

111TH CONGRESS
1ST SESSION

S. _____

To amend the Small Business Act to improve the Office of International Trade, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Ms. LANDRIEU introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend the Small Business Act to improve the Office of International Trade, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Small Business Inter-
5 national Trade Enhancements Act of 2009”.

6 **SEC. 2. SMALL BUSINESS ADMINISTRATION ASSOCIATE AD-**
7 **MINISTRATOR FOR INTERNATIONAL TRADE.**

8 (a) ESTABLISHMENT.—Section 22 of the Small Busi-
9 ness Act (15 U.S.C. 649) is amended—

1 (1) by striking “SEC. 22. (a) There” and insert-
2 ing the following:

3 **“SEC. 22. OFFICE OF INTERNATIONAL TRADE.**

4 “(a) ESTABLISHMENT.—

5 “(1) OFFICE.—There”; and

6 (2) in subsection (a), by adding at the end the
7 following:

8 “(2) ASSOCIATE ADMINISTRATOR.—The head of
9 the Office shall be the Associate Administrator for
10 International Trade, who shall be responsible to the
11 Administrator.”.

12 (b) AUTHORITY FOR ADDITIONAL ASSOCIATE AD-
13 MINISTRATOR.—Section 4(b)(1) of the Small Business Act
14 (15 U.S.C. 633(b)(1)) is amended—

15 (1) in the fifth sentence, by striking “five Asso-
16 ciate Administrators” and inserting “Associate Ad-
17 ministrators”; and

18 (2) by adding at the end the following: “One
19 such Associate Administrator shall be the Associate
20 Administrator for International Trade, who shall be
21 the head of the Office of International Trade estab-
22 lished under section 22.”.

23 (c) DISCHARGE OF INTERNATIONAL TRADE RESPON-
24 SIBILITIES OF ADMINISTRATION.—Section 22 of the Small

1 Business Act (15 U.S.C. 649) is amended by adding at
2 the end the following:

3 “(h) DISCHARGE OF INTERNATIONAL TRADE RE-
4 SPONSIBILITIES OF ADMINISTRATION.—The Adminis-
5 trator shall ensure that—

6 “(1) the responsibilities of the Administration
7 regarding international trade are carried out by the
8 Associate Administrator;

9 “(2) the Associate Administrator has sufficient
10 resources to carry out such responsibilities; and

11 “(3) the Associate Administrator has direct su-
12 pervision and control over—

13 “(A) the staff of the Office; and

14 “(B) any employee of the Administration
15 whose principal duty station is an Export As-
16 sistance Center, or any successor entity.”.

17 (d) ROLE OF ASSOCIATE ADMINISTRATOR IN CAR-
18 RYING OUT INTERNATIONAL TRADE POLICY.—Section
19 2(b)(1) of the Small Business Act (15 U.S.C. 631(b)(1))
20 is amended in the matter preceding subparagraph (A)—

21 (1) by inserting “the Administrator of” before
22 “the Small Business Administration”; and

23 (2) by inserting “through the Associate Admin-
24 istrator for International Trade, and” before “in co-
25 operation with”.

1 (e) IMPLEMENTATION DATE.—Not later than 90
2 days after the date of enactment of this Act, the Adminis-
3 trator of the Small Business Administration shall appoint
4 an Associate Administrator for International Trade under
5 section 22(a) of the Small Business Act (15 U.S.C.
6 649(a)), as added by this section.

