

Public Law 106-554
106th Congress

TITLE VIII--MISCELLANEOUS PROVISIONS

SEC. 801. LOAN APPLICATION PROCESSING.

(a) Study.--The Administrator of the Small Business Administration shall conduct a study to determine the average time that the Administration requires to process an application for each type of loan or loan guarantee made under the Small Business Act (15 U.S.C. 631 et seq.).

(b) Transmittal.--Not later than 1 year after the date of the enactment of this Act, the Administrator shall transmit to Congress the results of the study conducted under subsection (a).

SEC. 802. APPLICATION OF OWNERSHIP REQUIREMENTS.

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

``(30) Ownership requirements.--Ownership requirements to determine the eligibility of a small business concern that applies for assistance under any credit program under this Act shall be determined without regard to any ownership interest of a spouse arising solely from the application of the community property laws of a State for purposes of determining marital interests.''

(b) Small Business Investment Act of 1958.--Section 502 of the Small Business Investment Act of 1958 (15 U.S.C. 696) is amended by adding at the end the following:

``(6) Ownership requirements.--Ownership requirements to determine the eligibility of a small business concern that applies for assistance under any credit program under this title shall be determined without regard to any ownership interest of a spouse arising solely from the application of the community property laws of a State for purposes of determining marital interests.''

SEC. 803. SUBCONTRACTING PREFERENCE FOR VETERANS.

Section 8(d) of the Small Business Act (15 U.S.C. 637(d)) is amended--

[[Page 114 STAT. 2763A-703]]

(1) in paragraph (1), by inserting ``small business concerns owned and controlled by veterans,' ' after ``small business concerns,' ' the first place that term appears in each of the first and second sentences;

(2) in paragraph (3)--

(A) in subparagraph (A), by inserting ``small business concerns owned and controlled by service-disabled veterans,' ' after ``small business concerns owned and controlled by veterans,' ' in each of the first

and second sentences; and

(B) in subparagraph (F), by inserting ``small business concern owned and controlled by service-disabled veterans,' ' after ``small business concern owned and controlled by veterans,' ' ; and

(3) in each of paragraphs (4) (D), (4) (E), (6) (A), (6) (C), (6) (F), and (10) (B), by inserting ``small business concerns owned and controlled by service-disabled veterans,' ' after ``small business concerns owned and controlled by veterans,' ' .

SEC. 804. SMALL BUSINESS DEVELOPMENT CENTER PROGRAM FUNDING.

(a) Authorization.--

(1) In general.--Section 20(a) (1) of the Small Business Act (15 U.S.C. 631 note) is amended by striking ``For fiscal year 1985' ' and all that follows through ``expended.' ' and inserting the following: ``For fiscal year 2000 and each fiscal year thereafter, there are authorized to be appropriated such sums as may be necessary and appropriate, to remain available until expended, and to be available solely--

``(A) to carry out the Small Business Development Center Program under section 21, but not to exceed the annual funding level, as specified in section 21(a);

``(B) to pay the expenses of the National Small Business Development Center Advisory Board, as provided in section 21(i);

``(C) to pay the expenses of the information sharing system, as provided in section 21(c) (8);

``(D) to pay the expenses of the association referred to in section 21(a) (3) (A) for conducting the certification program, as provided in section 21(k) (2); and

``(E) to pay the expenses of the Administration, including salaries of examiners, for conducting examinations as part of the certification program conducted by the association referred to in section 21(a) (3) (A).''.

(2) Technical amendment.--Section 20(a) of the Small Business Act (15 U.S.C. 631 note) is amended by moving the margins of paragraphs (3) and (4), including subparagraphs (A) and (B) of paragraph (4), 2 ems to the left.

(b) Funding Formula.--Section 21(a) (4) (C) of the Small Business Act (15 U.S.C. 648(a) (4) (C)) is amended to read as follows:

``(C) Funding formula.--

``(i) In general.--Subject to clause (iii), the amount of a formula grant received by a State under this subparagraph shall be equal to an amount determined in accordance with the following formula:

``(I) The annual amount made available under section 20(a) for the Small Business Development Center

[[Page 114 STAT. 2763A-704]]

Program, less any reductions made for expenses authorized by clause (v) of this subparagraph, shall be divided on a pro rata basis, based on the percentage of the population of each State, as compared to the population of the United States.

``(II) If the pro rata amount calculated under subclause (I) for any State is less than the minimum funding level under clause (iii), the Administration shall determine the aggregate amount necessary to achieve that minimum funding level for each such State.

