

116TH CONGRESS
2D SESSION

S. _____

To codify the Minority Business Development Agency of the Department of Commerce, and for other purposes.

IN THE SENATE OF THE UNITED STATES

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

A BILL

To codify the Minority Business Development Agency of the Department of Commerce, 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 “Economic Empower-
5 ment for Underserved Communities Act”.

6 **SEC. 2. PURPOSES.**

7 The purposes of this Act, and the amendments made
8 by this Act, are to—

- 9 (1) ensure that underserved communities have
10 access to capital to promote economic revitalization;

1 (2) respond to the unprecedented loss of jobs
2 and minority-owned businesses as a result of the
3 COVID–19 pandemic; and

4 (3) further encourage long-term investments in
5 low-income and minority communities.

6 **SEC. 3. CDFI FUND APPROPRIATION.**

7 There is appropriated, for an additional amount for
8 the Community Development Financial Institutions Fund,
9 \$3,000,000,000, to remain available until September 30,
10 2021, to prevent, prepare for, and respond to coronavirus:
11 *Provided*, That the Community Development Financial In-
12 stitutions Fund shall provide grants using a formula that
13 takes into account criteria such as certification status, fi-
14 nancial and compliance performance, portfolio and balance
15 sheet strength, and program capacity: *Provided further*,
16 That not less than \$25,000,000 shall be for financial as-
17 sistance, technical assistance, and training and outreach
18 programs designed to benefit Native American, Native
19 Hawaiian, and Alaska Native communities: *Provided fur-*
20 *ther*, That the Community Development Financial Institu-
21 tions Fund shall make funds available under this sub-
22 section not later than 60 days after the date of enactment
23 of this Act: *Provided further*, That funds made available
24 under this section may be used for administrative ex-
25 penses, including administration of the Community Devel-

1 opment Financial Institutions Fund programs and the
2 New Markets Tax Credit Program: *Provided further*, That
3 such amount is designated by the Congress as being for
4 an emergency requirement pursuant to section
5 251(b)(2)(A)(i) of the Balanced Budget and Emergency
6 Deficit Control Act of 1985 (2 U.S.C. 901(b)(2)(A)(i)).

7 **SEC. 4. PERMANENT EXTENSION OF NEW MARKETS TAX**
8 **CREDIT.**

9 (a) EXTENSION.—

10 (1) IN GENERAL.—Subparagraph (H) of section
11 45D(f)(1) of the Internal Revenue Code of 1986 is
12 amended by inserting “and each calendar year there-
13 after” after “for 2020”.

14 (2) CONFORMING AMENDMENT.—Section
15 45D(f)(3) of such Code is amended by striking the
16 last sentence.

17 (b) INFLATION ADJUSTMENT.—Subsection (f) of sec-
18 tion 45D of the Internal Revenue Code of 1986 is amend-
19 ed by adding at the end the following new paragraph:

20 “(4) INFLATION ADJUSTMENT.—

21 “(A) IN GENERAL.—In the case of any cal-
22 endar year beginning after 2020, the dollar
23 amount in paragraph (1)(G) shall be increased
24 by an amount equal to—

25 “(i) such dollar amount, multiplied by

1 “(ii) the cost-of-living adjustment de-
2 termined under section 1(f)(3) for the cal-
3 endar year, determined by substituting
4 ‘calendar year 2019’ for ‘calendar year
5 2016’ in subparagraph (A)(ii) thereof.

6 “(B) ROUNDING RULE.—Any increase
7 under subparagraph (A) which is not a multiple
8 of \$1,000,000 shall be rounded to the nearest
9 multiple of \$1,000,000.”.

10 (c) ALTERNATIVE MINIMUM TAX RELIEF.—Subpara-
11 graph (B) of section 38(c)(4) of the Internal Revenue
12 Code of 1986 is amended—

13 (1) by redesignating clauses (vii) through (xii)
14 as clauses (viii) through (xiii), respectively, and

15 (2) by inserting after clause (vi) the following
16 new clause:

17 “(vii) the credit determined under sec-
18 tion 45D, but only with respect to credits
19 determined with respect to qualified equity
20 investments (as defined in section 45D(b))
21 initially made after December 31, 2019,”.

22 (d) EFFECTIVE DATES.—

23 (1) IN GENERAL.—Except as provided in para-
24 graph (2), the amendments made by this section

1 shall apply to taxable years beginning after Decem-
2 ber 31, 2019.

