

117TH CONGRESS
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S. 2068

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

JUNE 15, 2021

Mr. CARDIN (for himself, Mr. SCOTT of South Carolina, Ms. CANTWELL, and Mr. WICKER) 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 Development Act of 2021”.

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—EXISTING INITIATIVES

Subtitle A—Market Development, Research, and Information

- Sec. 101. Private sector development.
- Sec. 102. Public sector development.
- Sec. 103. Research and information.

Subtitle B—Minority Business Development Agency Business Center Program

- Sec. 111. Definition.
- Sec. 112. Purpose.
- Sec. 113. Establishment.
- Sec. 114. Grants and cooperative agreements.
- Sec. 115. Minimizing disruptions to existing MBDA Business Center program.
- Sec. 116. Publicity.

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

- Sec. 201. Annual diverse business forum on capital formation.
- Sec. 202. Agency study on alternative financing solutions.
- Sec. 203. Educational development relating to management and entrepreneurship.

TITLE III—RURAL MINORITY BUSINESS CENTER PROGRAM

- Sec. 301. Definitions.
- Sec. 302. Business centers.
- Sec. 303. Report to Congress.
- Sec. 304. Study and report.

TITLE IV—MINORITY BUSINESS DEVELOPMENT GRANTS

- Sec. 401. Grants to nonprofit organizations that support minority business enterprises.

TITLE V—MINORITY BUSINESS ENTERPRISES ADVISORY COUNCIL

- Sec. 501. Purpose.
- Sec. 502. Composition and term.
- Sec. 503. Duties.

TITLE VI—FEDERAL COORDINATION OF MINORITY BUSINESS
PROGRAMS

Sec. 601. General duties.

Sec. 602. Participation of Federal departments and agencies.

TITLE VII—ADMINISTRATIVE POWERS OF THE AGENCY;
MISCELLANEOUS PROVISIONS

Sec. 701. Administrative powers.

Sec. 702. Federal assistance.

Sec. 703. Recordkeeping.

Sec. 704. Review and report by Comptroller General.

Sec. 705. Biannual reports; recommendations.

Sec. 706. Separability.

Sec. 707. Executive Order 11625.

Sec. 708. Amendment to the Federal Acquisition Streamlining Act of 1994.

Sec. 709. Authorization of appropriations.

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.

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

12 (A) according to the 2021 Small Business
13 Credit Survey of the Federal Reserve Banks,
14 Black-owned and Latino-owned employer busi-
15 nesses are more than 2 and 1.5 times more
16 likely to be denied loans, respectively, than
17 White-owned employer businesses;

1 (B) according to the Bureau of the Cen-
2 sus, the average non-minority business enter-
3 prise reports revenue that is more than 3 times
4 higher than revenue reported by the average
5 minority business enterprise; and

6 (C) according to the Kauffman Founda-
7 tion—

8 (i) minority business enterprises are
9 $\frac{1}{2}$ as likely to employ individuals, as com-
10 pared with non-minority business enter-
11 prises; and

12 (ii) if minorities started and owned
13 businesses at the same rate as non-minori-
14 ties, the economy of the United States
15 would have more than 1,000,000 additional
16 employer businesses and more than
17 9,500,000 additional jobs.

18 (3) Because of the conditions described in para-
19 graph (2), it is in the interest of the United States
20 and the economy of the United States to expedi-
21 tiously ameliorate the disparities that minority busi-
22 ness enterprises experience.

23 (4) Many individuals who own minority busi-
24 ness enterprises are socially disadvantaged because
25 those individuals identify as members of certain

1 groups that have suffered the effects of discrimina-
2 tory practices or similar circumstances over which
3 those individuals have no control, including individ-
4 uals who are—

5 (A) Black or African American;

6 (B) Hispanic or Latino;

7 (C) American Indian or Alaska Native;

8 (D) Asian; and

9 (E) Native Hawaiian or other Pacific Is-

10 lander.

11 (5) Discriminatory practices and similar cir-
12 cumstances described in paragraph (4) are a signifi-
13 cant determinant of overall economic disadvantage
14 in the United States.

15 (6) It is in the interest of Congress to address
16 the persistent racial wealth gap in the United States
17 and to support entrepreneurship as a pathway to
18 wealth development.

19 (7) While other Federal agencies focus only on
20 small businesses and businesses that represent a
21 broader demographic than solely minority business
22 enterprises, the Agency focuses exclusively on—

23 (A) the unique needs of minority business

24 enterprises; and

1 (B) enhancing the capacity of minority
2 business enterprises.

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

4 (1) require the Agency to promote and admin-
5 ister programs in the public and private sectors to
6 assist the development of minority business enter-
7 prises; and

8 (2) achieve the development described in para-
9 graph (1) by authorizing the Under Secretary to
10 carry out programs that will result in increased ac-
11 cess to capital, management, and technology for mi-
12 nority business enterprises.

13 **SEC. 3. DEFINITIONS.**

14 In this Act:

15 (1) AGENCY.—The term “Agency” means the
16 Minority Business Development Agency of the De-
17 partment of Commerce.

18 (2) COMMUNITY-BASED ORGANIZATION.—The
19 term “community-based organization” has the
20 meaning given the term in section 8101 of the Ele-
21 mentary and Secondary Education Act of 1965 (20
22 U.S.C. 7801).

23 (3) ELIGIBLE ENTITY.—Except as otherwise ex-
24 pressly provided, the term “eligible entity”—

25 (A) means—

- 1 (i) a private sector entity;
- 2 (ii) a public sector entity; or
- 3 (iii) a Tribal government; and

4 (B) includes an institution of higher edu-
 5 cation.

6 (4) FEDERAL AGENCY.—The term “Federal
 7 agency” has the meaning given the term “agency”
 8 in section 551 of title 5, United States Code.

9 (5) FEDERALLY RECOGNIZED AREA OF ECO-
 10 NOMIC DISTRESS.—The term “federally recognized
 11 area of economic distress” means—

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

15 (B) an area that—

16 (i) has been designated as—

17 (I) an empowerment zone under
 18 section 1391 of the Internal Revenue
 19 Code of 1986; or

20 (II) a Promise Zone by the Sec-
 21 retary of Housing and Urban Devel-
 22 opment; or

23 (ii) is a low or moderate income area,
 24 as determined by the Department of Hous-
 25 ing and Urban Development;

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

4 (D) any other political subdivision or unin-
 5 corporated area of a State determined by the
 6 Under Secretary to be an area of economic dis-
 7 tress.

8 (6) INDIAN TRIBE.—The term “Indian
 9 Tribe”—

10 (A) has the meaning given the term in sec-
 11 tion 4 of the Indian Self-Determination and
 12 Education Assistance Act (25 U.S.C. 5304);
 13 and

14 (B) includes a Native Hawaiian organiza-
 15 tion.

16 (7) INSTITUTION OF HIGHER EDUCATION.—The
 17 term “institution of higher education” has the
 18 meaning given the term in section 101 of the Higher
 19 Education Act of 1965 (20 U.S.C. 1001).

