

PROVIDING FOR CONSIDERATION OF THE BILL (H.R. 2352)
TO AMEND THE SMALL BUSINESS ACT, AND FOR
OTHER PURPOSES

MAY 19, 2009.—Referred to the House Calendar and ordered to be printed

Mr. POLIS, from the Committee on Rules,
submitted the following

R E P O R T

[To accompany H. Res. 457]

The Committee on Rules, having had under consideration House Resolution 457, by a non-record vote, report the same to the House with the recommendation that the resolution be adopted.

SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for consideration of H.R. 2352, the Job Creation Through Entrepreneurship Act of 2009, under a structured rule. The resolution provides one hour of general debate equally divided and controlled by the chair and ranking minority member of the Committee on Small Business. The rule waives all points of order against consideration of the bill except clauses 9 and 10 of rule XXI. The resolution provides that the amendment in the nature of a substitute recommended by the Committee on Small Business now printed in the bill shall be considered as an original bill for the purpose of amendment and shall be considered as read. The resolution waives all points of order against the amendment in the nature of a substitute except for clause 10 of rule XXI. This waiver does not affect the point of order available under clause 9 of rule XXI (regarding earmark disclosure).

The resolution makes in order only those amendments printed in this report. The amendments made in order may be offered only in the order printed in this report, may be offered only by a Member designated in this report, shall be considered as read, shall be debatable for the time specified in this report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole. All

of the question in the House or in the Committee of the Whole. All points of order against the amendments except for clauses 9 and 10 of rule XXI are waived. The resolution provides one motion to recommit with or without instructions.

EXPLANATION OF WAIVERS

The waiver of all points of order against consideration of the bill (except for clauses 9 and 10 of rule XXI) includes a waiver of clause 3(d)(2) of rule XIII requiring the inclusion of a cost estimate. Although the rule waives all points of order against the amendment in the nature of a substitute (except clause 10 of rule XXI), the Committee is not aware of any points of order. The waiver of all points of order is prophylactic.

COMMITTEE VOTES

The results of each record vote on an amendment or motion to report, together with the names of those voting for and against, are printed below:

Rules Committee record vote No. 97

Date: May 19, 2009.

Measure: H.R. 2352.

Motion by: Mr. Diaz-Balart.

Summary of motion: To make in order and provide appropriate waivers for an amendment by Rep. Terry (NE), #14, which would amend the Small Business Act's loan program to allow "floor-plan" financing for motor vehicle dealers. It further defines "motor vehicle" broadly and increases the maximum loan guarantee from \$2 million to \$20 million.

Results: Defeated 4–6.

Vote by Members: McGovern—Nay; Cardoza—Nay; Perlmutter—Nay; Pingree—Nay; Polis—Nay; Dreier—Yea; Diaz-Balart—Yea; Sessions—Yea; Foxx—Yea; Slaughter—Nay.

Rules Committee record vote No. 98

Date: May 19, 2009.

Measure: H.R. 2352.

Motion by: Mr. Sessions.

Summary of motion: To make in order and provide appropriate waivers for an amendment by Rep. Roskam (IL), #7, which would add a new section to permanently repeal the estate tax.

Results: Defeated 4–6.

Vote by Members: McGovern—Nay; Cardoza—Nay; Perlmutter—Nay; Pingree—Nay; Polis—Nay; Dreier—Yea; Diaz-Balart—Yea; Sessions—Yea; Foxx—Yea; Slaughter—Nay.

SUMMARY OF AMENDMENTS TO BE MADE IN ORDER

1. Velázquez (NY): Manager's Amendment making conforming grammatical and technical corrections to the legislation. Would allow the director of the Veterans Business Center program to authorize grants to veterans business centers for the purpose of providing one on one counseling or group counseling to members of the Reserve component who are small business owners on effective planning strategies to prepare their business for when they deploy

as part of a contingency operation. Would require the Director of the Veterans Business Center program to certify annually to the Director of the Small Business Administration that a sufficient percentage of veterans in rural areas have adequate access to a Veterans Business Center. If not, the Director of the Veterans Business Center program shall for one year give priority to grant applications that establish Veteran Business Centers in rural areas. Would expand the Green Technology Training to be available to all interested small businesses that qualify, including existing businesses seeking to adapt their business to include such fields. Would provide women's and veterans business centers that institute green entrepreneurial programs with access to maximum grant awards under their respective programs. Would add "strategies for increasing job placement or women in nontraditional occupations" to the required content of the annual plans to be submitted by women's business centers under the Women's Business Center Program. Would require small business development centers to provide services that assist low-income or dislocated workers to start businesses in the fields of energy efficiency, green technology, or clean technology, under the Green Entrepreneurs Training Program. Would waive matching grant requirements contained in the bill for Veterans Business Centers serving communities with a per capita income less than 75% of the national per-capita income, and an unemployment rate at least 150% higher than the national average. (20 minutes)