3 (2) ALTERNATIVE MINIMUM TAX RELIEF.—The
4 amendments made by subsection (c) shall apply to
5 credits determined with respect to qualified equity
6 investments (as defined in section 45D(b) of the In-
7 ternal Revenue Code of 1986) initially made after
8 December 31, 2020.

9 **SEC. 5. OPPORTUNITY ZONE PROGRAM REPRESENTATIVES.**

10 Section 4 of the Small Business Act (15 U.S.C. 633)
11 is amended by adding at the end the following:

12 “(i) OPPORTUNITY ZONE PROGRAM REPRESENTA-
13 TIVES.—

14 “(1) IN GENERAL.—The Administrator,
15 through each district office of the Administration,
16 small business development center, women’s business
17 center described in section 29, chapter of the Service
18 Corps of Retired Executives authorized by section
19 8(b)(1), and Veteran Business Outreach Center de-
20 scribed in section 32, shall train and educate field
21 representatives on investments in areas that have
22 been designated as qualified opportunity zones under
23 section 1400Z–1 of the Internal Revenue Code of
24 1986.

1 “(2) DUTIES.—A field representative trained
2 under paragraph (1) shall—

3 “(A) serve as a point of contact for ques-
4 tions and resources on the investments de-
5 scribed in paragraph (1) for the area served by
6 the district office, small business development
7 center, women’s business center, chapter of the
8 Service Corps of Retired Executives, and Vet-
9 eran Business Outreach Center, as applicable;

10 “(B) educate elected leaders within such
11 area on those investments; and

12 “(C) hold an annual seminar in each State
13 to educate managers of qualified opportunity
14 funds (as defined in section 1400Z–2(d) of the
15 Internal Revenue Code of 1986), qualified op-
16 portunity zone businesses (as defined in such
17 section), State and local government officials,
18 accountants, lawyers, and other interested per-
19 sons on how to benefit from such investments.

20 “(3) REPORT.—

21 “(A) IN GENERAL.—Not later than 1 year
22 after the date of enactment of this subsection,
23 and annually thereafter through 2026, the di-
24 rector of each regional office of the Administra-
25 tion shall submit to the Administrator a report

1 on the success of the efforts of the field rep-
2 resentatives trained under paragraph (1), in-
3 cluding any problems faced by, and best prac-
4 tices of, the field representatives.

5 “(B) SUBMISSION BY ADMINISTRATOR.—
6 The Administrator shall submit each report re-
7 ceived under subparagraph (A) to the Com-
8 mittee on Small Business and Entrepreneurship
9 of the Senate and the Committee on Small
10 Business of the House of Representatives.”.

11 **SEC. 6. SMALL BUSINESS INVESTMENT COMPANY PRO-**
12 **GRAM.**

13 (a) IN GENERAL.—Part A of title III of the Small
14 Business Investment Act of 1958 (15 U.S.C. 681 et seq.)
15 is amended—

16 (1) in section 302(a) (15 U.S.C. 682(a))—

17 (A) in paragraph (1)—

18 (i) in subparagraph (A), by striking
19 “or” at the end;

20 (ii) in subparagraph (B), by striking
21 the period at the end and inserting “; or”;
22 and

23 (iii) by adding at the end the fol-
24 lowing:

1 “(C) \$20,000,000, adjusted every 5 years
2 for inflation, with respect to each licensee au-
3 thorized or seeking authority to sell bonds to
4 Administration as a participating investment
5 company under section 321.”; and

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

7 **“SEC. 321. SMALL BUSINESS AND DOMESTIC PRODUCTION**

8 **RECOVERY INVESTMENT FACILITY.**

9 “(a) DEFINITIONS.—In this section:

10 “(1) COVERED POPULATION CENSUS TRACT.—

11 The term ‘covered population census tract’ means a
12 population census tract for which—

13 “(A) in the case of a tract that is not lo-
14 cated within a metropolitan area, the median
15 income does not exceed 80 percent of the state-
16 wide (or, with respect to a possession or terri-
17 tory of the United States, the possession- or
18 territory-wide) median family income; or

19 “(B) in the case of a tract that is located
20 within a metropolitan area, the median family
21 income does not exceed 80 percent of the great-
22 er of the statewide (or, with respect to a posses-
23 sion or territory of the United States, the
24 possession- or territory-wide) median family in-

1 come and the metropolitan area median family
2 income.