20 (8) MBDA BUSINESS CENTER.—The term
 21 “MBDA Business Center” means any business cen-
 22 ter that—

23 (A) is established by the Agency; and

1 (B) provides technical business assistance
 2 to minority business enterprises consistent with
 3 the requirements of this Act.

4 (9) MBDA BUSINESS CENTER AGREEMENT.—
 5 The term “MBDA Business Center agreement”
 6 means a legal instrument—

7 (A) reflecting a relationship between the
 8 Agency and the recipient of a Federal assist-
 9 ance award that is the subject of the instru-
 10 ment; and

11 (B) that establishes the terms by which the
 12 recipient described in subparagraph (A) shall
 13 operate an MBDA Business Center.

14 (10) MINORITY BUSINESS ENTERPRISE.—

15 (A) IN GENERAL.—The term “minority
 16 business enterprise” means a business enter-
 17 prise—

18 (i) that is not less than 51 percent-
 19 owned by 1 or more socially or economi-
 20 cally disadvantaged individuals; and

21 (ii) the management and daily busi-
 22 ness operations of which are controlled by
 23 1 or more socially or economically dis-
 24 advantaged individuals.

(B) RULE OF CONSTRUCTION.—Nothing in subparagraph (A) may be construed to exclude a business enterprise from qualifying as a “minority business enterprise” under that subparagraph because of—

(i) the status of the business enterprise as a for-profit or not-for-profit enterprise; or

(ii) the annual revenue of the business enterprise.

(11) PRIVATE SECTOR ENTITY.—The term “private sector entity”—

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

(B) does not include—

(i) the Federal Government;

(ii) any Federal agency; or

(iii) any instrumentality of the Federal Government.

(12) PUBLIC SECTOR ENTITY.—The term “public sector entity” means—

(A) a State;

(B) an agency of a State;

(C) a political subdivision of a State; or

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

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

5 (14) SOCIALLY OR ECONOMICALLY DISADVAN-
6 TAGED BUSINESS CONCERN.—The term “socially or
7 economically disadvantaged business concern” means
8 a for-profit business enterprise—

9 (A)(i) that is not less than 51 percent
10 owned by 1 or more socially or economically dis-
11 advantaged individuals; or

12 (ii) that is socially or economically dis-
13 advantaged; or

14 (B) the management and daily business
15 operations of which are controlled by 1 or more
16 socially or economically disadvantaged individ-
17 uals.

18 (15) SOCIALLY OR ECONOMICALLY DISADVAN-
19 TAGED INDIVIDUAL.—

20 (A) IN GENERAL.—The term “socially or
21 economically disadvantaged individual” means
22 an individual who has been subjected to racial
23 or ethnic prejudice or cultural bias (or the abil-
24 ity of whom to compete in the free enterprise
25 system has been impaired due to diminished

1 capital and credit opportunities, as compared to
2 others in the same line of business and competi-
3 tive market area) because of the identity of the
4 individual as a member of a group, without re-
5 gard to any individual quality of the individual
6 that is unrelated to that identity.

7 (B) PRESUMPTION.—In carrying out this
8 Act, the Under Secretary shall presume that
9 the term “socially or economically disadvan-
10 tagged individual” includes any individual who
11 is—

- 12 (i) Black or African American;
- 13 (ii) Hispanic or Latino;
- 14 (iii) American Indian or Alaska Na-
15 tive;
- 16 (iv) Asian;
- 17 (v) Native Hawaiian or other Pacific
18 Islander; or
- 19 (vi) a member of a group that the
20 Agency determines under part 1400 of title
21 15, Code of Federal Regulations, as in ef-
22 fect on November 23, 1984, is a socially
23 disadvantaged group eligible to receive as-
24 sistance.

1 (16) SPECIALTY CENTER.—The term “specialty
2 center” means an MBDA Business Center that pro-
3 vides specialty services focusing on specific business
4 needs, including assistance relating to—

5 (A) capital access;

6 (B) Federal procurement;

7 (C) entrepreneurship;

8 (D) technology transfer; or

9 (E) any other area determined necessary
10 or appropriate based on the priorities of the
11 Agency.

12 (17) STATE.—The term “State” means—

13 (A) each of the States of the United
14 States;

15 (B) the District of Columbia;

16 (C) the Commonwealth of Puerto Rico;

17 (D) the United States Virgin Islands;

18 (E) Guam;

19 (F) American Samoa;

20 (G) the Commonwealth of the Northern
21 Mariana Islands; and

22 (H) each Indian Tribe.

23 (18) UNDER SECRETARY.—The term “Under
24 Secretary” means the Under Secretary of Commerce
25 for Minority Business Development, who is ap-

1 pointed as described in section 4(b) to administer
2 this Act.

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

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

6 (b) UNDER SECRETARY.—

7 (1) APPOINTMENT AND DUTIES.—The Agency
8 shall be headed by the Under Secretary of Com-
9 merce for Minority Business Development, who
10 shall—

11 (A) be appointed by the President, by and
12 with the advice and consent of the Senate;

13 (B) except as otherwise expressly provided,
14 be responsible for the administration of this
15 Act; and

16 (C) report directly to the Secretary.

17 (2) COMPENSATION.—

18 (A) IN GENERAL.—The Under Secretary
19 shall be compensated at an annual rate of basic
20 pay prescribed for level III of the Executive
21 Schedule under section 5314 of title 5, United
22 States Code.

23 (B) TECHNICAL AND CONFORMING AMEND-
24 MENT.—Section 5314 of title 5, United States
25 Code, is amended by striking “and Under Sec-

1 retary of Commerce for Travel and Tourism”
 2 and inserting “Under Secretary of Commerce
 3 for Travel and Tourism, and Under Secretary
 4 of Commerce for Minority Business Develop-
 5 ment”.

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

- 9 (1) the organizational structure of the Agency;
- 10 (2) the organizational position of the Agency
- 11 within the Department of Commerce; and
- 12 (3) a description of how the Agency shall func-
- 13 tion in relation to the operations carried out by each
- 14 other component of the Department of Commerce.

15 (d) OFFICE OF BUSINESS CENTERS.—

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

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

21 (e) OFFICES OF THE AGENCY.—

22 (1) IN GENERAL.—In addition to the regional
 23 offices that the Under Secretary is required to estab-
 24 lish under paragraph (2), the Under Secretary shall

1 establish such other offices within the Agency as are
2 necessary to carry out this Act.

3 (2) REGIONAL OFFICES.—

4 (A) IN GENERAL.—In order to carry out
5 this Act, the Under Secretary shall establish a
6 regional office of the Agency for each of the re-
7 gions of the United States, as determined by
8 the Under Secretary.

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

15 (i) understanding and participating in
16 the business environment of that region;

17 (ii) working with—

18 (I) MBDA Business Centers that
19 are located in that region;

20 (II) resource and lending part-
21 ners of other appropriate Federal
22 agencies that are located in that re-
23 gion; and

1 (III) Federal, State, and local
 2 procurement offices that are located
 3 in that region;

4 (iii) being aware of business retention
 5 or expansion programs that are specific to
 6 that region;

7 (iv) seeking out opportunities to col-
 8 laborate with regional public and private
 9 programs that focus on minority business
 10 enterprises; and

11 (v) promoting business continuity and
 12 preparedness.

