Small Business Management and Technical Assistance Training Programs

Updated October 9, 2020
Summary

The Small Business Administration (SBA) has provided technical and managerial assistance to small businesses since it began operations in 1953. Initially, the SBA provided its own small business management and technical assistance training programs. Over time, the SBA has relied increasingly on third parties to provide that training.

The SBA received $239 million in regular appropriations for its management and training programs in FY2020 and FY2021 under P.L. 116-159, the Continuing Appropriations Act, 2021 and Other Extensions Act (funding through December 11, 2020). In addition, P.L. 116-136, the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), among other provisions, appropriated $265 million in FY2020, to remain available through FY2021, for SBA’s entrepreneurial development programs to assist small businesses adversely affected by the novel coronavirus (COVID-19) pandemic.

Congressional interest in the SBA’s management and technical assistance training programs has increased in recent years, primarily because these programs are viewed as a means to assist small businesses create and retain jobs. These programs fund about “14,000 resource partners,” including 63 lead small business development centers (SBDCs) and nearly 900 SBDC local outreach locations, 187 women’s business centers (WBCs), and more than 250 chapters of the mentoring program, SCORE. The SBA reports that nearly 1 million aspiring entrepreneurs and small business owners receive training from an SBA-supported resource partner each year.

The Department of Commerce also provides management and technical assistance training for small businesses. For example, its Minority Business Development Agency provides training to minority business owners to assist them in obtaining contracts and financial awards.

Some have argued that the SBA should eliminate some management and training programs to reduce duplication of services across federal agencies. Others have argued that the SBA should improve cooperation and coordination among the SBA’s resource partners. Congress has also explored ways to improve the SBA’s measurement of these programs’ effectiveness.

This report examines the historical development of federal small business management and technical assistance training programs; describes their current structures, operations, and budgets; and assesses their administration and oversight and the measures used to determine their effectiveness. It also discusses recent legislation affecting these programs, including:

- P.L. 114-88, the Recovery Improvements for Small Entities After Disaster Act of 2015 (RISE After Disaster Act of 2015), which authorizes the SBA to provide up to two years of additional funding to its resource partners to assist small businesses located in a presidentially declared major disaster area and authorizes SBDCs to provide assistance outside the SBDC’s state, without regard to geographical proximity to the SBDC, if the small business is in a presidentially declared major disaster area;
- P.L. 115-141, the Consolidated Appropriations Act of 2018, which relaxed requirements that Microloan intermediaries may spend no more than 25% of Microloan technical assistance grant funds on prospective borrowers and no more than 25% of those funds on contracts with third parties to provide that technical assistance by increasing those percentages to no more than 50%; and
- as mentioned, the CARES Act, among other provisions, appropriated $265 million for the SBA’s entrepreneurial development programs ($192 million for
SBDCs, $48 million for WBCs, and $25 million for a new SBA Resource Partner Association grant program).
Contents

Federal Management and Technical Assistance Training Programs .................................................. 1
SBA Management and Technical Assistance Training Programs .......................................................... 6
  Small Business Development Centers ......................................................................................... 6
    Legislation ............................................................................................................................... 9
  Microloan Technical Assistance Program ................................................................................ 10
    Legislation ............................................................................................................................ 12
  Women’s Business Centers ......................................................................................................... 12
    Legislation ............................................................................................................................. 14
  Veterans Business Development Programs ............................................................................. 15
    Legislation ............................................................................................................................ 18
  SCORE (Service Corps of Retired Executives) ..................................................................... 18
    Legislation ............................................................................................................................. 20
  Program for Investment in Micro-entrepreneurs (PRIME) .................................................... 21
  7(j) Management and Technical Assistance Program ........................................................... 23
  Native American Outreach Program ....................................................................................... 24
  SBA Initiatives ........................................................................................................................... 25
    Entrepreneurial Development Initiative (Regional Innovation Clusters) .......................... 25
    Entrepreneurial Education ....................................................................................................... 26
    Growth Accelerators ................................................................................................................ 28
Department of Commerce Small Business Management and Technical Assistance
  Training Programs ..................................................................................................................... 29
    The Minority Business Development Agency ...................................................................... 29
    The EDA Local Technical Assistance Program .................................................................... 30
Congressional Issues ..................................................................................................................... 31
  Program Administration ............................................................................................................. 32
  Program Evaluation .................................................................................................................... 36
Concluding Observations ............................................................................................................... 37

Tables

Table 1. SBA Management and Technical Assistance Training Programs, Specified and
  Recommended Appropriations, FY2018-FY2021 ..................................................................... 2
Table 2. Microloan Technical Assistance Program, FY2014-FY2019 ........................................... 11
Table 3. Office of Veterans Business Development Assistance, By Program, FY2014-FY2019 ... 17
Table 4. PRIME Grant Awards, FY2014-FY2020 ................................................................... 22
Table 5. 7(j) Assistance, FY2014-FY2019 ................................................................................ 24

Table A-1. Brief Descriptions of SBA Management and Technical Assistance Training
  Programs ................................................................................................................................. 40
Appendixes
Appendix. Brief Descriptions of SBA Management and Technical Assistance Training Programs

Contacts
Author Information
Federal Management and Technical Assistance Training Programs

The Small Business Administration (SBA) administers several programs to support small businesses, including loan guaranty programs to enhance small business access to capital; programs to increase small business opportunities in federal contracting; direct loans for businesses, homeowners, and renters to assist their recovery from natural disasters; and access to entrepreneurial education to assist with business formation and expansion. The SBA has provided “technical and managerial aides to small-business concerns, by advising and counseling on matters in connection with government procurement and on policies, principles and practices of good management” since it began operations in 1953.1

Initially, the SBA provided its own management and technical assistance training programs. Over time, the SBA has relied increasingly on third parties to provide that training. Nearly 1 million aspiring entrepreneurs and small business owners receive training from an SBA-supported resource partner each year.2

The SBA has argued that its support of management and technical assistance training for small businesses has contributed “to the long-term success of these businesses and their ability to grow and create jobs.”3 It currently provides financial support to about 14,000 resource partners, including 63 small business development centers (SBDCs) and nearly 900 SBDC local outreach locations, 187 women’s business centers (WBCs), and more than 250 chapters of the mentoring program, SCORE (Service Corps of Retired Executives).4

Congress specifies the appropriation amount for SBDCs and the Microloan Technical Assistance Program in its annual appropriation act and includes recommended appropriation amounts for the SBA’s other management and training programs in either the explanatory statement or the committee report accompanying the appropriations act. The SBA is not legally required to adhere to the recommended amounts but has traditionally done so in the past.

As shown in Table 1, the SBA received $239 million in regular appropriations for its management and training programs in FY2020 and FY2021 under P.L. 116-159, the Continuing Appropriations Act, 2021 and Other Extensions Act (hereinafter continuing resolution), which provides funding through December 11, 2020.5 In addition, P.L. 116-136, the Coronavirus Aid,

---

5 The SBA receives an annual appropriation for entrepreneurial development/noncredit programs collectively ($261 million in regular appropriations in FY2020 and FY2021 under P.L. 116-159, the Continuing Appropriations Act, 2021 and Other Extensions Act (hereinafter continuing resolution), which provides funding through December 11, 2020). The SBA uses these funds for its management and training programs ($239 million in regular appropriations in FY2020 and FY2021 under the continuing resolution), HUBZone program administration ($3 million in FY2020 and FY2021
Relief, and Economic Security Act (CARES Act), among other provisions, appropriated $265 million for SBA’s entrepreneurial development programs in FY2020, with funding remaining available through FY2021, to assist small businesses adversely affected by the novel coronavirus (COVID-19) pandemic: $192 million for SBDCs; $48 million for WBCs; and $25 million for a new SBA Resource Partner Association Grant program to establish a single, online centralized hub for COVID-19 information and a COVID-19-related training program for SBDC, WBC, SCORE, and veteran business outreach center (VBOC) counselors.