3 “(2) ELIGIBLE SMALL BUSINESS CONCERN.—

4 The term ‘eligible small business concern’—

5 “(A) means a small business concern
6 that—

7 “(i)(I) except as provided in sub-
8 clauses (II), (III), and (IV), had gross re-
9 ceipts during the first or second quarter in
10 2020 that are not less than 50 percent less
11 than the gross receipts of the entity during
12 the same quarter in 2019;

13 “(II) if the entity was not in business
14 during the first or second quarter of 2019,
15 but was in business during the third and
16 fourth quarter of 2019, had gross receipts
17 during the first or second quarter of 2020
18 that are less than 50 percent of the
19 amount of the gross receipts of the entity
20 during the third or fourth quarter of 2019;

21 “(III) if the entity was not in business
22 during the first, second, or third quarter of
23 2019, but was in business during the
24 fourth quarter of 2019, had gross receipts
25 during the first or second quarter of 2020

1 that are less than 50 percent of the
2 amount of the gross receipts of the entity
3 during the fourth quarter of 2019; or

4 “(IV) if the entity was not in business
5 during 2019, but was in operation on Feb-
6 ruary 15, 2020, had gross receipts during
7 the second quarter of 2020 that are less
8 than 50 percent of the amount of the gross
9 receipts of the entity during the first quar-
10 ter of 2020;

11 “(ii) is a manufacturing business that
12 is assigned a North American Industry
13 Classification System code beginning with
14 31, 32, or 33 at the time at which the
15 small business concern receives an invest-
16 ment from a participating investment com-
17 pany under the facility; or

18 “(iii) is located in a small business
19 low-income census tract; and

20 “(B) does not include—

21 “(i) an issuer, the securities of which
22 are listed on an exchange registered a na-
23 tional securities exchange under section 6
24 of the Securities Exchange Act of 1934
25 (15 U.S.C. 78f);

1 “(ii) any entity that—

2 “(I) is a type of business concern
3 described in paragraph (b), (c), (d),
4 (e), (f), (h), (l) (m), (p), (q), (r), or
5 (s) of section 120.110 of title 13,
6 Code of Federal Regulations, or any
7 successor regulation;

8 “(II) is a type of business con-
9 cern described in section 120.110(g)
10 of title 13, Code of Federal Regula-
11 tions, or any successor regulation, ex-
12 cept as otherwise provided in the in-
13 terim final rule of the Administration
14 entitled ‘Business Loan Program
15 Temporary Changes; Paycheck Pro-
16 tection Program—Additional Eligi-
17 bility Criteria and Requirements for
18 Certain Pledges of Loans’ (85 Fed.
19 Reg. 21747 (April 20, 2020));

20 “(III) is a type of business con-
21 cern described in section 120.110(i) of
22 title 13, Code of Federal Regulations,
23 or any successor regulation, except
24 if—

1 “(aa) the business concern
2 is described in section 501(c)(6)
3 of the Internal Revenue Code and
4 that is exempt from taxation
5 under section 501(a) of such
6 Code (excluding professional foot-
7 ball leagues and organizations
8 with the purpose of promoting or
9 participating in a political cam-
10 paign or other activity);

11 “(bb) the business concern
12 does not receive more than 10
13 percent of its receipts from lob-
14 bing activities;

15 “(cc) the lobbying activities
16 of the business concern do not
17 comprise more than 10 percent
18 of the total activities of the busi-
19 ness concern; and

20 “(dd) the business concern
21 employs not more than 300 em-
22 ployees;

23 “(IV) is a type of business con-
24 cern described in section 120.110(j) of
25 title 13, Code of Federal Regulations,

1 or any successor regulation, except as
2 otherwise provided in the interim final
3 rules of the Administration entitled
4 ‘Business Loan Program Temporary
5 Changes; Paycheck Protection Pro-
6 gram—Eligibility of Certain Electric
7 Cooperatives’ (85 Fed. Reg. 29847
8 (May 19, 2020)) and ‘Business Loan
9 Program Temporary Changes; Pay-
10 check Protection Program—Eligibility
11 of Certain Telephone Cooperatives’
12 (85 Fed. Reg. 35550 (June 11,
13 2020)) or any other guidance or rule
14 issued or that may be issued by the
15 Administrator;