13 **TITLE I—EXISTING INITIATIVES**
 14 **Subtitle A—Market Development,**
 15 **Research, and Information**

16 **SEC. 101. PRIVATE SECTOR DEVELOPMENT.**

17 The Under Secretary shall, whenever the Under Sec-
 18 retary determines such action is necessary or appro-
 19 priate—

20 (1) provide Federal assistance to minority busi-
 21 ness enterprises operating in domestic and foreign
 22 markets by making available to those business enter-
 23 prises, either directly or in cooperation with private
 24 sector entities, including community-based organiza-
 25 tions and national nonprofit organizations—

- 1 (A) resources relating to management;
- 2 (B) technological and technical assistance;
- 3 (C) financial, legal, and marketing serv-
- 4 ices; and
- 5 (D) services relating to workforce develop-
- 6 ment;
- 7 (2) encourage minority business enterprises to
- 8 establish joint ventures and projects—
- 9 (A) with other minority business enter-
- 10 prises; or
- 11 (B) in cooperation with public sector enti-
- 12 ties or private sector entities, including commu-
- 13 nity-based organizations and national nonprofit
- 14 organizations, to increase the share of any mar-
- 15 ket activity being performed by minority busi-
- 16 ness enterprises; and
- 17 (3) facilitate the efforts of private sector enti-
- 18 ties and Federal agencies to advance the growth of
- 19 minority business enterprises.

20 **SEC. 102. PUBLIC SECTOR DEVELOPMENT.**

21 The Under Secretary shall, whenever the Under Sec-
 22 retary determines such action is necessary or appro-
 23 priate—

- 24 (1) consult and cooperate with public sector en-
- 25 tities for the purpose of leveraging resources avail-

1 able in the jurisdictions of those public sector enti-
2 ties to promote the position of minority business en-
3 terprises in the local economies of those public sector
4 entities, including by assisting public sector entities
5 to establish or enhance—

6 (A) programs to procure goods and serv-
7 ices through minority business enterprises and
8 goals for that procurement;

9 (B) programs offering assistance relating
10 to—

11 (i) management;

12 (ii) technology;

13 (iii) law;

14 (iv) financing, including accounting;

15 (v) marketing; and

16 (vi) workforce development; and

17 (C) informational programs designed to in-
18 form minority business enterprises located in
19 the jurisdictions of those public sector entities
20 about the availability of programs described in
21 this section;

22 (2) meet with leaders and officials of public sec-
23 tor entities for the purpose of recommending and
24 promoting local administrative and legislative initia-
25 tives needed to advance the position of minority

1 business enterprises in the local economies of those
2 public sector entities; and

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

6 **SEC. 103. RESEARCH AND INFORMATION.**

7 (a) IN GENERAL.—In order to achieve the purposes
8 of this Act, the Under Secretary—

9 (1) shall—

10 (A) collect and analyze data, including
11 data relating to the causes of the success or
12 failure of minority business enterprises;

13 (B) conduct research, studies, and surveys
14 of—

15 (i) economic conditions generally in
16 the United States; and

17 (ii) how the conditions described in
18 clause (i) particularly affect the develop-
19 ment of minority business enterprises; and

20 (C) provide outreach, educational services,
21 and technical assistance in, at a minimum, the
22 5 most commonly spoken languages in the
23 United States to ensure that limited-English
24 proficient individuals receive culturally and lin-

1 guistically appropriate access to the services
2 and information provided by the Agency; and

3 (2) may perform an evaluation of programs car-
4 ried out by the Under Secretary that are designed
5 to assist the development of minority business enter-
6 prises.

7 (b) INFORMATION CLEARINGHOUSE.—The Under
8 Secretary shall—

9 (1) establish and maintain an information clear-
10 inghouse for the collection and dissemination to rel-
11 evant parties (including business owners and re-
12 searchers) of demographic, economic, financial, man-
13 agerial, and technical data relating to minority busi-
14 ness enterprises; and

15 (2) take such steps as the Under Secretary may
16 determine to be necessary and desirable to—

17 (A) search for, collect, classify, coordinate,
18 integrate, record, and catalog the data de-
19 scribed in paragraph (1); and

20 (B) in a manner that is consistent with
21 section 552a of title 5, United States Code, pro-
22 tect the privacy of the minority business enter-
23 prises to which the data described in paragraph
24 (1) relates.

1 **Subtitle B—Minority Business De-**
 2 **velopment Agency Business**
 3 **Center Program**

4 **SEC. 111. DEFINITION.**

5 In this subtitle, the term “MBDA Business Center
 6 Program” means the program established under section
 7 113.

8 **SEC. 112. PURPOSE.**

9 The purpose of the MBDA Business Center Program
 10 shall be to create a national network of public-private
 11 partnerships that—

- 12 (1) assist minority business enterprises to—
 13 (A) access capital, contracts, and grants;
 14 and
 15 (B) create and maintain jobs;
 16 (2) provide counseling and mentoring to minor-
 17 ity business enterprises; and
 18 (3) facilitate the growth of minority business
 19 enterprises by promoting trade.

20 **SEC. 113. ESTABLISHMENT.**

21 (a) IN GENERAL.—There is established in the Agency
 22 a program—

- 23 (1) that shall be known as the MBDA Business
 24 Center Program;

1 (2) that shall be separate and distinct from the
 2 efforts of the Under Secretary under section 101;
 3 and

4 (3) under which the Under Secretary shall
 5 make Federal assistance awards to eligible entities
 6 to operate MBDA Business Centers, which shall, in
 7 accordance with section 114, provide technical as-
 8 sistance and business development services, or spe-
 9 cialty services, to minority business enterprises.

10 (b) COVERAGE.—The Under Secretary shall take all
 11 necessary actions to ensure that the MBDA Business Cen-
 12 ter Program, in accordance with section 114, offers the
 13 services described in subsection (a)(3) in all regions of the
 14 United States.

15 **SEC. 114. GRANTS AND COOPERATIVE AGREEMENTS.**

16 (a) REQUIREMENTS.—An MBDA Business Center
 17 (referred to in this subtitle as a “Center”), with respect
 18 to the Federal financial assistance award made to operate
 19 the Center under the MBDA Business Center Program—

20 (1) shall—

21 (A) provide to minority business enter-
 22 prises programs and services determined to be
 23 appropriate by the Under Secretary, which may
 24 include—

1 (i) referral services to meet the needs
2 of minority business enterprises; and

3 (ii) programs and services to accom-
4 plish the goals described in section 101(1);

5 (B) develop, cultivate, and maintain a net-
6 work of strategic partnerships with organiza-
7 tions that foster access by minority business en-
8 terprises to economic markets, capital, or con-
9 tracts;

10 (C) continue to upgrade and modify the
11 services provided by the Center, as necessary, in
12 order to meet the changing and evolving needs
13 of the business community;

14 (D) establish or continue a referral rela-
15 tionship with not less than 1 community-based
16 organization; and

17 (E) collaborate with other Centers; and

18 (2) in providing programs and services under
19 the applicable MBDA Business Center agreement,
20 may—

21 (A) operate on a fee-for-service basis; or

22 (B) generate income through the collection
23 of—

24 (i) client fees;

25 (ii) membership fees; and

1 (iii) any other appropriate fees pro-
2 posed by the Center in the application sub-
3 mitted by the Center under subsection (e).