``(III) The aggregate amount calculated under subclause (II) shall be deducted from the amount calculated under subclause (I) for States eligible to receive more than the minimum funding level. The deductions shall be made on a pro rata basis, based on the population of each such State, as compared to the total population of all such States.

``(IV) The aggregate amount deducted under subclause (III) shall be added to the grants of those States that are not eligible to receive more than the minimum funding level in order to achieve the minimum funding level for each such State, except that the eligible amount of a grant to any State shall not be reduced to an amount below the minimum funding level.

``(ii) Grant determination.--The amount of a grant that a State is eligible to apply for under this subparagraph shall be the amount determined under clause (i), subject to any modifications required under clause (iii), and shall be based on the amount available for the fiscal year in which performance of the grant commences, but not including amounts distributed in accordance with clause (iv). The amount of a grant received by a State under any provision of this subparagraph shall not exceed the amount of matching funds from sources other than the Federal Government, as required under subparagraph (A).

``(iii) Minimum funding level.--The amount of the minimum funding level for each State shall be determined for each fiscal year based on the amount made available for that fiscal year to carry out this section, as follows:

``(I) If the amount made available is not less than \$81,500,000 and not more than \$90,000,000, the minimum funding level shall be \$500,000.

``(II) If the amount made available is less than \$81,500,000, the minimum funding level shall be the remainder of \$500,000 minus a percentage of \$500,000 equal to the percentage amount by which the amount made available is less than \$81,500,000.

``(III) If the amount made available is more than \$90,000,000, the minimum funding level shall be the sum of \$500,000 plus a percentage of \$500,000 equal to the percentage amount by which the amount made available exceeds \$90,000,000.

``(iv) Distributions.--Subject to clause (iii), if any State does not apply for, or use, its full funding eligibility for a fiscal year, the Administration shall distribute the remaining funds as follows:

``(I) If the grant to any State is less than the amount received by that State in fiscal year 2000, the Administration shall distribute such remaining funds, on a pro rata basis, based on the percentage of shortage of each such State, as compared to the total amount of such remaining funds available, to the extent necessary in order to increase the amount of the grant to the amount received by that State in fiscal year 2000, or until such funds are exhausted, whichever first occurs.

``(II) If any funds remain after the application of subclause (I), the remaining amount may be distributed as supplemental grants to any State, as the Administration determines, in its discretion, to be appropriate, after consultation with the association referred to in subsection (a) (3) (A).

``(v) Use of amounts.--

``(I) In general.--Of the amounts made available in any fiscal year to carry out this section--

``(aa) not more than \$500,000 may be used by the Administration to pay expenses enumerated in subparagraphs (B) through (D) of section 20(a) (1); and

``(bb) not more than \$500,000 may be used by the Administration to pay the examination expenses enumerated in section 20(a) (1) (E).

``(II) Limitation.--No funds described in subclause (I) may be used for examination expenses under section 20(a) (1) (E) if the usage would reduce the amount of grants made available under clause (i) (I) of this subparagraph to less than \$85,000,000 (after excluding any amounts provided in appropriations Acts for specific institutions or for purposes other than the general small business development center program) or would further reduce the amount of such grants below such amount.

``(vi) Exclusions.--Grants provided to a State by the Administration or another Federal agency to carry out subsection (a) (6) or (c) (3) (G), or for supplemental grants set forth in clause (iv) (II) of this subparagraph, shall not be included in the calculation of maximum funding for a State under clause (ii) of this subparagraph.

``(vii) Authorization of appropriations.--There is authorized to be appropriated to carry out this subparagraph \$125,000,000 for each of fiscal years 2001, 2002, and 2003.

``(viii) State defined.--In this subparagraph, the term 'State' means each of the several States, the

District of Columbia, the Commonwealth of Puerto Rico,
the Virgin Islands, Guam, and American Samoa.''.

SEC. 805. SURETY BONDS.

(a) Contract Amounts.--Section 411 of the Small Business Investment Act of 1958 (15 U.S.C. 694b) is amended--

(1) in subsection (a) (1), by striking ``\$1,250,000'' and inserting ``\$2,000,000''; and

[[Page 114 STAT. 2763A-706]]

(2) in subsection (e) (2), by striking ``\$1,250,000'' and inserting ``\$2,000,000''.

(b) Extension of Certain Authority.--Section 207 of the Small Business Administration Reauthorization and Amendment Act of 1988 (15 U.S.C. 694b note) is amended by striking ``2000'' and inserting ``2003''.

SEC. 806. SIZE STANDARDS.