16 “(V) is a type of business con-
17 cern described in section 120.110(n)
18 of title 13, Code of Federal Regula-
19 tions, or any successor regulation, ex-
20 cept as otherwise provided in the in-
21 terim final rule of the Administration
22 entitled ‘Business Loan Program
23 Temporary Changes; Paycheck Pro-
24 tection Program—Additional Eligi-
25 bility Revisions to First Interim Final

1 Rule' (85 Fed. Reg. 38301 (June 26,
2 2020)) or any other guidance or rule
3 issued or that may be issued by the
4 Administrator;

5 “(VI) is a type of business con-
6 cern described in section 120.110(o)
7 of title 13, Code of Federal Regula-
8 tions, or any successor regulation, ex-
9 cept as otherwise provided in any
10 guidance or rule issued or that may
11 be issued by the Administrator;

12 “(VII) is an entity that is orga-
13 nized for research or for engaging in
14 advocacy in areas such as public pol-
15 icy or political strategy or otherwise
16 describes itself as a think tank in any
17 public documents;

18 “(VIII) is an entity that would
19 be described in the provisions listed in
20 subclauses (I) through (VII) if the en-
21 tity were a business concern; or

22 “(IX) is assigned, or was ap-
23 proved for a loan under section
24 7(a)(36) of the Small Business Act
25 (15 U.S.C. 636(a)(36)) with, a North

1 American Industry Classification Sys-
2 tem code beginning with 52;

3 “(iii) any business concern or entity
4 primarily engaged in political or lobbying
5 activities, including any entity that is orga-
6 nized for research or for engaging in advo-
7 cacy in areas such as public policy or polit-
8 ical strategy or otherwise describes itself as
9 a think tank in any public documents; or

10 “(iv) any business concern or entity—

11 “(I) for which an entity created
12 in or organized under the laws of the
13 People’s Republic of China or the
14 Special Administrative Region of
15 Hong Kong, or that has significant
16 operations in the People’s Republic of
17 China or the Special Administrative
18 Region of Hong Kong, owns or holds,
19 directly or indirectly, not less than 20
20 percent of the economic interest of the
21 business concern or entity, including
22 as equity shares or a capital or profit
23 interest in a limited liability company
24 or partnership; or

1 “(II) that retains, as a member
2 of the board of directors of the busi-
3 ness concern, a person who is a resi-
4 dent of the People’s Republic of
5 China.

6 “(3) FACILITY.—The term ‘facility’ means the
7 facility established under subsection (b).

8 “(4) FUND.—The term ‘Fund’ means the fund
9 established under subsection (h).

10 “(5) PARTICIPATING INVESTMENT COMPANY.—
11 The term ‘participating investment company’ means
12 a small business investment company approved
13 under subsection (d) to participate in the facility.

14 “(6) PROTÉGÉ INVESTMENT COMPANY.—The
15 term ‘protégé investment company’ means a small
16 business investment company that—

17 “(A) is majority managed by new, inexperi-
18 enced, or otherwise underrepresented fund man-
19 agers; and

20 “(B) elects and is selected by the Adminis-
21 tration to participate in the pathway-protégé
22 program under subsection (g).

23 “(7) SMALL BUSINESS CONCERN.—The term
24 ‘small business concern’ has the meaning given the

1 term in section 3(a) of the Small Business Act (15
2 U.S.C. 632(a)).

3 “(8) SMALL BUSINESS LOW-INCOME CENSUS
4 TRACT.—The term ‘small business low-income cen-
5 sus tract’—

6 “(A) means—

7 “(i) a covered population census tract
8 for which the poverty rate is not less than
9 20 percent; or

10 “(ii) an area—

11 “(I) that is not tracted as a pop-
12 ulation census tract;

13 “(II) for which the poverty rate
14 in the equivalent county division (as
15 defined by the Bureau of the Census)
16 is not less than 20 percent; and

17 “(III) for which the median in-
18 come in the equivalent county division
19 (as defined by the Bureau of the Cen-
20 sus) does not exceed 80 percent of the
21 statewide (or, with respect to a pos-
22 session or territory of the United
23 States, the possession- or territory-
24 wide) median income; and

1 “(B) does not include any area or popu-
2 lation census tract with a median family income
3 that is not less than 120 percent of the median
4 family income in the United States, according
5 to the most recent American Communities Sur-
6 vey data from the Bureau of the Census.