4 (b) TERM.—Subject to subsection (g)(3), the term of
5 an MBDA Business Center agreement shall be not less
6 than 3 years.

7 (c) FINANCIAL ASSISTANCE.—

8 (1) IN GENERAL.—The amount of financial as-
9 sistance provided by the Under Secretary under an
10 MBDA Business Center agreement shall be not less
11 than \$250,000 for the term of the agreement.

12 (2) MATCHING REQUIREMENT.—

13 (A) IN GENERAL.—A Center shall match
14 not less than $\frac{1}{3}$ of the amount of the financial
15 assistance awarded to the Center under the
16 terms of the applicable MBDA Business Center
17 agreement, unless the Under Secretary deter-
18 mines that a waiver of that requirement is nec-
19 essary after a demonstration by the Center of
20 a substantial need for that waiver.

21 (B) FORM OF FUNDS.—A Center may
22 meet the matching requirement under subpara-
23 graph (A) by using—

1 (i) cash or in-kind contributions, with-
 2 out regard to whether the contribution is
 3 made by a third party; or

4 (ii) Federal funds received from other
 5 Federal programs.

6 (3) USE OF FINANCIAL ASSISTANCE AND PRO-
 7 GRAM INCOME.—A Center shall use—

8 (A) all financial assistance awarded to the
 9 Center under the applicable MBDA Business
 10 Center agreement to carry out subsection (a);
 11 and

12 (B) all income that the Center generates in
 13 carrying out subsection (a)—

14 (i) to meet the matching requirement
 15 under paragraph (2) of this subsection;
 16 and

17 (ii) if the Center meets the matching
 18 requirement under paragraph (2) of this
 19 subsection, to carry out subsection (a).

20 (d) CRITERIA FOR SELECTION.—The Under Sec-
 21 retary shall—

22 (1) establish criteria that—

23 (A) the Under Secretary shall use in deter-
 24 mining whether to enter into an MBDA Busi-

1 ness Center agreement with an eligible entity;
2 and

3 (B) may include criteria relating to wheth-
4 er an eligible entity is located in—

5 (i) an area, the population of which is
6 composed of not less than 51 percent so-
7 cially or economically disadvantaged indi-
8 viduals, as determined in accordance with
9 data collected by the Bureau of the Cen-
10 sus;

11 (ii) a federally recognized area of eco-
12 nomic distress; or

13 (iii) a State that is underserved with
14 respect to the MBDA Business Center
15 Program, as defined by the Under Sec-
16 retary; and

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

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

20 (B) in each Notice of Funding Opportunity
21 soliciting MBDA Business Center agreements.

22 (e) APPLICATIONS.—An eligible entity desiring to
23 enter into an MBDA Business Center agreement shall
24 submit to the Under Secretary an application that in-
25 cludes—

1 (1) a statement of—

2 (A) how the eligible entity will carry out
3 subsection (a); and

4 (B) any experience or plans of the eligible
5 entity with respect to—

6 (i) assisting minority business enter-
7 prises to—

8 (I) obtain—

9 (aa) large-scale contracts,
10 grants, or procurements;

11 (bb) financing; or

12 (cc) legal assistance;

13 (II) access established supply
14 chains; and

15 (III) engage in—

16 (aa) joint ventures, teaming
17 arrangements, and mergers and
18 acquisitions; or

19 (bb) large-scale transactions
20 in global markets;

21 (ii) supporting minority business en-
22 terprises in increasing the size of the
23 workforces of those enterprises, including,
24 with respect to a minority business enter-
25 prise that does not have employees, aiding

1 the minority business enterprise in becom-
 2 ing an enterprise that has employees; and
 3 (iii) advocating for minority business
 4 enterprises; and

5 (2) the budget and corresponding budget nar-
 6 rative that the eligible entity will use in carrying out
 7 subsection (a) during the term of the applicable
 8 MBDA Business Center agreement.

9 (f) NOTIFICATION.—If the Under Secretary grants
 10 an application of an eligible entity submitted under sub-
 11 section (e), the Under Secretary shall notify the eligible
 12 entity that the application has been granted not later than
 13 150 days after the last day on which an application may
 14 be submitted under that subsection.

15 (g) PROGRAM EXAMINATION; ACCREDITATION; EX-
 16 TENSIONS.—

17 (1) EXAMINATION.—Not later than 180 days
 18 after the date of enactment of this Act, and bienni-
 19 ally thereafter, the Under Secretary shall conduct a
 20 programmatic financial examination of each Center.

21 (2) ACCREDITATION.—The Under Secretary
 22 may provide financial support, by contract or other-
 23 wise, to an association, not less than 51 percent of
 24 the members of which are Centers, to—

1 (A) pursue matters of common concern
2 with respect to Centers; and

3 (B) develop an accreditation program with
4 respect to Centers.

5 (3) EXTENSIONS.—

6 (A) IN GENERAL.—The Under Secretary
7 may extend the term under subsection (b) of an
8 MBDA Business Center agreement to which a
9 Center is a party, if the Center consents to the
10 extension.

11 (B) FINANCIAL ASSISTANCE.—If the
12 Under Secretary extends the term of an MBDA
13 Business Center agreement under paragraph
14 (1), the Under Secretary shall, in the same
15 manner and amount in which financial assist-
16 ance was provided during the initial term of the
17 agreement, provide financial assistance under
18 the agreement during the extended term of the
19 agreement.

20 (h) MBDA INVOLVEMENT.—The Under Secretary
21 may take actions to ensure that the Agency is substan-
22 tially involved in the activities of Centers in carrying out
23 subsection (a), including by—

24 (1) providing to each Center training relating to
25 the MBDA Business Center Program;

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

3 (A) attend—

4 (i) a conference with the Agency to
5 establish the services and programs that
6 the Center will provide in carrying out the
7 requirements before the date on which the
8 Center begins providing those services and
9 programs; and

10 (ii) training provided under paragraph
11 (1);

12 (B) receive necessary guidance relating to
13 carrying out the requirements under subsection
14 (a); and

15 (C) work in coordination and collaboration
16 with the Under Secretary to carry out the
17 MBDA Business Center Program and other
18 programs of the Agency;

19 (3) facilitating connections between Centers
20 and—

21 (A) Federal agencies other than the Agen-
22 cy, as appropriate; and

23 (B) other institutions or entities that use
24 Federal resources, such as—

1 (i) small business development cen-
 2 ters, as that term is defined in section 3(t)
 3 of the Small Business Act (15 U.S.C.
 4 632(t));

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

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

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

18 (4) monitoring projects carried out by each
 19 Center; and

20 (5) establishing and enforcing administrative
 21 and reporting requirements for each Center to carry
 22 out subsection (a).

23 (i) REGULATIONS.—The Under Secretary shall issue
 24 and publish regulations that establish minimum standards
 25 regarding verification of minority business enterprise sta-

1 tus for clients of entities operating under the MBDA Busi-
2 ness Center Program.