Table 1. SBA Management and Technical Assistance Training Programs, Specified and Recommended Appropriations, FY2018-FY2021

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Business Development Center Grants Program</td>
<td>$130.0</td>
<td>$131.0</td>
<td>$135.0</td>
<td>$192.0</td>
<td>$135.0</td>
</tr>
<tr>
<td>Microlend Technical Assistance Program</td>
<td>$31.0</td>
<td>$31.0</td>
<td>$34.5</td>
<td>—</td>
<td>$34.5</td>
</tr>
<tr>
<td>Women’s Business Center Grants Program</td>
<td>$18.0</td>
<td>$18.5</td>
<td>$22.5</td>
<td>$48.0</td>
<td>$22.5</td>
</tr>
<tr>
<td>COVID-19 Resource Partner Association Grants</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>$25.0</td>
<td>—</td>
</tr>
<tr>
<td>Veterans Outreach (Veterans Business Outreach Centers, Boots to Business Initiative, Boots to Business Reboot Initiative, Veteran-Women Igniting the Spirit of Entrepreneurship [V-Wise], and Entrepreneurship Bootcamp for Veterans with Disabilities [EBV])</td>
<td>$12.3</td>
<td>$12.7</td>
<td>$14.0</td>
<td>—</td>
<td>$14.0</td>
</tr>
<tr>
<td>SCORE (Service Corps of Retired Executives)</td>
<td>$11.5</td>
<td>$11.7</td>
<td>$11.7</td>
<td>—</td>
<td>$11.7</td>
</tr>
<tr>
<td>Entrepreneurial Education Initiative</td>
<td>$6.0</td>
<td>$3.5</td>
<td>$2.5</td>
<td>—</td>
<td>$2.5</td>
</tr>
<tr>
<td>Entrepreneurial Development Initiative (Regional Innovation Clusters)</td>
<td>$5.0</td>
<td>$5.0</td>
<td>$5.0</td>
<td>—</td>
<td>$5.0</td>
</tr>
<tr>
<td>PRIME Technical Assistance Program</td>
<td>$5.0</td>
<td>$5.0</td>
<td>$5.5</td>
<td>—</td>
<td>$5.5</td>
</tr>
<tr>
<td>7(j) Technical Assistance Program</td>
<td>$2.8</td>
<td>$2.8</td>
<td>$2.8</td>
<td>—</td>
<td>$2.8</td>
</tr>
<tr>
<td>Native American Outreach Program</td>
<td>$2.0</td>
<td>$2.0</td>
<td>$2.0</td>
<td>—</td>
<td>$2.0</td>
</tr>
</tbody>
</table>

under the continuing resolution) and the State Trade and Export Promotion program ($19 million in FY2020 and FY2021 under the continuing resolution). For additional information and analysis of the SBA’s HUBZone program, see CRS Report R41268, Small Business Administration HUBZone Program, by Robert Jay Dilger. For additional information and analysis concerning the STEP program see CRS Report R43155, Small Business Administration Trade and Export Promotion Programs, by Sean Lowry.
The Department of Commerce also provides management and technical assistance training for small businesses. For example, the Department of Commerce’s Minority Business Development Agency (MBDA) provides training to minority business owners to assist them in obtaining contracts and financial awards. In addition, the Department of Commerce’s Economic Development Administration’s Local Technical Assistance Program promotes efforts to build and expand local organizational capacity in economically distressed areas. As part of that effort, it funds projects that focus on technical or market feasibility studies of economic development projects or programs, which often include consultation with small businesses.

For many years, a recurring theme at congressional hearings concerning the SBA’s management and technical assistance training programs was the perceived need to improve program efficiency by eliminating duplication of services or increasing cooperation and coordination both within and among its training resource partners. For example, the Obama Administration recommended in its FY2012-FY2017 budget recommendations that funding for the PRIME technical assistance program end. The Obama Administration argued that PRIME overlaps and duplicates “the

---


7 13 C.F.R. §306.
technical assistance provided by SBA’s microlending intermediaries.\textsuperscript{8} The Trump Administration has also requested the program’s elimination.\textsuperscript{9}

The House Committee on Small Business majority argued in each of its annual “Views and Estimates” letters to the House Budget Committee for FY2013 through FY2019 that the SBA’s various management and technical assistance training programs were duplicative of each other and of programs offered by other federal agencies.\textsuperscript{10} As the majority stated in its FY2014 “Views and Estimates” letter, “given tight budgetary constraints and the need for the SBA to reallocate resources in other critical areas, entrepreneurial outreach at the SBA should be limited to ... the Small Business Development (SBDC) Program. All other entrepreneurial outreach efforts at the SBA either overlap with the SBDC Program or duplicate efforts at other federal agencies.”\textsuperscript{11}


\textsuperscript{11} U.S. Congress, House Committee on Small Business, “Views and Estimates of the Committee on Small Business on Matters to be set forth in the Concurrent Resolution on the Budget for FY2014,” communication to the Chairman, House Committee on the Budget, 113th Cong., 1st sess., February 27, 2013, p. 6. Previously, the House Committee on Small Business had recommended that funding for Women Business Centers, PRIME technical assistance, HUBZone outreach, and the Offices of Native American Affairs and International Trade be eliminated; and funding for 7(j) technical assistance, Microloan technical assistance, and the National Women’s Business Council be reduced. See U.S. Congress, House Committee on Small Business, “Views and Estimates of the Committee on Small Business on Matters to be set forth in the Concurrent Resolution on the Budget for FY2013,” communication to the Chairman, House Committee on the Budget, 112th Cong., 2nd sess., March 7, 2012.
Congress has also explored ways to improve the SBA’s measurement of these programs’ effectiveness.

This report examines the historical development of federal small business management and technical assistance training programs; describes their current structures, operations, and budgets; and assesses their administration and oversight, including measures used to determine their effectiveness.

This report also discusses recent legislation affecting the SBA’s management and training programs, including:

- P.L. 114-88, the Recovery Improvements for Small Entities After Disaster Act of 2015 (RISE After Disaster Act of 2015), which, among other things, authorizes the SBA to provide up to two years of additional financial assistance, on a competitive basis, to SBDCs, WBCs, SCORE, or any proposed consortium of such individuals or entities to assist small businesses located in a presidentially declared major disaster area and authorizes SBDCs to provide assistance to small businesses outside the SBDC’s state, without regard to geographical proximity to the SBDC, if the small business is in a presidentially declared major disaster area. This assistance can be provided “for a period of not more than two years after the date on which the President” has declared the area a major disaster;12

- P.L. 115-141, the Consolidated Appropriations Act of 2018, among other provisions, relaxed requirements that Microloan intermediaries may spend no more than 25% of Microloan technical assistance grant funds on prospective borrowers and no more than 25% of those funds on contracts with third parties to provide that technical assistance by increasing those percentages to no more than 50% (originally in H.R. 2056, the Microloan Modernization Act of 2017, and S. 526, the Microloan Modernization Act of 2018); and

- as mentioned, P.L. 116-136 (CARES Act), among other provisions, appropriated an additional $265 million for SBA’s entrepreneurial development programs in FY2020, with funding remaining available through FY2021, to assist small businesses adversely affected by the COVID-19 pandemic: $192 million for SBDCs; $48 million for WBCs; and $25 million for a new SBA Resource Partner Association Grant program to establish a single, online centralized hub for COVID-19 information and a COVID-19-related training program for SBDC, WBC, SCORE, and veteran business outreach center (VBOC) counselors.