7 “(b) ESTABLISHMENT.—

8 “(1) FACILITY.—The Administrator shall estab-
9 lish and carry out a facility to improve the recovery
10 of eligible small business concerns from the COVID-
11 19 pandemic, increase resiliency in the manufac-
12 turing supply chain of eligible small business con-
13 cerns, and increase the economic development of
14 small business low-income census tracts by providing
15 financial assistance to participating investment com-
16 panies that facilitate equity financings to eligible
17 small business concerns in accordance with this sec-
18 tion.

19 “(2) ADMINISTRATION OF FACILITY.—The fa-
20 cility shall be administered by the Administrator act-
21 ing through the Associate Administrator described in
22 section 201.

23 “(c) APPLICATIONS.—

1 “(1) IN GENERAL.—Any small business invest-
2 ment company may submit to the Administrator an
3 application to participate in the facility.

4 “(2) REQUIREMENTS FOR APPLICATION.—An
5 application to participate in the facility shall include
6 the following:

7 “(A) A business plan describing how the
8 applicant intends to make successful equity in-
9 vestments in eligible small business concerns.

10 “(B) Information regarding the relevant
11 investment qualifications and backgrounds of
12 the individuals responsible for the management
13 of the applicant.

14 “(C) A description of the extent to which
15 the applicant meets the selection criteria under
16 subsection (d)(2).

17 “(3) EXCEPTIONS TO APPLICATION FOR NEW
18 LICENSEES.—Not later than 90 days after the date
19 of enactment of this section, the Administrator shall
20 reduce requirements for applicants applying to oper-
21 ate as a participating investment company under
22 this section in order to encourage the participation
23 of new small business investment companies in the
24 facility under this section, which may include the re-
25 quirements established under part 107 of title 13,

1 Code of Federal Regulations, or any successor regu-
2 lations, relating to—

3 “(A) the approval of initial management
4 expenses;

5 “(B) the management ownership diversity
6 requirement;

7 “(C) the disclosure of general compen-
8 satory practices and fee structures; or

9 “(D) any other requirement that the Ad-
10 ministrator determines to be an obstacle to
11 achieving the purposes described in this para-
12 graph.

13 “(d) SELECTION OF PARTICIPATING INVESTMENT
14 COMPANIES.—

15 “(1) DETERMINATION.—

16 “(A) IN GENERAL.—Except as provided in
17 paragraph (3), not later than 60 days after the
18 date on which the Administrator receives an ap-
19 plication under subsection (c), the Adminis-
20 trator shall—

21 “(i) make a final determination to ap-
22 prove or disapprove such applicant to par-
23 ticipate in the facility; and

24 “(ii) transmit the determination to the
25 applicant in writing.

1 “(B) COMMITMENT AMOUNT.—Except as
2 provided in paragraph (3), at the time of ap-
3 proval of an applicant, the Administrator shall
4 make a determination of the amount of the
5 commitment that may be awarded to the appli-
6 cant under this section.

7 “(2) SELECTION CRITERIA.—In making a de-
8 termination under paragraph (1), the Administrator
9 shall consider—

10 “(A) the probability that the investment
11 strategy of the applicant will successfully repay
12 any financial assistance provided by the Admin-
13 istration, including the probability of a return
14 significantly in excess thereof;

15 “(B) the probability that the investments
16 made by the applicant will—

17 “(i) provide capital to eligible small
18 business concerns; or

19 “(ii) create or preserve jobs in the
20 United States;

21 “(C) the probability that the applicant will
22 meet the objectives in the business plan of the
23 applicant, including the financial goals, and, if
24 applicable, the pathway-protégé program in ac-
25 cordance with subsection (g); and

1 “(D) the probability that the applicant will
2 assist eligible small business concerns in achiev-
3 ing profitability.

4 “(3) APPROVAL OF PARTICIPATING INVEST-
5 MENT COMPANIES.—

6 “(A) PROVISIONAL APPROVAL.—

7 “(i) IN GENERAL.—Notwithstanding
8 paragraph (1), with respect to an applica-
9 tion submitted by an applicant to operate
10 as a participating investment company
11 under this section, the Administrator may
12 provide provisional approval for the appli-
13 cant in lieu of a final determination of ap-
14 proval and determination of the amount of
15 the commitment under that paragraph.