3 **SEC. 115. MINIMIZING DISRUPTIONS TO EXISTING MBDA**
4 **BUSINESS CENTER PROGRAM.**

5 The Under Secretary shall ensure that each Federal
6 assistance award made under the Business Centers pro-
7 gram of the Agency, as is in effect on the day before the
8 date of enactment of this Act, is carried out in a manner
9 that, to the greatest extent practicable, prevents disrup-
10 tion of any activity carried out under that award.

11 **SEC. 116. PUBLICITY.**

12 In carrying out the MBDA Business Center Pro-
13 gram, the Under Secretary shall widely publicize the
14 MBDA Business Center Program, including—

- 15 (1) on the website of the Agency;
- 16 (2) via social media outlets; and
- 17 (3) by sharing information relating to the
- 18 MBDA Business Center Program with community-
19 based organizations, including interpretation groups
20 where necessary, to communicate in the most com-
21 mon languages spoken by the groups served by those
22 organizations.

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

5 **SEC. 201. 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 Under Secretary shall conduct a Gov-
10 ernment-business forum to review the current status of
11 problems and programs relating to capital formation by
12 minority business enterprises.

13 (b) PARTICIPATION IN FORUM PLANNING.—The
14 Under 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, not less than 1 certified owner of
21 a minority business enterprise, business organizations,
22 and professional organizations concerned with capital for-
23 mation to participate in the planning of each forum con-
24 ducted under subsection (a).

25 (c) PREPARATION OF STATEMENTS AND REPORTS.—

1 (1) REQUESTS.—The Under Secretary may re-
2 request that any head of a Federal department, agen-
3 cy, or organization, including those described in sub-
4 section (b), or any other group or individual, prepare
5 a statement or report to be delivered at any forum
6 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 Under Secretary
11 to fulfill that request.

12 (d) TRANSMITTAL OF PROCEEDINGS AND FIND-
13 INGS.—The Under 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 subsection
 10 (d)(2)(C), issue a public statement—

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

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

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

22 **SEC. 202. AGENCY STUDY ON ALTERNATIVE FINANCING SO-**
 23 **LUTIONS.**

24 (a) PURPOSE.—The purpose of this section is to pro-
 25 vide information relating to alternative financing solutions

1 to minority business enterprises, as those business enter-
 2 prises are more likely to struggle in accessing, particularly
 3 at affordable rates, traditional sources of capital.

4 (b) STUDY AND REPORT.—Not later than 1 year
 5 after the date of enactment of this Act, the Under Sec-
 6 retary shall—

7 (1) conduct a study on opportunities for pro-
 8 viding alternative financing solutions to minority
 9 business enterprises; and

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

13 **SEC. 203. EDUCATIONAL DEVELOPMENT RELATING TO**
 14 **MANAGEMENT AND ENTREPRENEURSHIP.**

15 (a) DUTIES.—The Under Secretary shall, whenever
 16 the Under Secretary determines such action is necessary
 17 or appropriate—

18 (1) promote the education and training of so-
 19 cially or economically disadvantaged individuals in
 20 subjects directly relating to business administration
 21 and management;

22 (2) encourage institutions of higher education,
 23 leaders in business and industry, and other public
 24 sector entities and private sector entities, particu-
 25 larly minority business enterprises, to—

1 (A) develop programs to offer scholarships
 2 and fellowships, apprenticeships, and intern-
 3 ships relating to business to socially or economi-
 4 cally disadvantaged individuals; and

5 (B) sponsor seminars, conferences, and
 6 similar activities relating to business for the
 7 benefit of socially or economically disadvan-
 8 taged individuals;

9 (3) stimulate and accelerate curriculum design
 10 and improvement in support of development of mi-
 11 nority business enterprises; and

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

16 (b) PARREN J. MITCHELL ENTREPRENEURSHIP
 17 EDUCATION GRANTS.—

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

23 (2) GRANTS.—The Under Secretary shall award
 24 grants to eligible institutions to develop and imple-
 25 ment entrepreneurship curricula.

(3) REQUIREMENTS.—An eligible institution to which a grant is awarded under this subsection shall use the grant funds to—

(A) develop a curriculum that includes training in various skill sets needed by contemporary successful entrepreneurs, including—

(i) business management and marketing;

(ii) financial management and accounting;

(iii) market analysis;

(iv) competitive analysis;

(v) innovation;

(vi) strategic and succession planning;

(vii) marketing; and

(viii) any other skill set that the eligible institution determines is necessary for the students served by the eligible institution and the community in which the eligible institution is located; and

(B) implement the curriculum developed under subparagraph (A) at the eligible institution.

(4) IMPLEMENTATION TIMELINE.—The Under Secretary shall establish and publish a timeline

under which an eligible institution to which a grant is awarded under this section shall carry out the requirements under paragraph (3).

(5) REPORTS.—Each year, the Under Secretary shall submit to all applicable committees of Congress, and as part of the annual budget submission of the President under section 1105(a) of title 31, United States Code, a report evaluating the awarding and use of grants under this subsection during the fiscal year immediately preceding the date on which the report is submitted, which shall include, with respect to that fiscal year—

(A) a description of each curriculum developed and implemented under each grant awarded under this section;

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

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

TITLE III—RURAL MINORITY BUSINESS CENTER PROGRAM

SEC. 301. DEFINITIONS.

In this title:

1 (1) APPROPRIATE CONGRESSIONAL COMMIT-
 2 TEES.—The term “appropriate congressional com-
 3 mittees” means—

4 (A) the Committee on Commerce, Science,
 5 and Transportation of the Senate; and

6 (B) the Committee on Financial Services
 7 of the House of Representatives.

8 (2) ELIGIBLE ENTITY.—The term “eligible enti-
 9 ty” means—

10 (A) a part B institution; or

11 (B) a consortium of institutions of higher
 12 education that is led by a part B institution.

13 (3) MBDA RURAL BUSINESS CENTER.—The
 14 term “MBDA Rural Business Center” means an
 15 MBDA Business Center that provides technical busi-
 16 ness assistance to minority business enterprises lo-
 17 cated in rural areas.

18 (4) MBDA RURAL BUSINESS CENTER AGREE-
 19 MENT.—The term “MBDA Rural Business Center
 20 agreement” means an MBDA Business Center
 21 agreement that establishes the terms by which the
 22 recipient of the Federal assistance award that is the
 23 subject of the agreement shall operate an MBDA
 24 Rural Business Center.

1 (5) PART B INSTITUTION.—The term “part B
2 institution” has the meaning given the term in sec-
3 tion 322 of the Higher Education Act of 1965 (20
4 U.S.C. 1061).

5 (6) RURAL AREA.—The term “rural area” has
6 the meaning given the term in section 343(a) of the
7 Consolidated Farm and Rural Development Act (7
8 U.S.C. 1991(a)).

9 (7) RURAL MINORITY BUSINESS ENTERPRISE.—
10 The term “rural minority business enterprise”
11 means a minority business enterprise located in a
12 rural area.

13 **SEC. 302. BUSINESS CENTERS.**

14 (a) IN GENERAL.—The Under Secretary may estab-
15 lish MBDA Rural Business Centers.

