

116TH CONGRESS
2D SESSION

H. R. 6348

To fully implement the Initiative to Build Growth Equity Funds for Minority Businesses, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 23, 2020

Ms. GARCIA of Texas introduced the following bill; which was referred to the Committee on Financial Services, and in addition to the Committee on Small Business, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To fully implement the Initiative to Build Growth Equity Funds for Minority Businesses, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. FUNDING OF THE INITIATIVE TO BUILD**
4 **GROWTH EQUITY FUNDS FOR MINORITY**
5 **BUSINESSES.**

6 (a) GRANT.—The Minority Business Development
7 Agency shall provide a grant of \$3,000,000,000 to fully
8 implement the Initiative to Build Growth Equity Funds
9 for Minority Businesses (the “Initiative”; award number

1 MB19OBD8020113), including to use such amounts as
2 capital for the Equity Funds.

3 (b) ADMINISTRATIVE EXPENSES.—Of the amounts
4 provided under subsection (a), the grant recipient may use
5 not more than 2.25 percent of such amount for adminis-
6 trative expenses, of which—

7 (1) not more than 1.5 percent may be used for
8 fees to be paid to investment managers for fund in-
9 vestment activities, including deal sourcing, due dili-
10 gence, investment monitoring, and investment re-
11 porting; and

12 (2) not more than 0.75 percent may be used for
13 fund administration activities by the grant recipient,
14 including fund manager evaluation, selection, moni-
15 toring, and overall fund program management.

16 (c) TREATMENT OF INTEREST.—Notwithstanding
17 any other provision of law, with the approval of the Minor-
18 ity Business Development Agency, grant funds made
19 available under subsection (a) may be deposited in inter-
20 est-bearing accounts pending disbursement, and any inter-
21 est which accrues may be retained without returning such
22 interest to the Treasury of the United States and interest
23 earned may be obligated and expended for the purposes
24 for which the grant was made available without further
25 appropriation.

1 (d) REPORTING AND AUDIT REQUIREMENTS.—

2 (1) REPORTING BY RECIPIENT.—The grant re-
3 cipient under this section shall issue a report to the
4 Minority Business Development Agency every 6
5 months detailing the use of grant funds received
6 under this section and any other information that
7 the Minority Business Development Agency may re-
8 quire.

9 (2) ANNUAL REPORT TO CONGRESS.—The Mi-
10 nority Business Development Agency shall issue an
11 annual report to the Congress containing the infor-
12 mation received under paragraph (1) and an anal-
13 ysis of the implementation of the Initiative.

14 (3) GAO AUDIT.—The Comptroller General of
15 the United States shall, every 2 years, carry out an
16 audit of the Initiative and issue a report to the Con-
17 gress and the Minority Business Development Agen-
18 cy containing the results of such audit.

19 (e) FUNDING.—There is authorized to be appro-
20 priated to the Minority Business Development Agency
21 \$3,000,000,000 to make the grant described under sub-
22 section (a).

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