RAPID**
8 **RESPONSE**

9 **SEC. 101. EMERGENCY APPROPRIATION.**

10 (a) IN GENERAL.—There is appropriated to the
11 Agency for fiscal year 2020, out of any money in the
12 Treasury not otherwise appropriated, \$60,000,000 to pro-
13 vide assistance to minority business enterprises affected
14 by the economic downturn caused by the COVID-19 pan-
15 demic, which shall remain available until expended.

16 (b) EMERGENCY REQUIREMENT.—The amount pro-
17 vided by this section is designated by the Congress as
18 being for an emergency requirement pursuant to section
19 251(b)(2)(A)(i) of the Balanced Budget and Emergency
20 Deficit Control Act of 1985.

1 **TITLE II—EXISTING INITIATIVES**
2 **Subtitle A—Market Development,**
3 **Research, and Information**

4 **SEC. 201. PRIVATE SECTOR DEVELOPMENT.**

5 The Assistant Secretary shall, whenever the Assistant
6 Secretary determines such action is necessary or appro-
7 priate—

8 (1) assist minority business enterprises to pene-
9 trate domestic and foreign markets by making avail-
10 able to those business enterprises, either directly or
11 in cooperation with private sector entities, including
12 community-based organizations and national non-
13 profit organizations—

14 (A) resources relating to management;
15 (B) technological assistance;
16 (C) financial and marketing services; and
17 (D) services relating to workforce develop-
18 ment;

19 (2) encourage minority business enterprises to
20 establish joint ventures and projects—

21 (A) with other minority business enter-
22 prises; or

23 (B) in cooperation with public sector enti-
24 ties or private sector entities, including commu-
25 nity-based organizations and national nonprofit

1 organizations, to increase the share of any mar-
2 ket activity being performed by minority busi-
3 ness enterprises; and

4 (3) facilitate the efforts of private sector enti-
5 ties and Federal agencies to advance the growth of
6 minority business enterprises.

7 **SEC. 202. PUBLIC SECTOR DEVELOPMENT.**

8 The Assistant Secretary shall, whenever the Assistant
9 Secretary determines such action is necessary or appro-
10 priate—

11 (1) consult and cooperate with public sector en-
12 tities for the purpose of leveraging resources avail-
13 able in the jurisdictions of those public sector enti-
14 ties to promote the position of minority business en-
15 terprises in the local economies of those public sector
16 entities, including by assisting public sector entities
17 to establish or enhance—

18 (A) programs to procure goods and serv-
19 ices through minority business enterprises and
20 goals for that procurement;

21 (B) programs offering assistance relating
22 to—

23 (i) management;

24 (ii) technology;

25 (iii) financing;

1 (iv) marketing; and

2 (v) workforce development; and

3 (C) informational programs designed to in-
4 form minority business enterprises located in
5 the jurisdictions of those public sector entities
6 about the availability of programs described in
7 this section;

8 (2) meet with leaders and officials of public sec-
9 tor entities for the purpose of recommending and
10 promoting local administrative and legislative initia-
11 tives needed to advance the position of minority
12 business enterprises in the local economies of those
13 public sector entities; and

14 (3) facilitate the efforts of public sector entities
15 and Federal agencies to advance the growth of mi-
16 nority business enterprises.

17 **SEC. 203. RESEARCH AND INFORMATION.**

18 (a) IN GENERAL.—In order to achieve the purposes
19 of this Act, the Assistant Secretary—

20 (1) shall—

21 (A) collect and analyze data, including
22 data relating to the causes of the success or
23 failure of minority business enterprises;

24 (B) perform evaluations of programs car-
25 ried out by Federal agencies with an emphasis

1 on increasing coordination between Federal
2 agencies with respect to the development of mi-
3 nority business enterprises; and

4 (C) conduct research, studies, and surveys
5 of—

6 (i) economic conditions generally in
7 the United States; and

8 (ii) how the conditions described in
9 clause (i) particularly affect the develop-
10 ment of minority business enterprises; and

11 (2) may, at the request of a public sector entity
12 or a private sector entity, perform an evaluation of
13 programs carried out by the entity that are designed
14 to assist the development of minority business enter-
15 prises.