16 (b) PARTNERSHIP.—

17 (1) IN GENERAL.—With respect to an MBDA
18 Rural Business Center established by the Under
19 Secretary, the Under Secretary shall establish the
20 MBDA Rural Business Center in partnership with
21 an eligible entity in accordance with paragraph (2).

22 (2) MBDA AGREEMENT.—

23 (A) IN GENERAL.—With respect to each
24 MBDA Rural Business Center established by
25 the Under Secretary, the Under Secretary shall

1 enter into a cooperative agreement with an eli-
 2 gible entity that provides that—

3 (i) the eligible entity shall provide
 4 space, facilities, and staffing for the
 5 MBDA Rural Business Center;

6 (ii) the Under Secretary shall provide
 7 funding for, and oversight with respect to,
 8 the MBDA Rural Business Center; and

9 (iii) subject to subparagraph (B), the
 10 eligible entity shall match 20 percent of
 11 the amount of the funding provided by the
 12 Under Secretary under clause (ii), which
 13 may be calculated to include the costs of
 14 providing the space, facilities, and staffing
 15 under clause (i).

16 (B) LOWER MATCH REQUIREMENT.—

17 Based on the available resources of an eligible
 18 entity, the Under Secretary may enter into a
 19 cooperative agreement with the eligible entity
 20 that provides that—

21 (i) the eligible entity shall match less
 22 than 20 percent of the amount of the fund-
 23 ing provided by the Under Secretary under
 24 subparagraph (A)(ii); or

1 (ii) if the Under Secretary makes a
 2 determination, upon a demonstration by
 3 the eligible entity of substantial need, the
 4 eligible entity shall not be required to pro-
 5 vide any match with respect to the funding
 6 provided by the Under Secretary under
 7 subparagraph (A)(ii).

8 (C) ELIGIBLE FUNDS.—An eligible entity
 9 may provide matching funds required under an
 10 MBDA Rural Business Center agreement with
 11 Federal funds received from other Federal pro-
 12 grams.

13 (3) TERM.—The initial term of an MBDA
 14 Rural Business Center agreement shall be not less
 15 than 3 years.

16 (4) EXTENSION.—The Under Secretary and an
 17 eligible entity may agree to extend the term of an
 18 MBDA Rural Business Center agreement with re-
 19 spect to an MBDA Rural Business Center.

20 (c) FUNCTIONS.—An MBDA Rural Business Center
 21 shall—

22 (1) primarily serve clients that are—

23 (A) rural minority business enterprises; or

24 (B) minority business enterprises that are
 25 located more than 50 miles from an MBDA

1 Business Center (other than that MBDA Rural
2 Business Center);

3 (2) focus on—

4 (A) issues relating to—

5 (i) the adoption of broadband internet
6 access service (as defined in section 8.1(b)
7 of title 47, Code of Federal Regulations, or
8 any successor regulation), digital literacy
9 skills, and e-commerce by rural minority
10 business enterprises;

11 (ii) advanced manufacturing;

12 (iii) the promotion of manufacturing
13 in the United States;

14 (iv) ways in which rural minority busi-
15 ness enterprises can meet gaps in the sup-
16 ply chain of critical supplies and essential
17 goods and services for the United States;

18 (v) improving the connectivity of rural
19 minority business enterprises through
20 transportation and logistics;

21 (vi) promoting trade and export op-
22 portunities by rural minority business en-
23 terprises;

24 (vii) securing financial capital;

1 (viii) facilitating entrepreneurship in
 2 rural areas; and

3 (ix) creating jobs in rural areas; and

4 (B) any other issue relating to the unique
 5 challenges faced by rural minority business en-
 6 terprises; and

7 (3) provide education, training, and legal, finan-
 8 cial, and technical assistance to minority business
 9 enterprises.

10 (d) APPLICATIONS.—

11 (1) IN GENERAL.—Not later than 90 days after
 12 the date of enactment of this Act, the Under Sec-
 13 retary shall issue a Notice of Funding Opportunity
 14 requesting applications from eligible entities that de-
 15 sire to enter into MBDA Rural Business Center
 16 agreements.

17 (2) CRITERIA AND PRIORITY.—In selecting an
 18 eligible entity with which to enter into an MBDA
 19 Rural Business Center agreement, the Under Sec-
 20 retary shall—

21 (A) select an eligible entity that dem-
 22 onstrates—

23 (i) the ability to collaborate with gov-
 24 ernmental and private sector entities to le-
 25 verage capabilities of minority business en-

1 terprises through public-private partner-
2 ships;

3 (ii) the research and extension capac-
4 ity to support minority business enter-
5 prises;

6 (iii) knowledge of the community that
7 the eligible entity serves and the ability to
8 conduct effective outreach to that commu-
9 nity to advance the goals of an MBDA
10 Rural Business Center;

11 (iv) the ability to provide innovative
12 business solutions, including access to con-
13 tracting opportunities, markets, and cap-
14 ital;

15 (v) the ability to provide services that
16 advance the development of science, tech-
17 nology, engineering, and math jobs within
18 minority business enterprises;

19 (vi) the ability to leverage resources
20 from within the eligible entity to advance
21 an MBDA Rural Business Center;

22 (vii) that the mission of the eligible
23 entity aligns with the mission of the Agen-
24 cy;

1 (viii) the ability to leverage relation-
 2 ships with rural minority business enter-
 3 prises; and

4 (ix) a referral relationship with not
 5 less than 1 community-based organization;
 6 and

7 (B) give priority to an eligible entity lo-
 8 cated in a State or region that—

9 (i) lacks an MBDA Business Center,
 10 as of the date of enactment of this Act; or

11 (ii) has a significant population of so-
 12 cially or economically disadvantaged indi-
 13 viduals.

14 **SEC. 303. REPORT TO CONGRESS.**

15 Not later than 1 year after the date of enactment
 16 of this Act, the Under Secretary shall submit to the appro-
 17 priate congressional committees a report that includes—

18 (1) a summary of the efforts of the Under Sec-
 19 retary to provide services to minority business enter-
 20 prises located in States that lack an MBDA Busi-
 21 ness Center, as of the date of enactment of this Act,
 22 and especially in those States that have significant
 23 minority populations; and

24 (2) recommendations for extending the outreach
 25 of the Agency to underserved areas.

1 **SEC. 304. STUDY AND REPORT.**

2 (a) IN GENERAL.—The Under Secretary, in coordi-
 3 nation with relevant leadership of the Agency and relevant
 4 individuals outside of the Department of Commerce, shall
 5 conduct a study that addresses the ways in which minority
 6 business enterprises can meet gaps in the supply chain of
 7 the United States, with a particular focus on the supply
 8 chain of advanced manufacturing and essential goods and
 9 services.

10 (b) REPORT.—Not later than 1 year after the date
 11 of enactment of this Act, the Under Secretary shall submit
 12 to the appropriate congressional committees a report that
 13 includes the results of the study conducted under sub-
 14 section (a), which shall include recommendations regard-
 15 ing the ways in which minority business enterprises can
 16 meet gaps in the supply chain of the United States.