In addition, H.R. 1774, the Developing the Next Generation of Small Businesses Act of 2017, introduced during the 115th Congress, would have required the SBA to only use authorized entrepreneurial development programs (SCORE, WBCs, SBDCs, etc.) to deliver specified entrepreneurial development services. The bill also would have added data collection and reporting requirements for SBDCs; authorized to be appropriated $21.75 million for WBCs for each of FY2018-FY2021 (WBCs were appropriated $18 million in FY2018); increased the WBC annual grant award from not more than $150,000 to not more than $185,000 (adjusted annually to reflect change in inflation); authorized the award of an additional $65,000 to WBCs under

---

12 P.L. 114-88 also, among other things, increases, for three years, the minimum disaster loan amount for which the SBA may require collateral, from $14,000 to $25,000 (or, as under existing law, any higher amount the SBA determines appropriate in the event of a disaster); provides a contracting preference for small businesses located in a disaster area if the small business concern will perform the work required under the contract in the disaster area; and doubles the value of the contract for purposes of determining agency compliance with federal small business procurement goals.
specified circumstances; authorized the SBA to waive, in whole or in part, the WBC nonfederal matching requirement for up to two consecutive fiscal years under specified circumstances; modified SCORE program requirements with respect to the role of participating volunteers, program plans and goals, and reporting; and added language concerning the provision and reporting of online counseling by SCORE.

**SBA Management and Technical Assistance Training Programs**

The SBA supports a number of management and technical assistance training programs, including the following:

- Small Business Development Center Grants Program,
- Microloan Technical Assistance Program,
- Women’s Business Center Grants Program,
- Veterans Business Development Programs,
- SCORE (Service Corps of Retired Executives),
- PRIME Technical Assistance Program,
- 7(j) Technical Assistance Program,
- Native American Outreach Program, and
- Several initiatives, including the Entrepreneurial Development Initiative (Regional Innovation Clusters), Boots to Business, Entrepreneurial Education, and Growth Accelerators.

The legislative history and current operating structures, functions, and budget for each of these programs is presented in this report. In addition, if the data are available, the program’s performance based on outcome-based measures, such as their effect on small business formation, survivability, and expansion, and on job creation and retention, is also presented. Also, a brief description of each of these programs is provided in the **Appendix**.

**Small Business Development Centers**

In 1976, the SBA created the University Business Development Center pilot program to establish small business centers within universities to provide counseling and training for small businesses. The first center was founded at California State Polytechnic University at Pomona in December 1976. Seven more centers were funded over the next six months at universities in seven different states. By 1979, 16 SBDCs received SBA funding and were providing management and technical training assistance to small businesses.13

The SBDC program was provided statutory authorization by P.L. 96-302, the Small Business Development Center Act of 1980.14 SBDCs were to “rely on the private sector primarily, and the

---


university community, in partnership with the SBA and its other programs, to fill gaps in making quality management assistance available to the small business owner.”13 Although most SBDCs continued to be affiliated with universities, the legislation authorized the SBA to provide funding to any State government or any agency thereof, any regional entity, any State-chartered development, credit or finance corporation, any public or private institution of higher education, including but not limited to any land-grant college or university, any college or school of business, engineering, commerce, or agriculture, community college or junior college, or to any entity formed by two or more of the above entities.16

SBDC funding is allocated on a pro rata basis among the states (defined to include the District of Columbia, the Commonwealth of Puerto Rico, the U.S. Virgin Islands, Guam, and American Samoa) by a statutory formula “based on the percentage of the population of each State, as compared to the population of the United States.”17 If, as is currently the case, SBDC funding exceeds $90 million, the minimum funding level is “the sum of $500,000, plus a percentage of $500,000 equal to the percentage amount by which the amount made available exceeds $90 million.”18

In 1984, P.L. 98-395, the Small Business Development Center Improvement Act of 1984, required SBDCs, as a condition of receiving SBA funding, to contribute a matching amount equal to the grant amount, and that the match must be provided by nonfederal sources and be comprised of not less than 50% cash and not more than 50% of indirect costs and in-kind contributions.19 It also required SBDCs to have an advisory board and a full-time director who has authority to make expenditures under the center’s budget. It also required the SBA to implement a program of onsite evaluations for each SBDC and to make those evaluations at least once every two years.

Today, the SBA provides grants to SBDCs that are “hosted by leading universities, colleges, and state economic development agencies” to deliver management and technical assistance training “to small businesses and nascent entrepreneurs (pre-venture) in order to promote growth, expansion, innovation, increased productivity and management improvement.”20 These services are delivered, in most instances, on a nonfee, one-on-one confidential counseling basis and are administered by 63 lead service centers, one located in each state (four in Texas and six in

18 For American Samoa, Guam, and the U.S. Virgin Islands, the SBA is required to waive the matching requirements on awards less than $200,000 and has discretion to waive the match for awards exceeding $200,000. See 48 U.S.C. Section 1469a. Also, there is one exception to the disallowance of federal funds as a cash match. Community Development Block Grant (CDBG) funds received from the Department of Housing and Urban Development are allowed when: (1) the SBDC activities are consistent with the authorized CDBG activities for which the funds were granted; and (2) the CDBG activities are identified in the Consolidated Plan of the CDBG grantee or in the agreement between the CDBG grantee and the subrecipient of the funds.
California), the District of Columbia, Puerto Rico, the U.S. Virgin Islands, Guam, and American Samoa. These lead centers manage nearly 900 service centers located throughout the United States and the territories.

In FY2019, SBDCs provided technical assistance training and counseling services to 254,821 unique SBDC clients, and 17,810 new businesses were started largely as a result of SBDC training and counseling.

As shown in Table 1, SBDCs received an appropriation of $130 million in FY2018, $131 million in FY2019, $327 million in FY2020 ($135 million in regular appropriations and $192 million in supplemental appropriations), and $135 million in FY2021 under the continuing resolution (funding through December 11, 2020).

In addition, SBDCs are eligible to receive funding from the CARES Act’s $25 million SBA Resource Partner Association Grants Program. These grants are to be used to establish a single, online centralized hub for COVID-19 information and a COVID-19-related training program for SBDC, WBC, SCORE, and veteran business outreach center (VBOC) counselors.


In addition, as mentioned, P.L. 114-88 expanded the role of SBDCs by, among other things

- authorizing the SBA to provide up to two years of additional financial assistance, on a competitive basis, to SBDCs, WBCs, SCORE, or any proposed consortium of such individuals or entities to assist small businesses located in a presidentially declared major disaster area; and
- authorizing SBDCs to provide assistance to small businesses outside the SBDC’s state, without regard to geographical proximity to the SBDC, if the small business is located in a presidentially declared major disaster area. This assistance can be provided “for a period of not more than two years after the date on which the President” has declared the area a major disaster.

