

113TH CONGRESS
2^D SESSION

H. R. 3956

To amend the Small Business Investment Act of 1958 to authorize the Small Business Administrator to make grants for economic growth, business retention and business recruitment to economically underserved communities.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 28, 2014

Ms. KELLY of Illinois introduced the following bill; which was referred to the Committee on Small Business

A BILL

To amend the Small Business Investment Act of 1958 to authorize the Small Business Administrator to make grants for economic growth, business retention and business recruitment to economically underserved communities.

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 “Community Investment
5 and Empowerment Act”.

1 **SEC. 2. PURPOSE.**

2 The purpose of this Act is to assist with the economic
3 growth of economically disadvantaged communities that
4 have potential for strong Class 1 commercial investment,
5 but continue to have a difficult time recruiting Class 1
6 commercial investment.

7 **SEC. 3. ECONOMIC GROWTH, RETENTION, AND RECRUIT-**
8 **MENT OF COMMERCIAL INVESTMENT IN UN-**
9 **DESERVED COMMUNITIES.**

10 The Small Business Investment Act of 1958 (15
11 U.S.C. 661 et seq.) is amended by adding at the end the
12 following new title:

13 **“TITLE VI—ECONOMIC GROWTH,**
14 **RETENTION, AND RECRUIT-**
15 **MENT OF COMMERCIAL IN-**
16 **VESTMENT IN ECONOMI-**
17 **CALLY DISADVANTAGED COM-**
18 **MUNITIES**

19 **“SEC. 511. GRANT PROGRAM.**

20 “(a) AUTHORIZATION.—From amounts appropriated
21 under section 513, the Administrator shall make grants
22 on a competitive basis to communities for—

23 “(1) the creation of a grant and/or revolving
24 loan fund program that helps develop financing
25 packages for Class 1 commercial investment;

26 “(2) lowering real estate property tax rates;

1 “(3) conducting community-wide market anal-
2 ysis to help recruit and/or retain Class 1 commercial
3 investment;

4 “(4) creating employment training programs for
5 Class 1 business customer service, sales, and mana-
6 gerial positions;

7 “(5) retail marketing strategies to solicit new
8 Class 1 commercial investment starts in the commu-
9 nity;

10 “(6) program allowances for activities such as
11 the publication of marketing materials, development
12 of economic development web pages, and educational
13 outreach activities with retail trade associations; and

14 “(7) hiring business recruitment specialists.

15 “(b) ELIGIBILITY.—The Administrator may only
16 make a grant under subsection (a) to communities that—

17 “(1) demographics include—

18 “(A) a median per capita income no higher
19 than \$35,000; and

20 “(B) a lack of Class 1 commercial invest-
21 ment; and

22 “(2) submit an application at such time, in
23 such form, and containing such information and as-
24 surances as the Administrator may require, includ-
25 ing—

1 “(A) a description of how the community
2 through the activities the community carries out
3 with the grant funds will recruit, retain and
4 grow their economy through Class 1 commercial
5 investment; and

6 “(B) a description of the difficulty the
7 community has faced recruiting, retaining and
8 growing their economy through Class 1 com-
9 mercial investment.

10 “(c) MATCHING FUNDS.—

11 “(1) IN GENERAL.—The Administrator may not
12 make a grant to a community under subsection (a)
13 unless the community agrees that, with respect to
14 the costs to be incurred by the community in car-
15 rying out the activities for which the grant is award-
16 ed, the community will make available non-Federal
17 contributions in an amount equal to not less than 10
18 percent of the Federal funds provided under the
19 grant.

20 “(2) SATISFYING MATCHING REQUIREMENTS.—

21 The non-Federal contributions required under para-
22 graph (1) may be—

23 “(A) in cash or in-kind, including services,
24 fairly evaluated; and

25 “(B) from—

1 “(i) any private source;

2 “(ii) a State or local governmental en-
3 tity; or

4 “(iii) a not-for-profit.

5 “(3) WAIVER.—The Administrator may waive
6 or reduce the non-Federal contribution required by
7 paragraph (1) if the community involved dem-
8 onstrates that the eligible entity cannot meet the
9 contribution requirement due to financial hardship.

10 “(d) LIMITATIONS.—Funding appropriated under
11 section 513 will be allocated by the following formula—

12 “(1) no more than up to 5 percent of funds ap-
13 propriated under section 513 shall go to administra-
14 tive costs;

15 “(2) up to 70 percent of funding appropriated
16 under section 513 shall go toward activities de-
17 scribed in sections (a)(1) through (a)(4) after taking
18 into account administrative costs under section
19 (c)(1)(A); and

20 “(3) 30 percent of funding appropriated under
21 section 513 shall go toward activities described in
22 sections (a)(5) through (a)(7) after taking into ac-
23 count administrative costs under section (c)(1)(A).

24 **“SEC. 512. DEFINITIONS.**

25 “In this title, the following definitions apply:

1 “(1) COMMUNITY.—The term ‘community’
2 means a governance structure that includes county,
3 parish, city, village, township, district or borough.

4 “(2) CLASS 1 COMMERCIAL INVESTMENT.—The
5 term ‘Class 1 commercial investment’ means retail
6 grocery chains, food service retailers, restaurants
7 and franchises, retail stores, cafes, shopping malls,
8 and other shops.

9 “(3) ECONOMICALLY UNDERSERVED COMMU-
10 NITY.—The term ‘economically underserved commu-
11 nity’ means an area suffering from low income and
12 resultant low purchasing power, limiting its ability
13 to generate sufficient goods and services to be used
14 in exchange with other areas to meet current con-
15 sumption needs.

16 **“SEC. 513. AUTHORIZATION OF APPROPRIATIONS.**

17 “‘There is authorized to be appropriated to the Ad-
18 ministrator to carry out section 511(a) \$40,000,000 for
19 each of fiscal years 2014 through 2019.’”.

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