17 **TITLE IV—MINORITY BUSINESS**
 18 **DEVELOPMENT GRANTS**

19 **SEC. 401. GRANTS TO NONPROFIT ORGANIZATIONS THAT**
 20 **SUPPORT MINORITY BUSINESS ENTER-**
 21 **PRISES.**

22 (a) DEFINITION.—In this section, the term “covered
 23 entity” means a private nonprofit organization that—

24 (1) is described in paragraph (3), (4), (5), or
 25 (6) of section 501(c) of the Internal Revenue Code

1 of 1986 and exempt from tax under section 501(a)
2 of such Code; and

3 (2) can demonstrate that a primary activity of
4 the organization is to provide services to minority
5 business enterprises, whether through education,
6 making grants or loans, or other similar activities.

7 (b) PURPOSE.—The purpose of this section is to
8 make grants to covered entities to help those covered enti-
9 ties continue the necessary work of supporting minority
10 business enterprises.

11 (c) ESTABLISHMENT OF OFFICE.—Not later than
12 180 days after the date of enactment of this Act, the
13 Under Secretary shall establish within the Agency an of-
14 fice that has adequate staffing to make and administer
15 grants under this section.

16 (d) APPLICATION.—A covered entity desiring a grant
17 under this section shall submit to the Under Secretary an
18 application at such time, in such manner, and containing
19 such information as the Under Secretary may require.

20 (e) PRIORITY.—The Under Secretary shall, in car-
21 rying out this section, prioritize granting an application
22 submitted by a covered entity that is located in a federally
23 recognized area of economic distress.

24 (f) USE OF FUNDS.—A covered entity to which a
25 grant is made under this section may use the grant funds

1 to support the development, growth, or retention of minor-
2 ity business enterprises.

3 (g) PROCEDURES.—The Under Secretary shall estab-
4 lish procedures to—

5 (1) discourage and prevent waste, fraud, and
6 abuse by applicants for, and recipients of, grants
7 made under this section; and

8 (2) ensure that grants are made under this sec-
9 tion to a diverse array of covered entities, includ-
10 ing—

11 (A) covered entities with a national pres-
12 ence;

13 (B) community-based covered entities;

14 (C) covered entities with annual budgets
15 below \$1,000,000; and

16 (D) covered entities that principally serve
17 low-income and rural communities.

18 (h) INSPECTOR GENERAL AUDIT.—Not later than
19 180 days after the date on which the Under Secretary be-
20 gins making grants under this section, the Inspector Gen-
21 eral of the Department of Commerce shall—

22 (1) conduct an audit of grants made under this
23 section, which shall seek to identify any discrep-
24 ancies or irregularities with respect to those grants;
25 and

1 (2) submit to Congress a report regarding the
2 audit conducted under paragraph (1).

3 (i) UPDATES TO CONGRESS.—Not later than 90 days
4 after the date on which the Under Secretary establishes
5 the office described in subsection (c), and once every 30
6 days thereafter, the Under Secretary shall submit to Con-
7 gress a report that contains—

8 (1) the number of grants made under this sec-
9 tion during the period covered by the report; and

10 (2) with respect to the grants described in para-
11 graph (1)—

12 (A) the geographic distribution of those
13 grants by State and county;

14 (B) if applicable, demographic information
15 with respect to the minority business enter-
16 prises served by the covered entities to which
17 the grants were made; and

18 (C) information regarding the industries of
19 the minority business enterprises served by the
20 covered entities to which the grants were made.

1 **TITLE V—MINORITY BUSINESS**
2 **ENTERPRISES ADVISORY**
3 **COUNCIL**

4 **SEC. 501. PURPOSE.**

5 The Under Secretary shall establish the Minority
6 Business Enterprises Advisory Council (referred to in this
7 title as the “Council”) to advise and assist the Agency.

8 **SEC. 502. COMPOSITION AND TERM.**

9 (a) COMPOSITION.—The Council shall be composed
10 of 9 members of the private sector and 1 representative
11 from each of not fewer than 10 Federal agencies that sup-
12 port or otherwise have duties that relate to business for-
13 mation, including duties relating to labor development,
14 monetary policy, national security, energy, agriculture,
15 transportation, and housing.

16 (b) CHAIR.—The Under Secretary shall designate 1
17 of the private sector members of the Council as the Chair
18 of the Council for a 1-year term.

19 (c) TERM.—The Council shall meet at the request of
20 the Under Secretary and members shall serve for a term
21 of 2 years. Members of the Council may be reappointed.

22 **SEC. 503. DUTIES.**

23 (a) IN GENERAL.—The Council shall provide advice
24 to the Under Secretary by—

1 (1) serving as a source of knowledge and infor-
2 mation on developments in areas of the economic
3 and social life of the United States that affect so-
4 cially or economically disadvantaged business con-
5 cerns;

6 (2) providing the Under Secretary with infor-
7 mation regarding plans, programs, and activities in
8 the public and private sectors that relate to socially
9 or economically disadvantaged business concerns;
10 and

11 (3) advising the Under Secretary regarding—

12 (A) any measures to better achieve the ob-
13 jectives of this Act; and

14 (B) problems and matters the Under Sec-
15 retary refers to the Council.

16 (b) CAPACITY.—Members of the Council shall not be
17 compensated for service on the Council but may be allowed
18 travel expenses, including per diem in lieu of subsistence,
19 in accordance with subchapter I of chapter 57 of title 5,
20 United States Code.

21 (c) TERMINATION.—Notwithstanding section 14 of
22 the Federal Advisory Committee Act (5 U.S.C. App.), the
23 Council shall terminate on the date that is 5 years after
24 the date of enactment of this Act.

1 **TITLE VI—FEDERAL COORDINA-**
2 **TION OF MINORITY BUSINESS**
3 **PROGRAMS**

4 **SEC. 601. GENERAL DUTIES.**

5 The Under Secretary may coordinate, as consistent
6 with law, the plans, programs, and operations of the Fed-
7 eral Government that affect, or may contribute to, the es-
8 tablishment, preservation, and strengthening of socially or
9 economically disadvantaged business concerns.

10 **SEC. 602. PARTICIPATION OF FEDERAL DEPARTMENTS AND**
11 **AGENCIES.**

12 The Under Secretary shall—

13 (1) consult with other Federal departments and
14 agencies as appropriate to—

15 (A) develop policies, comprehensive plans,
16 and specific program goals for the programs
17 carried out under subtitle B of title I and title
18 III;

19 (B) establish regular performance moni-
20 toring and reporting systems to ensure that
21 goals established by the Under Secretary with
22 respect to the implementation of this Act are
23 being achieved; and

24 (C) evaluate the impact of Federal support
25 of socially or economically disadvantaged busi-

1 ness concerns in achieving the objectives of this
2 Act;

3 (2) conduct a coordinated review of all proposed
4 Federal training and technical assistance activities
5 in direct support of the programs carried out under
6 subtitle B of title I and title III to ensure consist-
7 ency with program goals and to avoid duplication;
8 and

9 (3) convene, for purposes of coordination, meet-
10 ings of the heads of such departments and agencies,
11 or their designees, the programs and activities of
12 which may affect or contribute to the carrying out
13 of this Act.