7 **SEC. 3. OFFICE OF INTERNATIONAL TRADE.**

8 (a) AMENDMENTS TO SECTION 22.—Section 22 of
9 the Small Business Act (15 U.S.C. 649) is amended—

10 (1) in subsection (b)—

11 (A) by striking “(b) The Office” and in-
12 serting the following:

13 “(b) TRADE DISTRIBUTION NETWORK.—The Asso-
14 ciate Administrator”;

15 (B) in the matter preceding paragraph (1),
16 by inserting “Export Assistance Centers,” after
17 “export promotion efforts,”; and

18 (C) by amending paragraph (1) to read as
19 follows:

20 “(1) assist in maintaining a distribution net-
21 work, using regional and local offices of the Admin-
22 istration, the small business development center net-
23 work, networks of women’s business centers, and
24 Export Assistance Centers for programs relating
25 to—

1 “(A) trade promotion;
2 “(B) trade finance;
3 “(C) trade adjustment assistance;
4 “(D) trade remedy assistance; and
5 “(E) trade data collection;”;

6 (2) in subsection (c)—

7 (A) by striking “(c) The Office” and in-
8 serting the following:

9 “(c) PROMOTION OF SALES OPPORTUNITIES.—The
10 Associate Administrator”;

11 (B) by redesignating paragraphs (1)
12 through (8) as paragraphs (2) through (9), re-
13 spectively;

14 (C) by inserting before paragraph (2), as
15 so redesignated, the following:

16 “(1) establish annual goals for the Office relat-
17 ing to—

18 “(A) enhancing the exporting capability of
19 small business concerns and small manufactur-
20 ers;

21 “(B) facilitating technology transfers;

22 “(C) enhancing programs and services to
23 assist small business concerns and small manu-
24 facturers to compete effectively and efficiently
25 against foreign entities;

1 “(D) increasing the ability of small busi-
2 ness concerns to access capital;

3 “(E) disseminating information concerning
4 Federal, State, and private programs and initia-
5 tives; and

6 “(F) ensuring that the interests of small
7 business concerns are adequately represented in
8 trade negotiations;”;

9 (D) in paragraph (2), as so redesignated,
10 by striking “mechanism for” and all that fol-
11 lows through “(D) assisting” and inserting the
12 following: “mechanism for—

13 “(A) identifying subsectors of the small
14 business community with strong export poten-
15 tial;

16 “(B) identifying areas of demand in for-
17 eign markets;

18 “(C) prescreening foreign buyers for com-
19 mercial and credit purposes; and

20 “(D) assisting”;

21 (E) in paragraph (5)(A), as so redesign-
22 ated, by striking “Gross State Produce” and
23 inserting “Gross State Product”;

1 (F) in paragraph (6), as so redesignated,
2 by striking the period at the end and inserting
3 a semicolon; and

4 (G) in paragraph (9), as so redesignated—
5 (i) in the matter preceding subpara-
6 graph (A)—

7 (I) by striking “full-time export
8 development specialists to each Ad-
9 ministration regional office and as-
10 signing”; and

11 (II) by striking “office. Such spe-
12 cialists” and inserting “office and pro-
13 viding each Administration regional
14 office with a full-time export develop-
15 ment specialist, who”;

16 (ii) in subparagraph (D), by striking
17 “and” at the end;

18 (iii) in subparagraph (E), by striking
19 the period at the end and inserting a semi-
20 colon; and

21 (iv) by adding at the end the fol-
22 lowing:

23 “(F) participate, jointly with employees of
24 the Office, in an annual training program that

1 focuses on current small business needs for ex-
2 porting; and

3 “(G) develop and conduct training pro-
4 grams for exporters and lenders, in cooperation
5 with the Export Assistance Centers, the De-
6 partment of Commerce, small business develop-
7 ment centers, and other relevant Federal agen-
8 cies.”;

9 (3) in subsection (d)—

10 (A) by redesignating paragraphs (1)
11 through (5) as clauses (i) through (v), respec-
12 tively, and adjusting the margins accordingly;

13 (B) by striking “(d) The Office” and in-
14 serting the following:

15 “(d) EXPORT FINANCING PROGRAMS.—

16 “(1) IN GENERAL.—The Associate Adminis-
17 trator”;

18 (C) by striking “To accomplish this goal,
19 the Office shall work” and inserting the fol-
20 lowing:

21 “(2) TRADE FINANCE SPECIALIST.—To accom-
22 plish the goal established under paragraph (1), the
23 Associate Administrator shall—

24 “(A) designate at least 1 individual within
25 the Administration as a trade finance specialist