16 (b) INFORMATION CLEARINGHOUSE.—The Assistant
17 Secretary shall—

18 (1) establish and maintain an information clear-
19 inghouse for the collection and dissemination of de-
20 mographic, economic, financial, managerial, and
21 technical data relating to minority business enter-
22 prises; and

23 (2) take such steps as the Assistant Secretary
24 may determine to be necessary and desirable to
25 search for, collect, classify, coordinate, integrate,

1 record, and catalog the data described in paragraph
 2 (1).

3 **Subtitle B—Minority Business** 4 **Development Center Program**

5 **SEC. 210. PURPOSE.**

6 The purpose of the MBDC Program shall be to create
 7 a national network of public-private partnerships that—

8 (1) assist minority business enterprises to—

9 (A) access capital and contracts; and

10 (B) create and maintain jobs;

11 (2) provide counseling and mentoring to minor-
 12 ity business enterprises; and

13 (3) facilitate the growth of minority business
 14 enterprises by promoting trade.

15 **SEC. 211. DEFINITIONS.**

16 In this title:

17 (1) **CENTER.**—The term “Center” means an el-
 18 igible entity that enters into an MBDC agreement
 19 with the Assistant Secretary.

20 (2) **ELIGIBLE ENTITY.**—Except as otherwise ex-
 21 pressly provided, the term “eligible entity”—

22 (A) means—

23 (i) a private sector entity; or

24 (ii) a public sector entity; and

1 (B) includes an institution of higher edu-
 2 cation.

3 (3) MBDC AGREEMENT.—The term “MBDC
 4 agreement” means a collaborative agreement entered
 5 into between the Assistant Secretary and a Center
 6 under the MBDC Program.

7 (4) MBDC PROGRAM.—The term “MBDC Pro-
 8 gram” means the program established under section
 9 212.

10 **SEC. 212. ESTABLISHMENT.**

11 (a) IN GENERAL.—Subject to subsection (b), there
 12 is established in the Agency a program—

13 (1) that shall be known as the Minority Busi-
 14 ness Development Centers Program;

15 (2) that shall be separate and distinct from the
 16 efforts of the Assistant Secretary under section 201;
 17 and

18 (3) under which the Assistant Secretary shall
 19 enter into cooperative agreements with eligible enti-
 20 ties under which, in accordance with section 213—

21 (A) the eligible entities shall provide tech-
 22 nical assistance and business development serv-
 23 ices to minority business enterprises; and

24 (B) the Assistant Secretary shall provide
 25 financial assistance to the eligible entities to

1 carry out the activities described in subpara-
2 graph (A).

3 (b) **COVERAGE.**—The Assistant Secretary shall take
4 all necessary actions to ensure that the MBDC Program,
5 in accordance with section 213, offers the services de-
6 scribed in subsection (a)(3)(A) in all regions of the United
7 States.

8 (c) **SCOPE OF AUTHORITY.**—The authority of the As-
9 sistant Secretary to enter into MBDC agreements shall
10 be effective each fiscal year only to the extent that
11 amounts are made available to the Assistant Secretary
12 under applicable appropriations Acts.

13 **SEC. 213. COOPERATIVE AGREEMENTS.**

14 (a) **REQUIREMENTS.**—A Center shall, using financial
15 assistance awarded to the Center under an MBDC agree-
16 ment—

17 (1) provide to minority business enterprises
18 programs and services determined to be appropriate
19 by the Assistant Secretary, which—

20 (A) shall include referral services to meet
21 the needs of minority business enterprises; and

22 (B) may include programs and services to
23 accomplish the goals described in section
24 201(1);

1 (2) develop, cultivate, and maintain a network
 2 of strategic partnerships with organizations that fos-
 3 ter access by minority business enterprises to eco-
 4 nomic markets or contracts;

5 (3) continue to upgrade and modify the services
 6 provided by the Center, as necessary, in order to
 7 meet the changing and evolving needs of the busi-
 8 ness community;

9 (4) collaborate with other Centers; and

10 (5) in providing programs and services under
 11 the MBDC agreement—

12 (A) operate on a fee-for-service basis; and

13 (B) generate income through the collection
 14 of—

15 (i) client fees;

16 (ii) membership fees;

17 (iii) success fees; and

18 (iv) any other appropriate fees pro-
 19 posed by the Center in the application sub-
 20 mitted by the Center for the MBDC agree-
 21 ment.

22 (b) TERM.—Subject to subsection (g), the term of an
 23 MBDC agreement shall be 3 years.