As part of its legislative mandate to evaluate each SBDC, in 2003, the SBA’s Office of Entrepreneurial Development designed “a multi-year time series study to assess the impact of the programs it offers to small businesses.” The survey was administered annually in partnership with a private firm.

---

25 P.L. 114-88, §2101. The SBA administrator may make one extension of a grant, contract, or cooperative agreement under this paragraph for a period of not more than one year, upon a showing of good cause and need for the extension.
26 P.L. 114-88, §2103. The SBA administrator is authorized to extend the two-year limitation.
The 2014 survey (the last one available) was sent to 70,262 SBDC clients who had received five or more hours of counseling assistance in calendar year 2012. The survey was administered in the spring and summer of 2013. A total of 10,407 surveys (14.8% return rate) were completed either by mail, email, or the internet.

The 2014 survey indicated, of the SBDC clients

- 90.7% reported that the services they received from SBDC counselors were beneficial;
- 87.8% reported that the knowledge and expertise of their SBDC counselor was excellent (66.0%) or above average (21.8%);
- 86.2% reported that their overall working relationship with their SBDC counselor was excellent (68.9%) or above average (17.3%); and
- 94.4% reported that they would recommend that other businesspersons contact the SBDC.

**Legislation**

As mentioned, P.L. 114-88, among other things, authorizes the SBA to provide up to two years of additional funding to its management and training resource partners to assist small businesses located in a presidentially declared major disaster area and authorizes SBDCs to provide assistance outside the SBDC’s state, without regard to geographical proximity to the SBDC, if the small business is in a presidentially declared major disaster area. This assistance can be provided “for a period of not more than two years after the date on which the President” has declared the area a major disaster.

H.R. 4406, the Small Business Development Centers Act of 2019, would have, among other provisions, required the SBA to only use authorized entrepreneurial development programs (SCORE, WBCs, SBDCs, etc.) “to deliver entrepreneurial development services, entrepreneurial education, and support for the development and maintenance of the Regional Innovation Cluster Program (or similar business training services)” and would have added SBDC data collection and reporting requirements. Similar legislation was introduced during the 114th Congress (H.R. 207 and S. 999) and the 115th Congress (H.R. 1702 and H.R. 1774).

---

31 SBA, Office of Entrepreneurial Development, “Correspondence with the author,” November 4, 2015. 8.7% of SBDC clients reported that the knowledge and expertise of their SBDC counselor was average, 1.5% of SBDC clients reported that the knowledge and expertise of their SBDC counselor was below average, and 19% of SBDC clients reported that the knowledge and expertise of their SBDC counselor was poor.
32 SBA, Office of Entrepreneurial Development, “Correspondence with the author,” November 4, 2015. 9.3% of SBDC clients reported that their overall working relationship with their SBDC counselor was average, 2% of SBDC clients reported that their overall working relationship with their SBDC counselor was below average, and 2.4% of SBDC clients reported that their overall working relationship with their SBDC counselor was poor.
34 The House-passed version of H.R. 2810, the National Defense Authorization Act for Fiscal Year 2018, included provisions similar to those concerning WBCs, SBDCs, and SCORE in H.R. 1774. These provisions were not included in the Senate-passed version of H.R. 2810 or in the bill’s final version (P.L. 115-91, the National Defense Authorization Act for Fiscal Year 2018).
Also, as mentioned, the CARES Act provided SBDCs an additional $192 million to assist small businesses adversely affected by the COVID-19 pandemic. SBDCs are also eligible to receive funding from the $25 million Resource Partner Association Grants program.

**Microlon Technical Assistance Program**

Congress authorized the SBA’s Microlon lending program in 1991 (P.L. 102-140, the Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1992) to address the perceived disadvantages faced by women, low-income, veteran, and minority entrepreneurs and business owners gaining access to capital for starting or expanding their business. The program became operational in 1992. Its stated purpose is to assist women, low-income, veteran and minority entrepreneurs and business owners and other individuals possessing the capability to operate successful business concerns; to assist small business concerns in those areas suffering from a lack of credit due to economic downturns; ... to make loans to eligible intermediaries to enable such intermediaries to provide small-scale loans, particularly loans in amounts averaging not more than $10,000, to start-up, newly established, or growing small business concerns for working capital or the acquisition of materials, supplies, or equipment; [and] to make grants to eligible intermediaries that, together with non-Federal matching funds, will enable such intermediaries to provide intensive marketing, management, and technical assistance to microloan borrowers.35

Initially, the SBA’s Microlon program was authorized as a five-year demonstration project. It was made permanent, subject to reauthorization, by P.L. 105-135, the Small Business Reauthorization Act of 1997.

The SBA’s Microlon Technical Assistance Program, which is affiliated with the SBA’s Microlon lending program but receives a separate appropriation, provides grants to Microlon intermediaries to provide management and technical training assistance to Microlon program borrowers and prospective borrowers.36 There are currently 144 active Microlon intermediaries serving 49 states, the District of Columbia, and Puerto Rico.37

Intermediaries are eligible to receive a Microlon technical assistance grant “of not more than 25% of the total outstanding balance of loans made to it” under the Microlon program.38 Grant funds may be used only to provide marketing, management, and technical assistance to Microlon borrowers, except that no more than 50% of the funds may be used to provide such assistance to prospective Microlon borrowers and no more than 50% of the funds may be awarded to third parties to provide that technical assistance. Grant funds also may be used to attend required training.39

---

36 For further analysis of the SBA’s Microlon program, see CRS Report R41057, *Small Business Administration Microlon Program*, by Robert Jay Dilger.
39 13 C.F.R. §120.712.
In most instances, intermediaries must contribute, solely from nonfederal sources, an amount equal to 25% of the grant amount.\textsuperscript{40} In addition to cash or other direct funding, the contribution may include indirect costs or in-kind contributions paid for under nonfederal programs.\textsuperscript{41}

The SBA does not require Microloan borrowers to participate in the Microloan Technical Assistance Program. However, intermediaries typically require Microloan borrowers to participate in the training program as a condition of the receipt of a microloan. Combining loan and intensive management and technical assistance training is one of the Microloan program’s distinguishing features.\textsuperscript{42}

The program was appropriated $31 million in FY2018 and FY2019, $34.5 million in FY2020, and $34.5 million in FY2021 under the continuing resolution (funding through December 11, 2020) (see Table 1).

The Trump Administration requested $25 million for the Microloan Technical Assistance Program in FY2018, FY2019, FY2020, and FY2021.\textsuperscript{43}

As shown in Table 2, the Microloan Technical Assistance Program provided counseling services to 22,100 small businesses in FY2019, and there were 144 grant eligible microloan intermediaries.

<table>
<thead>
<tr>
<th>FY</th>
<th># of Clients Advised</th>
<th># of Grant Eligible Microloan Intermediaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>22,100</td>
<td>144</td>
</tr>
<tr>
<td>2018</td>
<td>21,800</td>
<td>147</td>
</tr>
<tr>
<td>2017</td>
<td>19,600</td>
<td>144</td>
</tr>
<tr>
<td>2016</td>
<td>17,948</td>
<td>140</td>
</tr>
<tr>
<td>2015</td>
<td>17,200</td>
<td>137</td>
</tr>
<tr>
<td>2014</td>
<td>15,668</td>
<td>137</td>
</tr>
</tbody>
</table>


\textsuperscript{40} 13 C.F.R. §120.712.

\textsuperscript{41} 13 C.F.R. §120.712. Intermediaries may not borrow their contribution.