1 to oversee international loan programs and as-
2 sist Administration employees with trade fi-
3 nance issues; and

4 “(B) work”;

5 (4) in subsection (e), by striking “(e) The Of-
6 fice” and inserting the following:

7 “(e) TRADE REMEDIES.—The Associate Adminis-
8 trator”;

9 (5) by amending subsection (f) to read as fol-
10 lows:

11 “(f) REPORTING REQUIREMENT.—The Associate Ad-
12 ministrator shall submit an annual report to the Com-
13 mittee on Small Business and Entrepreneurship of the
14 Senate and the Committee on Small Business of the
15 House of Representatives that contains—

16 “(1) a description of the progress of the Office
17 in implementing the requirements of this section;

18 “(2) for any travel by the staff of the Office,
19 the destination of such travel and the benefits to the
20 Administration and to small business concerns re-
21 sulting from such travel; and

22 “(3) a description of the participation by the
23 Office in trade negotiations.”;

24 (6) in subsection (g), by striking (g) The Office
25 and inserting the following:

1 “(g) STUDIES.—The Associate Administrator”; and

2 (7) by adding after subsection (h), as added

3 by section 2 of this Act, the following:

4 “(i) EXPORT ASSISTANCE CENTERS.—

5 “(1) IN GENERAL.—During the period begin-
6 ning on October 1, 2009, and ending on September
7 30, 2012, the Administrator shall ensure that the
8 number of full-time equivalent employees of the Of-
9 fice assigned to the Export Assistance Centers is not
10 less than the number of such employees so assigned
11 on January 1, 2003.

12 “(2) PRIORITY OF PLACEMENT.—The Adminis-
13 trator shall give priority, to the maximum extent
14 practicable, to placing employees of the Administra-
15 tion at any Export Assistance Center that—

16 “(A) had an Administration employee as-
17 signed to the Export Assistance Center before
18 January 2003; and

19 “(B) has not had an Administration em-
20 ployee assigned to the Export Assistance Center
21 during the period beginning January 2003, and
22 ending on the date of enactment of this sub-
23 section, either through retirement or reassign-
24 ment.

1 “(3) NEEDS OF EXPORTERS.—The Adminis-
2 trator shall, to the maximum extent practicable,
3 strategically assign Administration employees to Ex-
4 port Assistance Centers, based on the needs of ex-
5 porters.

6 “(4) GOALS.—The Associate Administrator
7 shall work with the Department of Commerce and
8 the Export-Import Bank to establish shared annual
9 goals for the Export Assistance Centers.

10 “(5) OVERSIGHT.—The Associate Adminis-
11 trator shall designate an individual within the Ad-
12 ministration to oversee all activities conducted by
13 Administration employees assigned to Export Assist-
14 ance Centers.

15 “(j) DEFINITIONS.—In this section—

16 “(1) the term ‘Associate Administrator’ means
17 the Associate Administrator for International Trade
18 described in subsection (a)(2);

19 “(2) the term ‘Export Assistance Center’ means
20 a one-stop shop for United States exporters estab-
21 lished by the United States and Foreign Commercial
22 Service of the Department of Commerce pursuant to
23 section 2301(b)(8) of the Omnibus Trade and Com-
24 petitiveness Act of 1988 (15 U.S.C. 4721(b)(8));
25 and

1 “(3) the term ‘Office’ means the Office of
2 International Trade established under subsection
3 (a)(1).”.

4 (b) REPORT.—Not later than 60 days after the date
5 of enactment of this Act, the Administrator shall submit
6 a report to the Committee on Small Business and Entre-
7 preneurship of the Senate and the Committee on Small
8 Business of the House of Representatives on any travel
9 by the staff of the Office of International Trade of the
10 Administration, including the destination of such travel
11 and the benefits to the Administration and to small busi-
12 ness concerns resulting from such travel.