24 (c) FINANCIAL ASSISTANCE.—

1 (1) MINIMUM AMOUNT.—Subject to paragraph
2 (2), the amount of financial assistance provided by
3 the Assistant Secretary under an MBDC agreement
4 shall be not less than \$250,000 for the term of the
5 MBDC agreement.

6 (2) ADDITIONAL AMOUNTS.—In determining
7 whether to award financial assistance under an
8 MBDC agreement to a Center in an amount greater
9 than \$250,000, the Assistant Secretary shall take
10 into consideration the cost of living and the size of
11 the population in the area in which the Center is lo-
12 cated.

13 (3) MATCHING REQUIREMENT.—

14 (A) IN GENERAL.—A Center shall match
15 not less than $\frac{1}{3}$ of the amount of the financial
16 assistance awarded to the Center under an
17 MBDC agreement.

18 (B) FORM OF FUNDS.—A Center may
19 meet the matching requirement under subpara-
20 graph (A) using cash or in-kind contributions,
21 without regard to whether the contribution is
22 made by a third party.

23 (4) USE OF FINANCIAL ASSISTANCE AND PRO-
24 GRAM INCOME.—A Center shall use—

1 (A) all financial assistance awarded to the
 2 Center under an MBDC agreement to carry out
 3 the requirements under subsection (a); and

4 (B) all income that the Center generates in
 5 carrying out the requirements under subsection
 6 (a)—

7 (i) to meet the matching requirement
 8 under paragraph (3) of this subsection;
 9 and

10 (ii) if the Center meets the matching
 11 requirement under paragraph (3) of this
 12 subsection, to carry out the requirements
 13 under subsection (a).

14 (d) CRITERIA FOR SELECTION.—The Assistant Sec-
 15 retary shall—

16 (1) establish—

17 (A) criteria that—

18 (i) the Assistant Secretary shall use in
 19 determining whether to enter into an
 20 MBDC agreement with an eligible entity;
 21 and

22 (ii) may include criteria relating to
 23 whether an eligible entity is located in—

24 (I) an area, the population of
 25 which is composed of not less than 51

1 percent socially disadvantaged individ-
 2 uals;

3 (II) a federally recognized area of
 4 economic distress; or

5 (III) a State that is underserved
 6 with respect to the MBDC program,
 7 as defined by the Assistant Secretary;
 8 and

9 (B) standards relating to the consideration
 10 given to the criteria established under subpara-
 11 graph (A); and

12 (2) make the criteria and standards established
 13 under paragraph (1) publicly available, including—

14 (A) on the website of the Agency; and

15 (B) in each solicitation for applications for
 16 MBDC agreements.

17 (e) APPLICATIONS.—An eligible entity desiring to
 18 enter into an MBDC agreement shall submit to the Assist-
 19 ant Secretary an application that includes—

20 (1) a statement of—

21 (A) how the eligible entity will meet the re-
 22 quirements under subsection (a); and

23 (B) any experience of the eligible entity
 24 in—

1 (i) assisting minority business enter-
 2 prises to—

3 (I) obtain—

4 (aa) large-scale contracts or
 5 procurements; or

6 (bb) financing;

7 (II) access established supply
 8 chains; and

9 (III) engage in—

10 (aa) joint ventures, teaming
 11 arrangements, and mergers and
 12 acquisitions; or

13 (bb) large-scale transactions
 14 in global markets; and

15 (ii) advocating for minority business
 16 enterprises; and

17 (2) the budget and corresponding budget nar-
 18 rative that the eligible entity will use in carrying out
 19 the requirements under subsection (a) during the
 20 term of the MBDC agreement.

21 (f) NOTIFICATION.—If the Assistant Secretary
 22 grants an application of an eligible entity submitted under
 23 subsection (e), the Assistant Secretary shall notify the eli-
 24 gible entity that the application has been granted not later

1 than 150 days after the last day on which an application
 2 may be submitted under that subsection.

3 (g) PROGRAM EXAMINATION; ACCREDITATION; EX-
 4 TENSIONS.—

5 (1) EXAMINATION.—Not later than 180 days
 6 after the date of enactment of this Act, and bienni-
 7 ally thereafter, the Assistant Secretary shall conduct
 8 a programmatic financial examination of each Cen-
 9 ter.