2. Polis (CO): Would include cost saving energy usage reductions as an eligible project under section 403(b) management assistance. (10 minutes)

3. Paulsen (MN): Would require a study by the Comptroller General to look at the effects of the legislation's efforts for veteran owned businesses. The Comptroller must also include recommendations as to how the Federal government can more effectively serve veteran owned businesses. (10 minutes)

4. Bocchieri (OH): Would allow veterans centers to receive grants to develop specialized programs to assist unemployed veterans in becoming entrepreneurs and adds training for veterans centers to improve outreach to veterans in areas of high unemployment at the Veterans Development Summit. (10 minutes)

5. Himes (CT): Would require the Small Business Administrator to establish and carry out a "Microenterprise Training Center Program" for the purpose of providing low-income and unemployed individuals with training and counseling with respect to starting a microenterprise. (10 minutes)

6. Kratovil (MD): Would establish a Rural Entrepreneurship Advisory Council within the Small Business Administration, comprised of appropriate officials from the SBA, the rural development programs of the Department of Agriculture, and the Department of Commerce and of representatives from the academic, small business, agriculture, and high-tech communities. The council is tasked with providing a report to Congress on rural entrepreneurship, and to provide ongoing advice and recommendations to foster rural entrepreneurs. (10 minutes)

7. Murphy (NY): Would increase the grant sizes for "initial grants" and "growth funding grants" for each veterans business center by \$50,000 per year per center to \$200,000 and \$150,000 re-

spectively. In addition, the amendment would increase the authorized appropriations to carry out this subsection by \$2,000,000 each per year to \$12,000,000 in fiscal year 2010 and \$14,000,000 in fiscal year 2011. (10 minutes)

8. Nye (VA): Would add a new title (Military Entrepreneurs Program) to require the Small Business Administration to establish and carry out a program to provide business counseling and entrepreneurial development assistance to members of the Armed Forces to facilitate the development of small business concerns. The amendment establishes a liaison to facilitate outreach to members of the Armed Forces with respect to business counseling and entrepreneurial development assistance. (10 minutes)

9. Schauer (MI): Would create a new section and authorize funding for small business development centers to assist small manufacturers that are transitioning into growth sectors. (10 minutes)

TEXT OF AMENDMENTS TO BE MADE IN ORDER

1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE VELÁZQUEZ OF NEW YORK, OR HER DESIGNEE, DEBATABLE FOR 20 MINUTES

Page 9, beginning line 19, strike “with respect to the benefits of self-employment” and insert “to promote self-employment opportunities”.

Page 9, line 21, strike “tailored”.

Page 12, line 20, strike “high-quality”.

Page 14, line 9, insert after “Veterans Business Centers,” the following: “SCORE chapters,”.

Page 16, line 21, strike “capital” and insert “financing”.

Page 16, line 24, strike “aggressively”.

Page 33, line 9, strike “the performance”.

Page 33, line 13, strike “relating” and insert “related”.

Page 36, beginning line 13, strike “as a catalyst for job creation for” and insert “to create jobs during”.

Page 36, line 14, strike “2009 and 2010” and insert “2010 and 2011”.

Page 7, after line 22 insert the following:

“(v) Providing one-on-one or group counseling to owners of small business concerns who are members of the reserve components of the armed forces, as specified in section 10101 of title 10, United States Code, to assist such owners to effectively prepare their small businesses for periods when such owners are deployed in support of a contingency operation.”.

Page 6, line 22, strike “(10)” and insert “(11)”.

Page 6, after line 21 insert the following:

“(10) RURAL AREAS.—The Director shall submit annually to the Administrator a report on whether a sufficient percentage, as determined by the Director, of veterans in rural areas have adequate access to a veterans business center. If the Director submits a report under this paragraph that does not demonstrate that a sufficient percentage of veterans in rural areas have adequate access to a veterans business center, the Director shall give priority during the one year period following the date of the submission of such report to applications for des-

ignations and grants under this subsection that will establish veterans business centers in rural areas.”.

Page 31, line 12, insert after “community” the following: “, strategies for increasing job placement of women in nontraditional occupations”.

Page 47, line 8, strike “and”.

Page 47, line 12, strike the period and insert “; and”.

Page 47, after line 12, insert the following new subparagraph:

“(D) provide services that assist low-income or dislocated workers to start businesses in the fields of energy efficiency, green technology, or clean technology.”.