13 **SEC. 4. INTERNATIONAL TRADE LOANS.**

14 (a) IN GENERAL.—Section 7(a)(3)(B) of the Small
15 Business Act (15 U.S.C. 636(a)(3)(B)) is amended by
16 striking “\$1,750,000, of which not more than
17 \$1,250,000” and inserting “\$2,750,000 (or if the gross
18 loan amount would exceed \$3,670,000), of which not more
19 than \$2,000,000”.

20 (b) WORKING CAPITAL.—Section 7(a)(16)(A) of the
21 Small Business Act (15 U.S.C. 636(a)(16)(A)) is amend-
22 ed—

23 (1) in the matter preceding clause (i), by strik-
24 ing “in—” and inserting “—”;

25 (2) in clause (i)—

1 (A) by inserting “in” after “(i)”; and

2 (B) by striking “or” at the end;

3 (3) in clause (ii)—

4 (A) by inserting “in” after “(ii)”; and

5 (B) by striking the period at the end and

6 inserting “, including any debt that qualifies for

7 refinancing under any other provision of this

8 subsection; or”; and

9 (4) by adding at the end the following:

10 “(iii) by providing working capital.”.

11 (c) COLLATERAL.—Section 7(a)(16)(B) of the Small

12 Business Act (15 U.S.C. 636(a)(16)(B)) is amended—

13 (1) by striking “Each loan” and inserting the

14 following:

15 “(i) IN GENERAL.—Except as pro-

16 vided in clause (ii), each loan”; and

17 (2) by adding at the end the following:

18 “(ii) EXCEPTION.—A loan under this

19 paragraph may be secured by a second lien

20 position on the property or equipment fi-

21 nanced by the loan or on other assets of

22 the small business concern, if the Adminis-

23 trator determines the lien provides ade-

24 quate assurance of the payment of the

25 loan.”.

1 **SEC. 5. SENSE OF CONGRESS RELATING TO ASSISTANT**
2 **UNITED STATES TRADE REPRESENTATIVE**
3 **FOR SMALL BUSINESS.**

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

5 (1) According to the Office of Advocacy of the
6 Small Business Administration, small business con-
7 cerns (as that term is defined in section 3 of the
8 Small Business Act (15 U.S.C. 632)) represent 97
9 percent of all exporters in the United States and ac-
10 count for 29 percent of the total exporting volume.
11 Despite the overwhelming majority of exporters that
12 are small business concerns, fewer than 1 percent of
13 all small business concerns in the United States are
14 engaged in trade-related business activities.

15 (2) According to the Office of Advocacy of the
16 Small Business Administration, more than 72 per-
17 cent of all exporters in the United States employ
18 fewer than 20 employees. Small business concerns
19 often do not have the sales volume or resources to
20 overcome the costs of trade barriers and overhead
21 expenses in international transactions, nor can small
22 business concerns afford to maintain employees with
23 international trade expertise to resolve trade prob-
24 lems.

25 (3) Small business advocacy groups often lack
26 political influence in foreign countries, which hinders

1 efforts to solve problems outside the legal process.
2 Small business advocates are not as visible or vocal
3 on issues relating to international trade as are the
4 advocates for other issues, due to a lack of resources
5 for advocacy.

6 (4) In 1988, Congress passed section 8012 of
7 the Omnibus Trade and Competitiveness Act of
8 1988 (15 U.S.C. 631 note), which expressed the
9 sense of Congress that the United States Trade
10 Representative should appoint a special trade assist-
11 ant for small business. As of June 2009, the posi-
12 tion has not been established by the United States
13 Trade Representative.

14 (b) SENSE OF CONGRESS.—It is the sense of Con-
15 gress that the United States Trade Representative should
16 establish the position of Assistant United States Trade
17 Representative for Small Business, to—

18 (1) promote the trade interests of small busi-
19 ness concerns;

20 (2) identify and address foreign trade barriers
21 that impede the exportation of goods by small busi-
22 ness concerns;

23 (3) ensure that small business concerns are
24 adequately represented during trade negotiations by
25 the United States Trade Representative; and

1 (4) coordinate with other Federal agencies that
2 are responsible for providing information or assist-
3 ance to small business concerns.