10 (2) ACCREDITATION.—The Assistant Secretary
 11 may provide financial support, by contract or other-
 12 wise, to an association, not less than 51 percent of
 13 the members of which are Centers, to—

14 (A) pursue matters of common concern
 15 with respect to Centers; and

16 (B) develop an accreditation program with
 17 respect to Centers.

18 (3) EXTENSIONS.—

19 (A) IN GENERAL.—The Assistant Sec-
 20 retary may extend the term under subsection
 21 (b) of an MBDC agreement to which a Center
 22 is a party to a term of 5 years, if the Center
 23 consents to the extension.

24 (B) FINANCIAL ASSISTANCE.—If the As-
 25 sistant Secretary extends the term of an MBDC

1 agreement under paragraph (1), the Assistant
 2 Secretary shall, in the same manner and
 3 amount in which financial assistance was pro-
 4 vided during the initial term of the MBDC
 5 agreement, provide financial assistance under
 6 the MBDC agreement during the extended term
 7 of the MBDC agreement.

8 (h) PRIORITY.—In entering into MBDC agreements
 9 under the MBDC Program and extending MBDC agree-
 10 ments under subsection (g)(3), the Assistant Secretary
 11 shall give priority to extending MBDC agreements under
 12 subsection (g)(3).

13 (i) SUSPENSION, TERMINATION, AND REFUSAL TO
 14 EXTEND.—

15 (1) IN GENERAL.—

16 (A) IN GENERAL.—The Assistant Sec-
 17 retary may suspend, terminate, or refuse to ex-
 18 tend the term of an MBDC agreement on the
 19 basis of the poor performance by a Center in
 20 meeting the performance goals established by
 21 the Secretary under subparagraph (B).

22 (B) PERFORMANCE GOALS.—The Assistant
 23 Secretary shall establish performance goals by
 24 which to evaluate the performance of a Center

1 in meeting the requirements under subsection
2 (a).

3 (2) NOTICE.—Before suspending, terminating,
4 or refusing to extend the term of an MBDC agree-
5 ment under paragraph (1), the Assistant Secretary
6 shall provide to the relevant Center—

7 (A) a written notice of the reasons for the
8 suspension, termination, or refusal; and

9 (B) an opportunity for a hearing, appeal,
10 or other administrative proceeding to contest
11 the suspension, termination, or refusal.

12 (j) MBDA INVOLVEMENT.—The Assistant Secretary
13 shall ensure that the Agency is substantially involved in
14 the activities of Centers in carrying out the requirements
15 under subsection (a), including by—

16 (1) providing to each Center training relating to
17 the MBDC Program;

18 (2) requiring that the operator and staff of
19 each Center—

20 (A) attend—

21 (i) a conference with the Agency to
22 establish the services and programs that
23 the Center will provide in carrying out the
24 requirements before the date on which the

1 Center begins providing those services and
2 programs; and

3 (ii) training provided under paragraph
4 (1);

5 (B) receive necessary advising relating to
6 carrying out the requirements under subsection
7 (a); and

8 (C) work in coordination and collaboration
9 with the Assistant Secretary to carry out the
10 MBDC Program and other programs of the
11 Agency;

12 (3) facilitating connections between Centers
13 and—

14 (A) Federal agencies other than the Agen-
15 cy, including the Small Business Administration
16 and the Economic Development Administration
17 of the Department of Commerce; and

18 (B) other institutions or entities that use
19 Federal resources, including—

20 (i) small business development cen-
21 ters, as that term is defined in section 3(t)
22 of the Small Business Act (15 U.S.C.
23 632(t));

1 (ii) women’s business centers de-
2 scribed in section 29 of the Small Business
3 Act (15 U.S.C. 656);

4 (iii) eligible entities, as that term is
5 defined in section 2411 of title 10, United
6 States Code, that provide services under
7 the program carried out under chapter 142
8 of that title; and

9 (iv) entities participating in the Hol-
10 lings Manufacturing Extension Partnership
11 Program established under section 25 of
12 the National Institute of Standards and
13 Technology Act (15 U.S.C. 278k);

14 (4) monitoring projects carried out by each
15 Center; and

16 (5) establishing and enforcing administrative
17 and reporting requirements for each Center to carry
18 out the requirements under subsection (a).