\textsuperscript{42} Intermediaries that make at least 25% of their loans to small businesses located in or owned by residents of an Economically Distressed Area (defined as having 40% or more of its residents with an annual income that is at or below the poverty level), or have a portfolio of loans made under the program that averages not more than $10,000 during the period of the intermediary’s participation in the program are eligible to receive an additional training grant equal to 5% of the total outstanding balance of loans made to the intermediary. Intermediaries are not required to make a matching contribution as a condition of receiving these additional grant funds. See 13 C.F.R. §120.712; and 15 U.S.C. §636(m)(4)(C)(i).

Legislation

As mentioned, P.L. 115-141, among other provisions, relaxed requirements that Microloan intermediaries may spend no more than 25% of Microloan technical assistance grant funds on prospective borrowers and no more than 25% of those funds on contracts with third parties to provide that technical assistance by increasing those percentages to no more than 50%. These provisions were originally in H.R. 2056 and S. 526.44

During the 114th Congress, H.R. 2670 and S. 1857 (its Senate companion bill) would have required the SBA administrator to establish a rule enabling intermediaries to apply for a waiver to the requirement that no more than 25% of Microloan technical assistance grant funds may be used to provide technical assistance to prospective borrowers.45

Women’s Business Centers

The Women’s Business Center (WBC) Renewable Grant Program was initially established by P.L. 100-533, the Women’s Business Ownership Act of 1988, as the Women’s Business Demonstration Pilot Program. The act directed the SBA to provide financial assistance to private, nonprofit organizations to conduct demonstration projects giving financial, management, and marketing assistance to small businesses, including start-up businesses, owned and controlled by women. Since its inception, the program has targeted the needs of socially and economically disadvantaged women.46 The WBC program was expanded and provided permanent legislative status by P.L. 109-108, the Science, State, Justice, Commerce, and Related Agencies Appropriations Act, 2006.

Since the program’s inception, the SBA has awarded WBCs a grant of up to $150,000 per year. Initially, the grant was awarded for one year, with the possibility of being renewed twice, for a total of up to three years. As a condition of the receipt of funds, the WBC was required to raise at least one nonfederal dollar for each two federal dollars during the grant’s first year (1:2), one nonfederal dollar for each federal dollar during year two (1:1), and two nonfederal dollars for each federal dollar during year three (2:1).47 Over the years, Congress has extended the length of the WBC program’s grant award and reduced the program’s matching requirement.

Today, WBC initial grants are awarded for up to five years, consisting of a base period of 12 months from the date of the award and four 12-month option periods.48 The SBA determines if

44 The bills would also increase the Microloan program’s aggregate loan limit for intermediaries after their first year of participation in the program from $5 million to $6 million.
45 H.R. 2670 was passed by the House on July 13, 2015. S. 1857 was ordered to be reported by the Senate Committee on Small Business and Entrepreneurship on July 29, 2015, and subsequently reported and placed on the Senate Legislative Calendar under General Orders on September 15, 2015. The bills would have also increased the Microloan program’s aggregate loan limit for intermediaries after their first year of participation in the program from $5 million to $6 million and the program’s repayment terms from not more than 6 years to not more than 10 years for loans greater than $10,000. For additional information, see CRS Report R41057, Small Business Administration Microloan Program, by Robert Jay Dilger.
47 Matching contributions must come from nonfederal sources such as state and local governments, private individuals, corporations and foundations, and program income. Community Development Block Grant funds, when permissible under the terms of that program, may also be used as a match. At least half of the nonfederal match must be in the form of cash. SBA, “Women’s Business Center (Initial Grant), FY2011” at http://www.sba.gov/sites/default/files/files/Program%20Announcement%20OWBO-2011-01-%20-%20New-%20WBC%20in%20Idaho.pdf.
48 P.L. 105-135, the Small Business Reauthorization Act of 1997, authorized the SBA to award grants to WBCs for up
the option periods are exercised and makes that determination subject to the continuation of program authority, the availability of funds, and the recipient organization’s compliance with federal law, SBA regulations, and the terms and conditions specified in a cooperative agreement. WBCs that successfully complete the initial five-year grant period may apply for an unlimited number of three-year funding intervals.\footnote{P.L. 106-165, the Women’s Business Centers Sustainability Act of 1999, provided WBCs that had completed the initial five-year grant an opportunity to apply for an additional five-year sustainability grant. Thus, the act allowed successful WBCs to receive SBA funding for a total of 10 years. Because the program has permitted permanent three-year funding intervals since 2007, the sustainability grants would be phased out by FY2012, leaving the initial five-year grants with the continuous three-year option. See SBA, \textit{FY2012 Congressional Budget Justification and FY2010 Annual Performance Report}, p. 49, at https://www.sba.gov/sites/default/files/aboutsbaarticle/FINAL%20FY%202012%20CBJ%20FY%202010%20APR_0.pdf.}

During their initial five-year grant period, WBCs are now required to provide a nonfederal match of one nonfederal dollar for each two federal dollars in years one and two (1:2), and one nonfederal dollar for each federal dollar in years three, four and five (1:1).\footnote{P.L. 105-135 reduced the program’s matching to one nonfederal dollar for each two federal dollars in years one through three rather than just during the first year (1:2), one nonfederal dollar for each federal dollar in year four rather than during year two (1:1), and two nonfederal dollars for each federal dollar in year five rather than in year three (2:1). P.L. 106-17, the Women’s Business Center Amendments Act of 1999, reduced the program’s matching requirement to one nonfederal dollar for each two federal dollars in years one and two (1:2), and one nonfederal dollar for each federal dollar in years three, four and five (1:1).} After the initial five-year grant period, the matching requirement in subsequent three-year funding intervals is not more than 50\% of federal funding (1:1).\footnote{P.L. 110-28, the U.S. Troop Readiness, Veterans’ Care, Katrina Recovery, and Iraq Accountability Appropriations Act, 2007, allowed WBCs that successfully completed the initial five-year grant to apply for an unlimited number of three-year funding renewals.} The nonfederal match may consist of cash, in-kind, and program income.\footnote{P.L. 105-135 specified that not more than one-half of the nonfederal sector matching assistance may be in the form of in-kind contributions that are budget line items only, including office equipment and office space.}

Today, there are 187 WBCs located throughout most of the United States and the territories.\footnote{SBA, “Women’s Business Centers Directory,” at https://www.sba.gov/tools/local-assistance/wbc.} In FY2019, WBCs provided technical assistance and counseling services to 64,527 unique WBC clients, and 2,087 new businesses were started largely as a result of WBC training and counseling.\footnote{SBA, \textit{FY2018 Congressional Budget Justification and FY2016 Annual Performance Report}, p. 12; SBA, \textit{FY2019 Congressional Budget Justification and FY2018 Annual Performance Report}, p. 87.}

Congress recommended that the WBC program receive $18 million in FY2018, $18.5 million in FY2019, $70.5 million in FY2020 ($22.5 million in regular appropriations and $48 million in supplemental appropriations), and $22.5 million in FY2021 under the continuing resolution (funding through December 11, 2020) (see Table \ref{table:1}).

In addition, WBCs are eligible to receive funding from the CARES Act’s $25 million SBA Resource Partner Association Grants Program. These grants are to be used to establish a single, online centralized hub for COVID-19 information and a COVID-19-related training program for SBDC, WBC, SCORE, and veteran business outreach center (VBOC) counselors.