Page 47, line 4, insert after “clean technology” the following: “and in adapting a business to include such fields”.

Page 47, line 12, insert after “clean technology” the following: “and to individuals seeking to adapt a business to include such fields”.

Page 27, line 18, insert after “per year.” the following: “Projects receiving assistance under this subparagraph that possess the capacity to train existing or potential business owners in the fields of green technology, clean technology, or energy efficiency shall receive the maximum award under this subparagraph.”.

Page 29, after line 5 insert the following:

“(E) the capacity of the project to train existing or potential business owners in the fields of green technology, clean technology, or energy efficiency;”.

Page 29, line 6, strike “(E)” and insert “(F)”.

Page 29, line 7, strike “(F)” and insert “(G)”.

Page 32, after line 12 insert the following:

SEC. 406. APPLICANT EVALUATION CRITERIA.

Section 29(f) of the Small Business Act (15 U.S.C. 656(f)) is amended—

(1) in paragraph (3) by striking “and” at the end;

(2) in paragraph (4) by striking the period and inserting “; and”; and

(3) by adding at the end the following:

“(5) whether the applicant has the capacity to train existing or potential business owners in the fields of green technology, clean technology, or energy efficiency.”.

Page 5, line 13, after “hardship.” insert the following: “The Director may waive the matching funds requirement under this paragraph with respect to veterans business centers that serve communities with a per capita income less than 75 percent of the national per capita income and an unemployment rate at least 150 percent higher than the national average.”.

2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE POLIS OF COLORADO, OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 27, line 1, insert after “concern” the following: “, including implementing cost saving energy techniques”.

3. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE PAULSEN OF MINNESOTA, OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

At the end of title I, insert the following new section:

SEC. 103. COMPTROLLER GENERAL STUDY OF SMALL BUSINESS CONCERNS OWNED AND CONTROLLED BY VETERANS.

The Comptroller General shall carry out a study on the effects of this Act and the amendments made by this Act on small business concerns owned and controlled by veterans and submit to Congress a report on the results of such study. Such report shall include the recommendations of the Comptroller General with respect to how this Act and the amendments made by this Act may be implemented to more effectively serve small business concerns owned and controlled by veterans.

4. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE BOCCIERI OF OHIO, OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 7, insert after line 22 the following:

“(v) Developing specialized programs to assist unemployed veterans to become entrepreneurs.”.

Page 10, line 21, insert after “Director.” the following: “Such event shall include education and training with respect to improving outreach to veterans in areas of high unemployment.”.

5. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE HIMES OF CONNECTICUT, OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 12, line 15, strike “section 46” and insert “section 47”.

Page 50, after line 16, add the following new title:

TITLE VIII—MICROENTERPRISE TRAINING CENTER PROGRAM

SEC. 801. MICROENTERPRISE TRAINING CENTER PROGRAM.

The Small Business Act (15 U.S.C. 631 et seq.) is amended by inserting after section 45, as added by section 301(b) of this Act, the following:

“SEC. 46. MICROENTERPRISE TRAINING CENTER PROGRAM.

“(a) ESTABLISHMENT.—The Administrator shall establish and carry out a microenterprise training center program for the purpose of providing low-income and unemployed individuals with training and counseling with respect to starting a microenterprise.

“(b) NUMBER AND LOCATION OF CENTERS.—In carrying out the program under subsection (a), the Administrator shall establish 10 microenterprise training centers, which, to the extent practicable, shall be located in a manner that promotes the geographic diversity of such centers. The Administrator shall give priority in locating such centers to areas with high proportions of low-income and unemployed individuals.

“(c) FUNCTION.—In carrying out the program under subsection (a), the Administrator shall ensure that microenterprise training centers provide training and resources to individuals seeking to

start a new microenterprise, including through the provision of classes, one-on-one instruction, and other services the Administrator determines appropriate.

“(d) COORDINATION.—The Administrator shall coordinate the program established under subsection (a) with other programs of the Administration that may provide support to microenterprises.

“(e) DEFINITION OF MICROENTERPRISE.—In this section, the term ‘microenterprise’ means a business with not more than 6 employees and begun with an initial investment of not more than \$40,000.”.

6. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE KRATOVIL OF MARYLAND, OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 12, line 15, strike “section 46” and insert “section 47”.

Page 50, after line 16, add the following new title:

TITLE VIII—RURAL ENTREPRENEURSHIP ADVISORY COUNCIL

SEC. 801. RURAL ENTREPRENEURSHIP ADVISORY COUNCIL.

The Small Business Act (15 U.S.C. 631 et. seq.) is amended by inserting after section 45, as added by section 301(b) of this Act, the following:

“SEC. 46. RURAL ENTREPRENEURSHIP ADVISORY COUNCIL.