19 (k) REGULATIONS.—The Assistant Secretary shall
20 issue and publish regulations that establish minimum
21 standards regarding verification of minority business en-
22 terprise status for clients of entities operating under the
23 MBDC Program.

1 **SEC. 214. MINIMIZING DISRUPTIONS TO EXISTING BUSI-**
2 **NESS CENTERS PROGRAM.**

3 The Assistant Secretary shall ensure that each coop-
4 erative agreement entered into under the Business Centers
5 program of the Agency that is in effect on the day before
6 the date of enactment of this Act is carried out in a man-
7 ner that, to the greatest extent practicable, prevents dis-
8 ruption of any activity carried out under the cooperative
9 agreement.

10 **SEC. 215. PUBLICITY.**

11 In carrying out the MBDC Program, the Assistant
12 Secretary shall widely publicize the MBDC Program, in-
13 cluding—

- 14 (1) on the website of the Agency; and
15 (2) via social media outlets.

16 **SEC. 216. AUTHORIZATION OF APPROPRIATIONS.**

17 There are authorized to be appropriated to the As-
18 sistant Secretary \$30,000,000 for each of fiscal years
19 2021 through 2024 to carry out the MBDC Program, in-
20 cluding the component of the program relating to Spe-
21 cialty Centers.

1 **TITLE III—NEW INITIATIVES TO**
2 **PROMOTE ECONOMIC RESIL-**
3 **IENCY FOR MINORITY BUSI-**
4 **NESSES**

5 **SEC. 301. ANNUAL DIVERSE BUSINESS FORUM ON CAPITAL**
6 **FORMATION.**

7 (a) RESPONSIBILITY OF AGENCY.—Not later than 18
8 months after the date of enactment of this Act, and annu-
9 ally thereafter, the Agency shall conduct a Government-
10 business forum to review the current status of problems
11 and programs relating to capital formation by minority
12 business enterprises.

13 (b) PARTICIPATION IN FORUM PLANNING.—The As-
14 sistant Secretary shall invite the heads of other Federal
15 agencies, such as the Chairman of the Securities and Ex-
16 change Commission, the Secretary of the Treasury, and
17 the Chairman of the Board of Governors of the Federal
18 Reserve System, organizations representing State securi-
19 ties commissioners, representatives of leading minority
20 chambers of commerce, business organizations, and pro-
21 fessional organizations concerned with capital formation
22 to participate in the planning of each forum conducted
23 under subsection (a).

24 (c) PREPARATION OF STATEMENTS AND REPORTS.—

1 (1) REQUESTS.—The Assistant Secretary may
 2 request that any head of a Federal department,
 3 agency, or organization, including those described in
 4 subsection (b), or any other group or individual, pre-
 5 pare a statement or report to be delivered at any
 6 forum conducted under subsection (a).

7 (2) COOPERATION.—Any head of a Federal de-
 8 partment, agency, or organization who receives a re-
 9 quest under paragraph (1) shall, to the greatest ex-
 10 tent practicable, cooperate with the Assistant Sec-
 11 retary to fulfill that request.

12 (d) TRANSMITTAL OF PROCEEDINGS AND FIND-
 13 INGS.—The Assistant Secretary shall—

14 (1) prepare a summary of the proceedings of
 15 each forum conducted under subsection (a), which
 16 shall include the findings and recommendations of
 17 the forum; and

18 (2) transmit the summary described in para-
 19 graph (1) with respect to each forum conducted
 20 under subsection (a) to—

21 (A) the participants in the forum;

22 (B) Congress; and

23 (C) the public, through a publicly available
 24 website.

1 (e) REVIEW OF FINDINGS AND RECOMMENDATIONS;
2 PUBLIC STATEMENTS.—

3 (1) IN GENERAL.—A Federal agency to which
4 a finding or recommendation described in subsection
5 (d)(1) relates shall—

6 (A) review that finding or recommenda-
7 tion; and

8 (B) promptly after the finding or rec-
9 ommendation is transmitted under paragraph
10 (2)(C) of subsection (d), issue a public state-
11 ment—

12 (i) assessing the finding or rec-
13 ommendation; and

14 (ii) disclosing the action, if any, the
15 Federal agency intends to take with re-
16 spect to the finding or recommendation.

17 (2) JOINT STATEMENT PERMITTED.—If a find-
18 ing or recommendation described in subsection
19 (d)(1) relates to more than 1 Federal agency, the
20 applicable Federal agencies may, for the purposes of
21 the public statement required under paragraph
22 (1)(B), issue a joint statement.