The Trump Administration requested $16 million for WBCs in FY2018 and FY2019, and $17.4 million in FY2020 and FY2021.\footnote{SBA, \textit{FY2019 Congressional Budget Justification and FY2018 Annual Performance Report}, p. 87.}
P.L. 105-135 required the SBA to “develop and implement an annual programmatic and financial examination of each” WBC.\(^{56}\) As part of its legislative mandate to implement an annual programmatic and financial examination of each WBC, the SBA’s Office of Entrepreneurial Development included WBCs in the previously mentioned multiyear time series study of its entrepreneurial development programs.

The firm administering the 2013 survey of SBA management and training clients (the last one available concerning WBC clients) contacted 2,997 WBC clients and received 529 completed surveys (17.7% return rate).\(^{57}\) The survey indicated that

- 80% of WBC clients reported that the services they received from counselors were useful or very useful, 2% had no opinion, and 18% reported that the services they received from counselors were somewhat useful or not useful;\(^{58}\)
- 61% of WBC clients reported that they changed their management practices/strategies as a result of the assistance they received;\(^{59}\) and
- the top five changes to management practices involved their business plan (56%), marketing plan (46%), general management (36%), cash flow analysis (31%), and financial strategy (30%).\(^{60}\)

**Legislation**

As mentioned, P.L. 114-88 expanded the role of WBCs by authorizing the SBA to provide up to two years of additional financial assistance, on a competitive basis, to SBDCs, WBCs, SCORE, or any proposed consortium of such individuals or entities to assist small businesses located in a presidentially declared major disaster area.\(^{61}\)

Also, as mentioned, the CARES Act provided WBCs an additional $48 million to assist small businesses adversely affected by the COVID-19 pandemic. WBCs are also eligible to receive funding from the $25 million Resource Partner Association Grants program.

In addition, H.R. 4406, the Small Business Development Centers Act of 2019, would, among other provisions, require the SBA to only use authorized entrepreneurial development programs (SCORE, WBCs, SBDCs, etc.) “to deliver entrepreneurial development services, entrepreneurial

---

\(^{56}\) P.L. 105-135, §29. Women’s Business Center Program.


\(^{61}\) P.L. 114-88, §2101. The SBA administrator may make one extension of a grant, contract, or cooperative agreement under this paragraph for a period of not more than one year, upon a showing of good cause and need for the extension.
education, and support for the development and maintenance of the Regional Innovation Cluster Program (or similar business training services).”

H.R. 4405, the Women’s Business Centers Improvements Act of 2019, would, among other provisions, authorize to be appropriated $31.5 million for WBCs for each of FY2020-FY2023 (WBCs received $22.5 million in FY2020); increase the WBC annual grant award from not more than $150,000 to not more than $300,000 (adjusted annually to reflect change in inflation); and authorize the SBA to waive, in whole or in part, the WBC nonfederal matching requirement for up to two consecutive fiscal years under specified circumstances. Similar legislation was introduced during the 114th Congress (H.R. 207 and S. 2126) and 115th Congress (H.R. 1774).

Veterans Business Development Programs

The SBA has supported management and technical assistance training for veteran-owned small businesses since its formation as an agency. However, during the 1990s, some in Congress noted that a direct loan program for veterans was eliminated by the SBA in 1995 and that the “training and counseling for veterans dropped from 38,775 total counseling sessions for veterans in 1993 to 29,821 sessions in 1998.” Concerned that “the needs of veterans have been diminished systematically at the SBA,” Congress adopted P.L. 106-50, the Veterans Entrepreneurship and Small Business Development Act of 1999.

The act reemphasized the SBA’s responsibility “to reach out to and include veterans in its programs providing financial and technical assistance.” It also included veterans as a target group for the SBA’s 7(a), 504/CDC, and Microloan programs. In addition, it required the SBA to enter into a memorandum of understanding with SCORE to, among other things, establish “a program to coordinate counseling and training regarding entrepreneurship to veterans through the chapters of SCORE throughout the United States.” The act also directed the SBA to enter into a memorandum of understanding with SBDCs, the Department of Veteran Affairs, and the National Veterans Business Development Corporation “with respect to entrepreneurial assistance to veterans, including service-disabled veterans.” It specified, among other things, that the SBA conduct and distribute studies on the formation, management, financing, marketing, and operation of small business concerns by veterans; provide training and counseling on these topics to veterans; assist veterans regarding procurement opportunities with federal, state, and local agencies, especially agencies funded in whole or in part with federal funds; and provide internet

62 The specified circumstances include the consideration of the economic conditions affecting the recipient organization; the waiver’s impact on the women’s business center program’s credibility; the recipient organization’s demonstrated ability to raise nonfederal funds; and the recipient organization’s performance.


66 P.L. 106-50, §301. Score Program.

or other distance-learning academic instruction for veterans in business subjects, including accounting, marketing, and business fundamentals.68

The SBA’s Office of Veterans Business Development (OVBD) was established to address these statutory requirements.69 The OVBD currently administers several management and training programs to assist veteran-owned businesses, including the following:

- The Entrepreneurship Bootcamp for Veterans with Disabilities Consortium of Universities provides “experiential training in entrepreneurship and small business management to post-9/11 veterans with disabilities” at eight universities.70

- The Veteran Women Igniting the Spirit of Entrepreneurship (V-WISE) program, administered through a cooperative agreement with Syracuse University, offers women veterans a 15-day, online course on entrepreneurship skills and the “language of business,” followed by a 3-day conference (offered twice a year at varying locations) in which participants “are exposed to successful entrepreneurs and CEOs of Fortune 500 companies and leaders in government” and participate in courses on business planning, marketing, accounting and finance, operations and production, human resources, and work-life balance.71

- The Operation Endure and Grow Program, administered through a cooperative agreement with Syracuse University, offers an eight-week online training program on “the fundamentals of launching and/or growing a small business” and is available to National Guard and reservists and their family members.72

- The Boots to Business program (started in 2012), which is “an elective track within the Department of Defense’s revised Training Assistance Program called Transition Goals, Plans, Success (Transition GPS) and has three parts: the Entrepreneurship Track Overview—a 10-minute introductory video shown during the mandatory five-day Transition GPS course which introduces entrepreneurship as a post-service career option; Introduction to Entrepreneurship—a two-day classroom course on entrepreneurship and business fundamentals offered as one of the three Transition GPS elective tracks; and Foundations of Entrepreneurship—an eight-week, instructor-led online course that offers in-depth instruction on the elements of a business plan and tips and techniques for starting a business.”73

---


69 SBA, FY2016 Congressional Budget Justification and FY2014 Annual Performance Report, p. 97, at https://www.sba.gov/sites/default/files/1-FY%202016%20CBJ%20FY%202014%20APR.PDF.


The Boots to Business Reboot program (started in 2014) assists veterans who have already transitioned to civilian life.\(^7^4\)

The Veterans Business Outreach Centers (VBOC) program provides veterans and their spouses management and technical assistance training at 22 locations, including assistance with the Boots to Business program, the development and maintenance of a five-year business plan, and referrals to other SBA resource partners when appropriate for additional training or mentoring services.\(^7^5\)

Prior to FY2016, Congress recommended appropriations for VBOCs and the Boots to Business program. Funding for the OVBD’s other veterans assistance programs was provided through the SBA’s salaries and expenses account. Starting in FY2016, Congress has recommended a single amount for all OVBD programs (currently $14 million) (see Table 1).