16 “(ii) PURPOSE.—The purpose of a
17 provisional approval under clause (i) is
18 to—

19 “(I) encourage applications from
20 investment companies with an invest-
21 ment mandate from the committed
22 private market capital of the invest-
23 ment company that does not conform
24 to the requirements described in this
25 section at the time of application;

1 “(II) allow the applicant to more
2 effectively raise capital commitments
3 in the private markets by referencing
4 the intent of the Administrator to
5 award the applicant a commitment;
6 and

7 “(III) allow the applicant to more
8 precisely request the desired amount
9 of commitment pending the securing
10 of capital from private market inves-
11 tors.

12 “(iii) LIMIT ON PERIOD OF THE
13 TIME.—The period between a provisional
14 approval under clause (i) and the final de-
15 termination of approval under paragraph
16 (1) shall not exceed 12 months.

17 “(e) COMMITMENTS AND SBIC BONDS.—

18 “(1) IN GENERAL.—The Administrator may,
19 out of amounts available in the Fund, purchase or
20 commit to purchase from a participating investment
21 company 1 or more accruing bonds that include eq-
22 uity features as described in this subsection.

23 “(2) BOND TERMS.—A bond purchased by the
24 Administrator from a participating investment com-

1 pany is approved for under subsection
2 (d); by

3 “(II) the commitment approved
4 under subsection (d) plus the regu-
5 latory capital of the participating in-
6 vestment company at the time of ap-
7 proval under that subsection.

8 “(ii) DETERMINATION OF PERCENT-
9 AGE.—The share to which the Administra-
10 tion is entitled under clause (i)—

11 “(I) shall be determined at the
12 time of approval under subsection (d);
13 and

14 “(II) without the approval of the
15 Administration, shall not be revised,
16 including to reflect subsequent dis-
17 tributions of profits, returns of cap-
18 ital, or repayments of bonds, or other-
19 wise.

20 “(C) PROFIT SHARING PERFORMANCE
21 COMPENSATION.—

22 “(i) RECEIPT BY ADMINISTRATION.—
23 The Administration shall receive a share of
24 profits of not more than 2 percent, which
25 shall be deposited into the Fund and be

1 available to make commitments under this
2 subsection.

3 “(ii) RECEIPT BY MANAGERS.—The
4 managers of the participating investment
5 company may receive a maximum profit
6 sharing performance compensation of 25
7 percent minus the share of profits paid to
8 the Administration under clause (i).

9 “(D) PROHIBITION ON DISTRIBUTIONS.—
10 No distributions on capital, including profit dis-
11 tributions, shall be made by the participating
12 investment company to the investors or man-
13 agers of the participating investment company
14 until the Administration has received payment
15 of all accrued interest on the bond committed
16 under this section.

17 “(E) REPAYMENT OF PRINCIPAL.—Except
18 as described in subparagraph (F), repayments
19 of principal of the bond of a participating in-
20 vestment company shall be—

21 “(i) made at the same time as returns
22 of private capital; and

23 “(ii) in amounts equal to the pro rata
24 share of the Administration of the total

1 amount being repaid or returned at such
2 time.

3 “(F) LIQUIDATION OR DEFAULT.—Upon
4 any liquidation event or default, as defined by
5 the Administration, any unpaid principal or ac-
6 crued interest on the bond shall—

7 “(i) have a priority over all equity of
8 the participating investment company; and

9 “(ii) be paid before any return of eq-
10 uity or any other distributions to the inves-
11 tors or managers of the participating in-
12 vestment company.

13 “(3) AMOUNT OF COMMITMENTS AND PUR-
14 CHASES.—

15 “(A) MAXIMUM AMOUNT.—The maximum
16 amount of outstanding bonds and commitments
17 to purchase bonds for any participating invest-
18 ment company under the facility shall be the
19 lesser of—

20 “(i) twice the amount of the regu-
21 latory capital of the participating invest-
22 ment company; or

23 “(ii) \$200,000,000.

24 “(4) COMMITMENT PROCESS.—Commitments by
25 the Administration to purchase bonds under the fa-

1 cility shall remain available to be sold by a partici-
2 pating investment company until the end of the
3 fourth fiscal year following the year in which the
4 commitment is made, subject to review and approval
5 by the Administration based on regulatory compli-
6 ance, financial status, change in management, devi-
7 ation from business plan, and such other limitations
8 as may be determined by the Administration by reg-
9 ulation or otherwise.