1 **SEC. 302. AGENCY STUDY ON ALTERNATIVE FINANCING SO-**
2 **LUTIONS.**

3 (a) PURPOSE.—The purpose of this section is to pro-
4 vide information relating to alternative financing solutions
5 to minority business enterprises, as those business enter-
6 prises are more likely to struggle in accessing, particularly
7 at affordable rates, traditional sources of capital.

8 (b) STUDY AND REPORT.—Not later than 1 year
9 after the date of enactment of this Act, the Assistant Sec-
10 retary shall—

11 (1) conduct a study on opportunities for pro-
12 viding alternative financing solutions to minority
13 business enterprises; and

14 (2) submit to Congress, and publish on the
15 website of the Agency, a report describing the find-
16 ings of the study carried out under paragraph (1).

17 **SEC. 303. EDUCATIONAL DEVELOPMENT RELATING TO**
18 **MANAGEMENT AND ENTREPRENEURSHIP.**

19 (a) DUTIES.—The Assistant Secretary shall, when-
20 ever the Assistant Secretary determines such action is nec-
21 essary or appropriate—

22 (1) promote and provide assistance for the edu-
23 cation and training of socially disadvantaged individ-
24 uals in subjects directly relating to business adminis-
25 tration and management;

1 (2) join with, and encourage, institutions of
 2 higher education, leaders in business and industry,
 3 and other public sector and private sector entities,
 4 particularly minority business enterprises, to—

5 (A) develop programs to offer scholarships
 6 and fellowships, apprenticeships, and intern-
 7 ships relating to business to socially disadvan-
 8 tagged individuals; and

9 (B) sponsor seminars, conferences, and
 10 similar activities relating to business for the
 11 benefit of socially disadvantaged individuals;

12 (3) stimulate and accelerate curriculum design
 13 and improvement in support of development of mi-
 14 nority business enterprises; and

15 (4) encourage and assist private institutions
 16 and organizations and public sector entities to un-
 17 dertake activities similar to the activities described
 18 in paragraphs (1), (2), and (3).

19 (b) PARREN J. MITCHELL ENTREPRENEURSHIP
 20 EDUCATION GRANTS.—

21 (1) DEFINITION.—In this subsection, the term
 22 “eligible institution” means an institution of higher
 23 education described in any of paragraphs (1)
 24 through (7) of section 371(a) of the Higher Edu-
 25 cation Act of 1965 (20 U.S.C. 1067q(a)).

1 (2) GRANTS.—The Assistant Secretary shall
2 award grants to eligible institutions to develop and
3 implement entrepreneurship curricula.

4 (3) REQUIREMENTS.—An eligible institution
5 that receives a grant awarded under this subsection
6 shall use the grant funds to—

7 (A) develop a curriculum that includes
8 training in various skill sets needed by con-
9 temporary successful entrepreneurs, including—

10 (i) business management and mar-
11 keting;

12 (ii) financial management and ac-
13 counting;

14 (iii) market analysis;

15 (iv) competitive analysis;

16 (v) innovation;

17 (vi) strategic planning; and

18 (vii) any other skill set that the eligi-
19 ble institution determines is necessary for
20 the students served by the eligible institu-
21 tion and the community in which the eligi-
22 ble institution is located; and

23 (B) implement the curriculum developed
24 under subparagraph (A) at the eligible institu-
25 tion.

1 (4) IMPLEMENTATION TIMELINE.—The Assist-
2 ant Secretary shall establish and publish a timeline
3 under which an eligible institution that receives a
4 grant under this section shall carry out the require-
5 ments under paragraph (3).

6 (5) REPORTS.—Each year, the Assistant Sec-
7 retary shall submit to the Committee on Commerce,
8 Science, and Transportation of the Senate and the
9 Committee on Energy and Commerce of the House
10 of Representatives, as part of the annual budget
11 submission of the President under section 1105(a)
12 of title 31, United States Code, a report evaluating
13 the awarding and use of grants under this sub-
14 section during the fiscal year immediately preceding
15 the date on which the report is submitted, which
16 shall include, with respect to that fiscal year—

17 (A) a description of each curriculum devel-
18 oped and implemented under each grant award-
19 ed under this section;

20 (B) the date on which each grant awarded
21 under this section was awarded; and

22 (C) the number of eligible entities that
23 were recipients of grants awarded under this
24 section.