“(a) ESTABLISHMENT.—The Administrator shall establish a rural entrepreneurship advisory council (hereinafter referred to in this section as the ‘council’).

“(b) COMPOSITION.—The Administrator shall ensure that the council is composed of appropriate officials from the Administration, the rural development programs of the Department of Agriculture, and the Department of Commerce and of representatives, who volunteer for the council, from the academic, small business, agriculture, and high-tech communities.

“(c) FUNCTIONS.—

“(1) INITIAL REPORT.—Not later than 90 days after the date of the enactment of this section, the council shall submit to the Administrator and to Congress a report on the following:

“(A) Entrepreneurship in rural communities compared to urban communities.

“(B) Potential barriers to entrepreneurship for individuals in rural communities.

“(C) Effective Federal policies that are expanding entrepreneurship in rural communities.

“(D) Recommendations for Federal policies to foster entrepreneurship in rural communities and to ensure that rural entrepreneurs have equal access to technical assistance, entrepreneurial opportunities, and educational outreach.

“(2) ADVICE.—The council shall provide ongoing advice to the Administrator with respect to rural entrepreneurship and make recommendations to foster rural entrepreneurs, including through the effective use of broadband technology.”.

7. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE MURPHY OF NEW YORK, OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 4, line 11, strike “\$150,000” and insert the following: “\$200,000”.

Page 4, line 18, strike “\$100,000” and insert the following: “\$150,000”.

Page 6, line 24, strike “\$10,000,000” and insert the following: “\$12,000,000”.

Page 6, line 25, strike “\$12,000,000” and insert the following: “\$14,000,000”.

8. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE NYE OF VIRGINIA, OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 12, line 15, strike “section 46” and insert “section 47”.

Page 50, after line 16, add the following new title:

TITLE VIII—MILITARY ENTREPRENEURS PROGRAM

SEC. 801. MILITARY ENTREPRENEURS PROGRAM.

The Small Business Act (15 U.S.C. 631 et seq.) is amended by inserting after section 45, as added by section 301(b) of this Act, the following:

“SEC. 46. MILITARY ENTREPRENEURS PROGRAM.

“(a) ESTABLISHMENT.—The Administrator shall establish and carry out a program to provide business counseling and entrepreneurial development assistance to members of the Armed Forces to facilitate the development of small business concerns.

“(b) LIAISON.—In carrying out the program described in subsection (a), the Administrator shall establish a liaison to facilitate outreach to members of the Armed Forces with respect to business counseling and entrepreneurial development assistance.

“(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator to carry out this section \$1,000,000 for fiscal years 2010 and 2011.”.

9. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE SCHAUER OF MICHIGAN, OR HIS DESIGNEE, DEBATABLE FOR 10 MINUTES

Page 50, after line 16, add the following new section:

SEC. 708. SMALL MANUFACTURERS TRANSITION ASSISTANCE PROGRAM.

Section 21 of the Small Business Act (15 U.S.C. 648), as amended, is further amended by adding at the end the following new subsection:

“(s) SMALL MANUFACTURERS TRANSITION ASSISTANCE PROGRAM.—

“(1) IN GENERAL.—The Administration shall establish a grant program for small business development centers in accordance with this subsection. To be eligible for the program, a small business development center must be in good standing and

comply with the other requirements of this section. Funds made available through the program shall be used to—

“(A) provide technical assistance and expertise to small manufacturers with respect to changing operations to another industry sector or reorganizing operations to increase efficiency and profitability;

“(B) assist marketing of the capabilities of small manufacturers outside the principal area of operations of such manufacturers;

“(C) facilitate peer-to-peer and mentor-protege relationships between small manufacturers and corporations and Federal agencies; and

“(D) conduct outreach activities to local small manufacturers with respect to the availability of the services described in subparagraphs (A), (B), and (C).

“(2) DEFINITION OF SMALL MANUFACTURER.—In this subsection, the term ‘small manufacturer’ means a small business concern engaged in an industry specified in sectors 31, 32, or 33 of the North American Industry Classification System in section 121.201 of title 13, Code of Federal Regulations.

“(3) AWARD SIZE LIMIT.—The Administration may not award an entity more than \$250,000 in grant funds under this subsection.

“(4) AUTHORITY.—Subject to amounts approved in advance in appropriations Acts and separate from amounts approved to carry out the program established in subsection (a)(1), the Administration may make grants or enter into cooperative agreements to carry out this subsection.

“(5) AUTHORIZATION.—There is authorized to be appropriated not more than \$2,500,000 for the purposes of carrying out this subsection for each of the fiscal years 2010 and 2011.”.