10 “(5) COMMITMENT CONDITIONS.—

11 “(A) IN GENERAL.—As a condition of re-
12 ceiving a commitment under the facility, not
13 less than 50 percent of amounts invested by the
14 participating investment company shall be in-
15 vested in eligible small business concerns.

16 “(B) EXAMINATIONS.—In addition to the
17 matters set forth in section 310(c), the Admin-
18 istration shall examine each participating in-
19 vestment company in such detail so as to deter-
20 mine whether the participating investment com-
21 pany has complied with the requirements under
22 this subsection.

23 “(f) DISTRIBUTIONS AND FEES.—

24 “(1) DISTRIBUTION REQUIREMENTS.—

1 “(A) DISTRIBUTIONS.—As a condition of
2 receiving a commitment under the facility, a
3 participating investment company shall make
4 all distributions to the Administrator in the
5 same form and in a manner as are made to in-
6 vestors, or otherwise at a time and in a manner
7 consistent with regulations or policies of the
8 Administration.

9 “(B) ALLOCATIONS.—A participating in-
10 vestment company shall make allocations of in-
11 come, gain, loss, deduction, and credit to the
12 Administrator with respect to any outstanding
13 bonds as if the Administrator were an investor.

14 “(2) FEES.—The Administrator may not
15 charge fees for participating investment companies
16 other than examination fees that are consistent with
17 the license of the participating investment company.

18 “(3) BIFURCATION.—Losses on bonds issued by
19 participating investment companies shall not be off-
20 set by fees or any other charges on debenture small
21 business investment companies.

22 “(g) PROTÉGÉ PROGRAM.—The Administrator shall
23 establish a pathway-protégé program in which a protégé
24 investment company may receive technical assistance and
25 program support from a participating investment company

1 on a voluntary basis and without penalty for non-partici-
2 pation.

3 “(h) LOSS LIMITING FUND.—

4 “(1) IN GENERAL.—There is established in the
5 Treasury a fund for making commitments and pur-
6 chasing bonds with equity features under the facility
7 and receiving capital returned by participating in-
8 vestment companies.

9 “(2) USE OF FUNDS.—Amounts appropriated
10 to the Fund or deposited in the Fund under para-
11 graph (3) shall be available to the Administrator,
12 without further appropriation, for making commit-
13 ments and purchasing bonds under the facility and
14 expenses and payments, excluding administrative ex-
15 penses, relating to the operations of the Adminis-
16 trator under the facility.

17 “(3) DEPOSITING OF AMOUNTS.—

18 “(A) IN GENERAL.—All amounts received
19 by the Administrator from a participating in-
20 vestment company relating to the facility, in-
21 cluding any moneys, property, or assets derived
22 by the Administrator from operations in con-
23 nection with the facility, shall be deposited in
24 the Fund.

1 “(B) PERIOD OF AVAILABILITY.—Amounts
2 deposited under subparagraph (A) shall remain
3 available until expended.

4 “(i) APPLICATION OF OTHER SECTIONS.—To the ex-
5 tent not inconsistent with requirements under this section,
6 the Administrator may apply sections 309, 311, 312, 313,
7 and 314 to activities under this section and an officer, di-
8 rector, employee, agent, or other participant in a partici-
9 pating investment company shall be subject to the require-
10 ments under such sections.

11 “(j) AUTHORIZATION OF APPROPRIATIONS.—There
12 is authorized to be appropriated for the first fiscal year
13 beginning after the date of enactment of this section
14 \$10,000,000,000 to carry out the facility. Amounts appro-
15 priated pursuant to this subsection shall remain available
16 until the end of the second fiscal year beginning after the
17 date of enactment of this section.”.