1 **TITLE IV—ADMINISTRATIVE AND**
2 **OTHER POWERS OF THE**
3 **AGENCY; MISCELLANEOUS**
4 **PROVISIONS**

5 **SEC. 401. ADMINISTRATIVE POWERS.**

6 (a) IN GENERAL.—In carrying out this Act, the As-
7 sistant Secretary may—

8 (1) adopt and use a seal for the Agency, which
9 shall be judicially noticed;

10 (2) hold hearings, sit and act, and take testi-
11 mony as the Assistant Secretary may determine to
12 be necessary or appropriate to carry out this Act;

13 (3) acquire, in any lawful manner, any property
14 that the Assistant Secretary may determine to be
15 necessary or appropriate to carry out this Act;

16 (4) make advance payments under grants, con-
17 tracts, and cooperative agreements awarded under
18 this Act;

19 (5) enter into agreements with other Federal
20 agencies;

21 (6) coordinate with the heads of the Offices of
22 Small and Disadvantaged Business Utilization of
23 Federal agencies;

24 (7) require a coordinated review of all training
25 and technical assistance activities that are proposed

1 to be carried out by Federal agencies in direct sup-
2 port of the development of minority business enter-
3 prises to—

4 (A) ensure consistency with the purposes
5 of this Act; and

6 (B) avoid duplication of existing efforts;
7 and

8 (8) prescribe such rules, regulations, and proce-
9 dures as the Agency may determine to be necessary
10 or appropriate to carry out this Act.

11 (b) EMPLOYMENT OF CERTAIN EXPERTS AND CON-
12 SULTANTS.—

13 (1) IN GENERAL.—In carrying out this Act, the
14 Assistant Secretary may employ experts and consult-
15 ants or organizations that are composed of experts
16 or consultants, as authorized under section 3109 of
17 title 5, United States Code.

18 (2) RENEWAL OF CONTRACTS.—The Assistant
19 Secretary may annually renew a contract for employ-
20 ment of an individual employed under paragraph
21 (1).

22 (c) DONATION OF PROPERTY.—

23 (1) IN GENERAL.—Subject to paragraph (2), in
24 carrying out this Act, the Assistant Secretary may,
25 without cost (except for costs of care and handling),

1 donate for use by any public sector entity, or by any
2 recipient nonprofit organization, for the purpose of
3 the development of minority business enterprises,
4 any real or tangible personal property acquired by
5 the Agency in carrying out this Act.

6 (2) TERMS, CONDITIONS, RESERVATIONS, AND
7 RESTRICTIONS.—The Assistant Secretary may im-
8 pose reasonable terms, conditions, reservations, and
9 restrictions upon the use of any property donated
10 under paragraph (1).

11 **SEC. 402. FINANCIAL ASSISTANCE.**

12 (a) IN GENERAL.—

13 (1) PROVISION OF FINANCIAL ASSISTANCE.—To
14 carry out sections 201, 202, and 203(a), the Assist-
15 ant Secretary may provide financial assistance to
16 public sector entities and private sector entities in
17 the form of contracts, grants, or cooperative agree-
18 ments.

19 (2) NOTICE.—Not later than 120 days before
20 the first day of each fiscal year, the Assistant Sec-
21 retary shall, in accordance with subsection (b),
22 broadly publish a statement regarding financial as-
23 sistance that will, or may, be made available under
24 paragraph (1) in the first fiscal year that begins

1 after the date on which the statement is published,
2 including—

3 (A) the actual, or anticipated, amount of
4 financial assistance that will, or may, be made
5 available;

6 (B) the types of financial assistance that
7 will, or may, be made available;

8 (C) the manner in which financial assist-
9 ance will be allocated among public sector enti-
10 ties and private sector entities, as applicable;
11 and

12 (D) the methodology used by the Assistant
13 Secretary to make allocations under subpara-
14 graph (C).

15 (3) CONSULTATION.—The Assistant Secretary
16 shall consult with public sector entities and private
17 sector entities, as applicable, in deciding the
18 amounts and types of financial assistance to make
19 available under paragraph (1).