14 **TITLE VII—ADMINISTRATIVE**
15 **POWERS OF THE AGENCY;**
16 **MISCELLANEOUS PROVI-**
17 **SIONS**

18 **SEC. 701. ADMINISTRATIVE POWERS.**

19 (a) IN GENERAL.—In carrying out this Act, the
20 Under Secretary may—

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

23 (2) hold hearings, sit and act, and take testi-
24 mony as the Under Secretary may determine to be
25 necessary or appropriate to carry out this Act;

1 (3) acquire, in any lawful manner, any property
2 that the Under Secretary determines to be necessary
3 or appropriate to carry out this Act;

4 (4) with the consent of another Federal agency,
5 enter into an agreement with that Federal agency to
6 utilize, with or without reimbursement, any service,
7 equipment, personnel, or facility of that Federal
8 agency; and

9 (5) coordinate with the heads of the Offices of
10 Small and Disadvantaged Business Utilization of
11 Federal agencies.

12 (b) USE OF PROPERTY.—

13 (1) IN GENERAL.—Subject to paragraph (2), in
14 carrying out this Act, the Under Secretary may,
15 without cost (except for costs of care and handling),
16 allow any public sector entity, or any recipient non-
17 profit organization, for the purpose of the develop-
18 ment of minority business enterprises, to use any
19 real or tangible personal property acquired by the
20 Agency in carrying out this Act.

21 (2) TERMS, CONDITIONS, RESERVATIONS, AND
22 RESTRICTIONS.—The Under Secretary may impose
23 reasonable terms, conditions, reservations, and re-
24 strictions upon the use of any property under para-
25 graph (1).

1 **SEC. 702. FEDERAL ASSISTANCE.**

2 (a) IN GENERAL.—

3 (1) PROVISION OF FEDERAL ASSISTANCE.—To
4 carry out sections 101, 102, and 103(a), the Under
5 Secretary may provide Federal assistance to public
6 sector entities and private sector entities in the form
7 of grants or cooperative agreements.

8 (2) NOTICE.—Not later than 120 days after the
9 date on which amounts are appropriated to carry
10 out this section, the Under Secretary shall, in ac-
11 cordance with subsection (b), broadly publish a
12 statement regarding Federal assistance that will, or
13 may, be provided under paragraph (1) during the
14 fiscal year for which those amounts are appro-
15 priated, including—

16 (A) the actual, or anticipated, amount of
17 Federal assistance that will, or may, be made
18 available;

19 (B) the types of Federal assistance that
20 will, or may, be made available;

21 (C) the manner in which Federal assist-
22 ance will be allocated among public sector enti-
23 ties and private sector entities, as applicable;
24 and

1 (D) the methodology used by the Under
 2 Secretary to make allocations under subpara-
 3 graph (C).

4 (3) CONSULTATION.—The Under Secretary
 5 shall consult with public sector entities and private
 6 sector entities, as applicable, in deciding the
 7 amounts and types of Federal assistance to make
 8 available under paragraph (1).

9 (b) PUBLICITY.—In carrying out this section, the
 10 Under Secretary shall broadly publicize all opportunities
 11 for Federal assistance available under this section, includ-
 12 ing through the means required under section 116.

13 **SEC. 703. RECORDKEEPING.**

14 (a) IN GENERAL.—Each recipient of assistance
 15 under this Act shall keep such records as the Under Sec-
 16 retary shall prescribe, including records that fully disclose,
 17 with respect to the assistance received by the recipient
 18 under this Act—

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

20 (2) the disposition by the recipient of the pro-
 21 ceeds of that assistance;

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

24 (4) the amount and nature of the portion of the
 25 cost of the undertaking described in paragraph (3)

1 that is supplied by a source other than the Agency;
2 and

3 (5) any other record that will facilitate an effective
4 audit with respect to the assistance.

5 (b) ACCESS BY GOVERNMENT OFFICIALS.—The
6 Under Secretary, the Inspector General of the Department
7 of Commerce, and the Comptroller General of the United
8 States, or any duly authorized representative of any such
9 individual, shall have access, for the purpose of audit, investigation,
10 and examination, to any book, document,
11 paper, record, or other material of the Agency or an
12 MBDA Business Center.

13 **SEC. 704. REVIEW AND REPORT BY COMPTROLLER GENERAL.**
14 **ERAL.**

15 Not later than 4 years after the date of enactment
16 of this Act, the Comptroller General of the United States
17 shall—

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

20 (2) submit to Congress a detailed report of the
21 findings of the Comptroller General of the United
22 States under the review carried out under paragraph
23 (1), which shall include—

1 (A) an evaluation of the effectiveness of
2 the programs in achieving the purposes of this
3 Act;

4 (B) a description of any failure by any re-
5 cipient of assistance under this Act to comply
6 with the requirements under this Act; and

7 (C) recommendations for any legislative or
8 administrative action that should be taken to
9 improve the achievement of the purposes of this
10 Act.

11 **SEC. 705. BIENNIAL REPORTS; RECOMMENDATIONS.**

12 (a) BIENNIAL REPORT.—Not later than 1 year after
13 the date of enactment of this Act, and 90 days after the
14 last day of each odd-numbered year thereafter, the Under
15 Secretary shall submit to Congress, and publish on the
16 website of the Agency, a report of each activity of the
17 Agency carried out under this Act during the period cov-
18 ered by the report.

19 (b) RECOMMENDATIONS.—The Under Secretary shall
20 periodically submit to Congress and the President rec-
21 ommendations for legislation or other actions that the
22 Under Secretary determines to be necessary or appro-
23 priate to promote the purposes of this Act.

1 **SEC. 706. SEPARABILITY.**

2 If a provision of this Act, or the application of a pro-
3 vision of this Act to any person or circumstance, is held
4 by a court of competent jurisdiction to be invalid, that
5 judgment—

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

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

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

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

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

13 (B) the application of the provision of this
14 Act to each person or circumstance directly in-
15 volved in the controversy in which the judgment
16 is rendered.

17 **SEC. 707. EXECUTIVE ORDER 11625.**

18 The powers and duties of the Agency shall be deter-
19 mined—

20 (1) in accordance with this Act and the require-
21 ments of this Act; and

22 (2) without regard to Executive Order 11625
23 (36 Fed. Reg. 19967; relating to prescribing addi-
24 tional arrangements for developing and coordinating
25 a national program for minority business enter-
26 prise).

1 **SEC. 708. AMENDMENT TO THE FEDERAL ACQUISITION**
2 **STREAMLINING ACT OF 1994.**

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

6 “(2) The Under Secretary of Commerce for Mi-
7 nority Business Development.”.

8 **SEC. 709. AUTHORIZATION OF APPROPRIATIONS.**

9 There are authorized to be appropriated to the Under
10 Secretary \$100,000,000 for each of fiscal years 2021
11 through 2025 to carry out this Act, of which—

12 (1) a majority shall be used in each such fiscal
13 year to carry out the MBDA Business Center Pro-
14 gram under subtitle B of title I, including the com-
15 ponent of that program relating to specialty centers;
16 and

17 (2) \$10,000,000 shall be used in each such fis-
18 cal year to carry out title III.

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