The Trump Administration requested $11.25 million for these programs in FY2018, FY2019, and FY2020, and $12.84 million in FY2021.\(^7^6\)

As shown in Table 3, VBOCs trained or advised 41,860 veterans in FY2019, and 16,528 veterans participated in the Boots to Business Initiative.

**Table 3. Office of Veterans Business Development Assistance, By Program, FY2014-FY2019**

<table>
<thead>
<tr>
<th>FY</th>
<th>Veterans Business Outreach Centers</th>
<th>Boots to Business Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>41,860</td>
<td>16,528</td>
</tr>
<tr>
<td>2018</td>
<td>51,945</td>
<td>17,167</td>
</tr>
<tr>
<td>2017</td>
<td>48,839</td>
<td>17,320</td>
</tr>
<tr>
<td>2016</td>
<td>47,342</td>
<td>17,966</td>
</tr>
<tr>
<td>2015</td>
<td>62,117</td>
<td>14,457</td>
</tr>
<tr>
<td>2014</td>
<td>78,124</td>
<td>14,684</td>
</tr>
</tbody>
</table>


\(^7^5\) SBA, “Veterans Business Outreach Centers,” at https://www.sba.gov/offices/headquarters/ovbd/resources/1548576. There were 14 VBOCs in 2015 and 20 in 2017. VBOC grants, starting at $180,000, “are made for up to a three-year period of performance, consisting of a base period of 12 months from the date of award and up to two renewal option periods of 12 months each. Exercise of the option periods will be solely at SBA’s discretion and is subject to continuing program authority, the availability of funds, and the recipient’s continued satisfactory performance and compliance.” Also, “funding per VBOC will vary based on proposed Boots to Business (B2B) program delivery and associated outreach.” See SBA, Office of Veterans Business Development, “FY 2015 Program Announcement No. VBOC-2015-02,” pp. 6-7, at https://www.sba.gov/offices/headquarters/ovbd/spotlight. In FY2013, the Veterans Business Outreach Centers Program conducted its ninth annual “Customer Satisfaction Survey.” 91% of the clients using the centers were satisfied or highly satisfied with the quality, relevance, and timeliness of the assistance provided. See SBA, FY2015 Congressional Budget Justification and FY2013 Annual Performance Report, p. 81, at https://www.sba.gov/sites/default/files/2018-06/Fiscal%202015%202015.zip.

Legislation

H.R. 3537, the Veteran Entrepreneurship Training Act of 2019, and S. 1998, the Veterans Small Business Ownership Improvements Act, would, among other provisions, provide the Boots to Business program statutory authorization. Similar legislation was introduced during the 114th Congress (S. 1866) and 115th Congress (H.R. 5193 and S. 121).

SCORE (Service Corps of Retired Executives)

The SBA has partnered with various voluntary business and professional service organizations to provide management and technical assistance training to small businesses since the 1950s. On October 5, 1964, using authority under the Small Business Act to provide “technical and managerial aids to small business concerns” in cooperation with “educational and other nonprofit organizations, associations, and institutions,” then-SBA Administrator Eugene P. Foley officially launched SCORE (Service Corps of Retired Executives) as a national, volunteer organization with 2,000 members, uniting more than 50 independent nonprofit organizations into a single, national nonprofit organization. Since then, the SBA has provided financial assistance to SCORE to provide training to small business owners and prospective owners.

Over the years, Congress has authorized the SBA to take certain actions relating to SCORE. For example, P.L. 89-754, the Demonstration Cities and Metropolitan Development Act of 1966, authorized the SBA to permit members of nonprofit organizations use of the SBA’s office facilities and services. P.L. 90-104, the Small Business Act Amendments of 1967, added the authority to pay travel and subsistence expenses “incurred at the request of the Administration in connection with travel to a point more than fifty miles distant from the home of that individual in providing gratuitous services to small businessmen” or “in connection with attendance at meetings sponsored by the Administration.” P.L. 93-113, the Domestic Volunteer Service Act of 1973, was the first statute to mention SCORE directly, providing the Director of ACTION authority to work with SCORE to “expand the application of their expertise beyond Small Business Administration clients.” P.L. 95-510, a bill to amend the Small Business Act, provided

---


80 P.L. 93-113, the Domestic Volunteer Service Act of 1973, §302. Authority to Establish, Coordinate, and Operate Programs. ACTION was created on July 1, 1971, by President Richard M. Nixon (Reorganization Plan Number One and Executive Order 11603) to oversee several federal volunteer agencies, including the Peace Corps, VISTA (Volunteers in Service to America); and SCORE. P.L. 103-82, the National and Community Service Trust Act of 1993, directed that ACTION be merged with the Commission on National and Community Service to form the Corporation for National and Community Service, which became operational in 1994. See Corporation for National and Community
the SBA explicit statutory authorization to work with SCORE (Section 8(b)(1)(B)). P.L. 106-554, the Consolidated Appropriations Act, 2001 (Section 1(a)(9)—the Small Business Reauthorization Act of 2000) authorized SCORE to solicit cash and in-kind contributions from the private sector to be used to carry out its functions.

The SBA currently provides grants to SCORE to provide in-person mentoring, online training, and “nearly 9,000 local training workshops annually” to small businesses.81 SCORE’s more than 250 chapters and more than 800 branch offices are located throughout the United States and partner with more than 10,000 volunteer counselors, who are working or retired business owners, executives and corporate leaders, to provide management and training assistance to small businesses “at no charge or at very low cost.”82

In FY2019, SCORE provided technical assistance training and counseling services to 195,242 unique SCORE clients, and 480 new businesses were started largely as a result of SCORE training and counseling.83 Congress recommended that SCORE receive $11.5 million in FY2018, and $11.7 million in FY2019, FY2020, and FY2021 under the continuing resolution (funding through December 11, 2020) (see Table 1).

The Trump Administration requested $9.9 million for the program in FY2018 and FY2019, $9.5 million in FY2020, and $8 million in FY2021.84

The SBA Office of Entrepreneurial Development included SCORE in the multiyear time series study to assess its programs’ effectiveness. The 2014 survey was sent to 124,612 SCORE clients who had a valid email address and received at least one mentoring session in any form (telephone, online/email, in-person, or other form) during FY2013 (October 2012-September 2013). The survey was initially distributed by email, and telephone calls were used as a follow-up to ensure at least 30 responses were received from each responding SCORE chapter. The survey was administered between October 2013 and December 2013.85 A total of 13,548 surveys (10.9% return rate) were completed either by email or telephone, representing 318 of SCORE’s then-330 chapters.86

The 2014 survey indicated that, of the SCORE clients

- 60.9% reported that they strongly agreed (32.2%) or agreed (28.7%) with the following statement: SCORE is important to my success87

83 SBA, FY2021 Congressional Budget Justification and FY2019 Annual Performance Report, p. 89.
87 SBA, Office of Entrepreneurial Development, “Correspondence with the author,” November 4, 2015. 23.8% reported that they were neutral in response to the following statement: SCORE is important to my success; 7.2% disagreed, and
• 44.8% reported that they strongly agreed (18.4%) or agreed (26.4%) with the following statement: As a result of working with SCORE, I have changed my business strategies or practices.

• 32.6% reported that they strongly agreed (12.1%) or agreed (20.5%) with the following statement: Working with SCORE helped me add employees in the past year.

• 51.8% reported that they strongly agreed (17.0%) or agreed (34.8%) with the following statement: Working with SCORE helped me grow my business revenue.