20 (b) PUBLICITY.—In carrying out this section, the As-
21 sistant Secretary shall broadly publicize all opportunities
22 for financial assistance available under this section, in-
23 cluding—

24 (1) on the website of the Agency; and

25 (2) via social media outlets.

1 **SEC. 403. AUDITS.**

2 (a) RECORDKEEPING REQUIREMENT.—Each recipi-
3 ent of assistance under this Act shall keep such records
4 as the Assistant Secretary shall prescribe, including
5 records that fully disclose, with respect to the assistance
6 received by the recipient under this Act—

7 (1) the amount and nature of that assistance;

8 (2) the disposition by the recipient of the pro-
9 ceeds of that assistance;

10 (3) the total cost of the undertaking for which
11 the assistance is given or used;

12 (4) the amount and nature of the portion of the
13 cost of the undertaking described in paragraph (3)
14 that is supplied by a source other than the Agency;
15 and

16 (5) any other records that will facilitate an ef-
17 fective audit of the assistance.

18 (b) ACCESS BY GOVERNMENT OFFICIALS.—The As-
19 sistant Secretary, the Inspector General of the Depart-
20 ment of Commerce, and the Comptroller General of the
21 United States, or any duly authorized representative of
22 any such individual, shall have access, for the purpose of
23 audit, investigation, and examination, to any book, docu-
24 ment, paper, record, or other material of a recipient of
25 assistance under this Act that pertains to the assistance
26 received by the recipient under this Act.

1 **SEC. 404. REVIEW AND REPORT BY COMPTROLLER GEN-**
2 **ERAL.**

3 Not later than 4 years after the date of enactment
4 of this Act, the Comptroller General of the United States
5 shall—

6 (1) conduct a thorough review of the programs
7 carried out under this Act; and

8 (2) submit to Congress a detailed report of the
9 findings of the Comptroller General of the United
10 States under the review carried out under paragraph
11 (1), which shall include—

12 (A) an evaluation of the effectiveness of
13 the programs in achieving the purposes of this
14 Act;

15 (B) a description of any failure by any re-
16 cipient of assistance under this Act to comply
17 with the requirements under this Act; and

18 (C) recommendations for any legislative or
19 administrative action that should be taken to
20 improve the achievement of the purposes of this
21 Act.

22 **SEC. 405. ANNUAL REPORTS; RECOMMENDATIONS.**

23 (a) **ANNUAL REPORT.**—Not later than 90 days after
24 the last day of each fiscal year, the Assistant Secretary
25 shall submit to Congress, and publish on the website of
26 the Agency, a report of each activity of the Agency carried

1 out under this Act during the fiscal year preceding the
 2 date on which the report is submitted.

3 (b) RECOMMENDATIONS.—The Assistant Secretary
 4 shall periodically submit to Congress and the President
 5 recommendations for legislation or other actions that the
 6 Assistant Secretary determines to be necessary or appro-
 7 priate to promote the purposes of this Act.

8 **SEC. 406. SEPARABILITY.**

9 If a provision of this Act, or the application of a pro-
 10 vision of this Act to any person or circumstance, is held
 11 by a court of competent jurisdiction to be invalid, that
 12 judgment—

13 (1) shall not affect, impair, or invalidate—

14 (A) any other provision of this Act; or

15 (B) the application of this Act to any other
 16 person or circumstance; and

17 (2) shall be confined in its operation to—

18 (A) the provision of this Act with respect
 19 to which the judgment is rendered; or

20 (B) the application of the provision of this
 21 Act to each person or circumstance directly in-
 22 volved in the controversy in which the judgment
 23 is rendered.

1 **SEC. 407. EXECUTIVE ORDER 11625.**

2 The powers and duties of the Agency shall be deter-
3 mined—

4 (1) in accordance with this Act and the require-
5 ments of this Act; and

6 (2) without regard to Executive Order 11625
7 (36 Fed. Reg. 19967; relating to prescribing addi-
8 tional arrangements for developing and coordinating
9 a national program for minority business enter-
10 prise).

11 **SEC. 408. AMENDMENT TO THE FEDERAL ACQUISITION**
12 **STREAMLINING ACT OF 1994.**

13 Section 7104(c) of the Federal Acquisition Stream-
14 lining Act of 1994 (15 U.S.C. 644a(c)) is amended by
15 striking paragraph (2) and inserting the following:

16 “(2) The Assistant Secretary of Commerce for
17 Minority Business Development.”.

○