18 (b) APPROVAL OF BANK-OWNED, NON-LEVERAGED
19 APPLICANTS.—Section 301(c)(2) of the Small Business
20 Investment Act of 1958 (15 U.S.C. 681(c)(2)) is amend-
21 ed—

22 (1) in subparagraph (B), in the matter pre-
23 ceding clause (i), by striking “Within” and inserting
24 “Except as provided in subparagraph (C), within”;
25 and

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

2 “(C) EXCEPTION FOR BANK-OWNED, NON-
3 LEVERAGED APPLICANTS.—Not later than 45
4 days after the date on which the Administrator
5 receives a completed application submitted by a
6 bank-owned, non-leveraged applicant in accord-
7 ance with this subsection, and in accordance
8 with such requirements as the Administrator
9 may prescribe by regulation, the Administrator
10 shall—

11 “(i) review the application in its en-
12 tirety; and

13 “(ii)(I) approve the application and
14 issue a license for such operation to the
15 applicant if the requirements of this sec-
16 tion are satisfied; or

17 “(II) disapprove the application and
18 notify the applicant in writing of the dis-
19 approval.”.

20 (c) ELECTRONIC SUBMISSIONS.—Part A of title III
21 of the Small Business Investment Act of 1958 (15 U.S.C.
22 681 et seq.), as amended by subsection (a) of this section,
23 is amended by adding at the end the following:

1 **“SEC. 322. ELECTRONIC SUBMISSIONS.**

2 “The Administration shall permit any document sub-
3 mitted under this title, or pursuant to a regulation car-
4 rying out this title, to be submitted electronically, includ-
5 ing by permitting an electronic signature for any signature
6 that is required on such a document.”.

7 **SEC. 7. MINORITY BUSINESS DEVELOPMENT AGENCY.**

8 (a) IN GENERAL.—There is within the Department
9 of Commerce the Minority Business Development Agency
10 (referred to in this section as the “Agency”).

11 (b) ASSISTANT SECRETARY.—

12 (1) IN GENERAL.—The Agency shall be headed
13 by an Assistant Secretary of Commerce for Minority
14 Business Development, who shall be appointed by
15 the President.

16 (2) COMPENSATION.—The Assistant Secretary
17 of Commerce for Minority Business Development
18 shall be compensated at an annual rate of basic pay
19 prescribed for level IV of the Executive Schedule
20 under section 5315 of title 5, United States Code.

21 (c) DUTIES.—In addition to the functions, duties,
22 and programs carried out by the Agency, as of the day
23 before the date of enactment of this Act (including the
24 Business Center program of the Agency), the Agency
25 shall—

1 (1) promote and administer programs in the
2 public and private sectors that relate to the develop-
3 ment of minority business enterprises; and

4 (2) carry out programs that increase access to
5 capital and technology for, and provide assistance
6 with respect to the management of, minority busi-
7 ness enterprises.

8 (d) OFFICE OF AFRICAN AMERICAN AFFAIRS.—

9 (1) ESTABLISHMENT.—There is established
10 within the Agency the Office of African American
11 Affairs.

12 (2) DUTIES.—The Office of African American
13 Affairs established under paragraph (1) shall carry
14 out such functions, duties, and programs as the As-
15 sistant Secretary of Commerce for Minority Busi-
16 ness Development determines to be appropriate.

17 (e) TECHNICAL AND CONFORMING AMENDMENT.—
18 Section 5315 of title 5, United States Code, is amended,
19 in the item relating to Assistant Secretaries of Commerce,
20 by striking “(11)” and inserting “(12)”.

21 **SEC. 8. HRSA GRANT PROGRAM CONSIDERATION.**

22 In awarding grants for which faith-based entities are
23 eligible, the Administrator of the Health Resources and
24 Services Administration shall give special consideration to
25 any application from an eligible entity that is located in

1 a qualified opportunity zone (as defined in section 1400Z–
2 1(a) of the Internal Revenue Code of 1986) or that serves
3 a community located in such a qualified opportunity zone.

4 **SEC. 9. EXTENSION OF SUBSIDY FOR CERTAIN LOAN PAY-**
5 **MENTS.**

6 (a) **IN GENERAL.**—Section 1112(c)(1) of the CARES
7 Act (15 U.S.C. 9011(c)(1)) is amended—

8 (1) in subparagraph (A), by striking “6-month”
9 and inserting “12-month”;

10 (2) in subparagraph (B), by striking “6-month”
11 and inserting “12-month”; and

12 (3) in subparagraph (C)—

13 (A) by striking “6 months” and inserting
14 “12 months”; and

15 (B) by striking “6-month” and inserting
16 “12-month”.

17 (b) **EFFECTIVE DATE.**—The amendments made by
18 subsection (a) shall take effect as if included in the enact-
19 ment of section 1112 of the CARES Act (15 U.S.C.
20 9011).