(a) Industry Classifications.--Section 15(a) of the Small Business Act (15 U.S.C. 644(a)) is amended in the eighth sentence, by striking ``four-digit standard'' and all that follows through ``published'' and inserting ``definition of a `United States industry' under the North American Industry Classification System, as established''.

(b) Annual Receipts.--Section 3(a) (1) of the Small Business Act (15 U.S.C. 632(a) (1)) is amended by striking ``\$500,000'' and inserting ``\$750,000''.

SEC. 808. NATIONAL VETERANS BUSINESS DEVELOPMENT CORPORATION CORRECTION.

Section 33(k) of the Small Business Act (15 U.S.C. 657c(k)) is amended--

(1) by striking paragraph (1) and inserting the following:

``(1) In general.--Subject to paragraph (2), there are authorized to be appropriated to the Corporation to carry out this section--

``(A) \$4,000,000 for fiscal year 2001;

``(B) \$4,000,000 for fiscal year 2002;

``(C) \$2,000,000 for fiscal year 2003; and

``(D) \$2,000,000 for fiscal year 2004.'';

(2) in paragraph (2) (A), by striking ``2001'' each place it appears and inserting ``2002''; and

(3) in paragraph (2) (B), by striking ``2002 or 2003'' and inserting ``2003 or 2004''.

SEC. 809. PRIVATE SECTOR RESOURCES FOR SCORE.

Section 8(b) (1) (B) of the Small Business Act (15 U.S.C. 637(b) (1) (B)) is amended by adding at the end the following:
``Notwithstanding any other provision of law, SCORE may solicit cash and in-kind contributions from the private sector to be used to carry out its functions under this Act, and may use payments made by the Administration pursuant to this subparagraph for such solicitation.''.

SEC. 810. CONTRACT DATA COLLECTION.

Section 15 of the Small Business Act (15 U.S.C. 644) is amended by adding at the end the following new subsection:

“(p) Database, Analysis, and Annual Report With Respect to Bundled Contracts.--

[[Page 114 STAT. 2763A-707]]

“(1) Bundled contract defined.--In this subsection, the term ‘bundled contract’ has the meaning given such term in section 3(o)(1).

“(2) Database.--

“(A) In general.--Not later than 180 days after the date of the enactment of this subsection, the Administrator of the Small Business Administration shall develop and shall thereafter maintain a database containing data and information regarding--

“(i) each bundled contract awarded by a Federal agency; and

“(ii) each small business concern that has been displaced as a prime contractor as a result of the award of such a contract.

“(3) Analysis.--For each bundled contract that is to be recompleted as a bundled contract, the Administrator shall determine--

“(A) the amount of savings and benefits (in accordance with subsection (e)) achieved under the bundling of contract requirements; and

“(B) whether such savings and benefits will continue to be realized if the contract remains bundled, and whether such savings and benefits would be greater if the procurement requirements were divided into separate solicitations suitable for award to small business concerns.

“(4) Annual report on contract bundling.--

“(A) In general.--Not later than 1 year after the date of the enactment of this paragraph, and annually in March thereafter, the Administration shall transmit a report on contract bundling to the Committees on Small Business of the House of Representatives and the Senate.

“(B) Contents.--Each report transmitted under subparagraph (A) shall include--

“(i) data on the number, arranged by industrial classification, of small business concerns displaced as prime contractors as a result of the award of bundled contracts by Federal agencies; and

“(ii) a description of the activities with respect to previously bundled contracts of each Federal agency during the preceding year, including--

“(I) data on the number and total dollar amount of all contract requirements that were bundled; and

“(II) with respect to each bundled contract, data or information on--

``(aa) the justification for the bundling of contract requirements;

``(bb) the cost savings realized by bundling the contract requirements over the life of the contract;

``(cc) the extent to which maintaining the bundled status of contract requirements is projected to result in continued cost savings;

``(dd) the extent to which the bundling of contract requirements complied with the contracting agency's small business subcontracting plan, including the total dollar

[[Page 114 STAT. 2763A-708]]

value awarded to small business concerns as subcontractors and the total dollar value previously awarded to small business concerns as prime contractors; and

``(ee) the impact of the bundling of contract requirements on small business concerns unable to compete as prime contractors for the consolidated requirements and on the industries of such small business concerns, including a description of any changes to the proportion of any such industry that is composed of small business concerns.

``(5) Access to data.--

``(A) Federal procurement data system.--To assist in the implementation of this section, the Administration shall have access to information collected through the Federal Procurement Data System.

``(B) Agency procurement data sources.--To assist in the implementation of this section, the head of each contracting agency shall provide, upon request of the Administration, procurement information collected through existing agency data collection sources.''.