Legislation

As mentioned, P.L. 114-88 expanded SCORE’s role by authorizing the SBA to provide up to two years of additional financial assistance, on a competitive basis, to SBDCs, WBCs, SCORE, or any proposed consortium of such individuals or entities to assist small businesses located in a presidentially declared major disaster area.

Also, H.R. 4406, the Small Business Development Centers Act of 2019, would, among other provisions, require the SBA to only use authorized entrepreneurial development programs (SCORE, WBCs, SBDCs, etc.) “to deliver entrepreneurial development services, entrepreneurial education, and support for the development and maintenance of the Regional Innovation Cluster Program (or similar business training services).”

H.R. 4407, the SCORE for Small Business Act of 2019, would specifically authorize the SBA to enter into a cooperative agreement with SCORE to carry out the SCORE program. The bill also provides a list of SBA and SCORE duties, and, among other provisions, requires SCORE to implement webinars and other online training, centralize its accounting and finance systems (in response to a SBA OIG report that was critical of SCORE’s accounting and finance systems), and limits SCORE employee compensation to the maximum rate of pay allowable for SBA Senior Executive Service employees.

Similar legislation concerning SBA and SCORE duties was introduced during the 114th Congress (H.R. 4788 and S. 1000) and 115th Congress (H.R. 1700 and S. 2034).

8.1% strongly disagreed.

88 SBA, Office of Entrepreneurial Development, “Correspondence with the author,” November 4, 2015. 20.9% reported that they were neutral in response to the following statement: As a result of working with SCORE, I have changed my business strategies or practices; 8.2% disagreed, 9.8% strongly disagreed, and 6.4% did not reply or indicated they don’t know.

89 SBA, Office of Entrepreneurial Development, “Correspondence with the author,” November 4, 2015. 27% reported that they were neutral in response to the following statement: Working with SCORE helped me add employees in the past year; 17.4% disagreed, and 13.6% strongly disagreed.

90 SBA, Office of Entrepreneurial Development, “Correspondence with the author,” November 4, 2015. 26.9% reported that they were neutral in response to the following statement: Working with SCORE helped me grow my business revenue; 10.1% disagreed, and 11.2% strongly disagreed.

91 P.L. 114-88, §2101. The SBA administrator may make one extension of a grant, contract, or cooperative agreement under this paragraph for a period of not more than one year, upon a showing of good cause and need for the extension.

Program for Investment in Micro-entrepreneurs (PRIME)

P.L. 106-102, the Gramm-Leach-Bliley Act (of 1999) (Subtitle C—Microenterprise Technical Assistance and Capacity Building Program), amended P.L. 103-325, the Riegel Community Development and Regulatory Improvement Act of 1994, to authorize the SBA to “establish a microenterprise technical assistance and capacity building grant program.” The program was to “provide assistance from the Administration in the form of grants” to nonprofit microenterprise development organizations or programs (or a group or collaborative thereof) that has a demonstrated record of delivering microenterprise services to disadvantaged entrepreneurs; an intermediary; a microenterprise development organization or program that is accountable to a local community, working in conjunction with a state or local government or Indian tribe; or an Indian tribe acting on its own, if the Indian tribe can certify that no private organization or program referred to in this paragraph exists within its jurisdiction.

The SBA was directed “to ensure that not less than 50% of the grants … are used to benefit very low-income persons, including those residing on Indian reservations.” It was also directed to (1) provide training and technical assistance to disadvantaged entrepreneurs; (2) provide training and capacity building services to microenterprise development organizations and programs and groups of such organizations to assist such organizations and programs in developing microenterprise training and services; (3) aid in researching and developing the best practices in the field of microenterprise and technical assistance programs for disadvantaged entrepreneurs; and (4) for such other activities as the Administrator determines are consistent with the purposes of this subtitle.

The SBA’s PRIME program was designed to meet these legislative requirements by providing assistance to organizations that “help low-income entrepreneurs who lack sufficient training and education to gain access to capital to establish and expand their small businesses.” The program offers four types of grants:

- **Technical Assistance Grants** support training and technical assistance to disadvantaged microentrepreneurs,
- **Capacity Building Grants** support training and capacity building services to microenterprise development organizations and programs to assist them in developing microenterprise training and services,
- **Research and Development Grants** support the development and sharing of best practices in the field of microenterprise development and technical assistance programs for disadvantaged microentrepreneurs, and
- **Discretionary Grants** support other activities determined to be consistent with these purposes.

---

93 P.L. 106-102, the Gramm-Leach-Bliley Act, §173. Establishment of Program.
95 P.L. 106-102, §176. Allocation of Assistance; Subgrants.
97 SBA, “What is PRIME?” at https://www.sba.gov/offices/headquarters/oca/resources/11416 (hereinafter SBA, “What is PRIME?”).
98 SBA, “What is PRIME?”
Grants are awarded on an annual basis. Applicants may be approved for option year funding for up to four subsequent years. Award amounts vary depending on the availability of funds. However, no single grantee may receive more than $250,000 or 10% of the total funds made available for the program in a single fiscal year, whichever is less. The minimum grant award for technical assistance and capacity building grants is $50,000. There is no minimum grant award amount for research and development or discretionary grants.\textsuperscript{99} The SBA typically awards at least 75% of the grant funds for technical assistance, at least 15% for capacity building, and the remainder for research and development or discretionary activities.\textsuperscript{100}

Recipients must match 50% of the funding from nonfederal sources. Revenue from fees, grants, and gifts; income from loan sources; and in-kind resources from nonfederal public or private sources may be used to comply with the matching requirement.\textsuperscript{101} SBA regulations indicate that “applicants or grantees with severe constraints on available sources of matching funds may request that the Administrator or designee reduce or eliminate the matching requirements.”\textsuperscript{102} Any reductions or eliminations must not exceed 10% of the aggregate of all PRIME grant funds made available by SBA in any fiscal year.\textsuperscript{103}

Table 4 provides the number and amount of PRIME awards from FY2014 to FY2020.

\begin{table}[h]
\centering
\begin{tabular}{|l|c|c|c|}
\hline
FY & # of Grants & $ Awarded & Range of Awards \\
\hline
2020 & 30 & $5.4 & $75,000 to $250,000 \\
2019 & 30 & $5.0 & $75,000 to $250,000 \\
2018 & 32 & $5.0 & $75,000 to $250,000 \\
2017 & 34 & $5.0 & $55,103 to $250,000 \\
2016 & 37 & $5.0 & $75,000 to $230,913 \\
2015 & 39 & $5.0 & $35,455 to $200,000 \\
2014 & 24 & $3.5 & $94,000 to $250,000 \\
\hline
\end{tabular}
\caption{PRIME Grant Awards, FY2014-FY2020}
\end{table}

\textbf{Table 4. PRIME Grant Awards, FY2014-FY2020}

\begin{table}[h]
\centering
\begin{tabular}{|l|c|c|c|}
\hline
FY & # of Grants & $ Awarded & Range of Awards \\
\hline
2020 & 30 & $5.4 & $75,000 to $250,000 \\
2019 & 30 & $5.0 & $75,000 to $250,000 \\
2018 & 32 & $5.0 & $75,000 to $250,000 \\
2017 & 34 & $5.0 & $55,103 to $250,000 \\
2016 & 37 & $5.0 & $75,000 to $230,913 \\
2015 & 39 & $5.0 & $35,455 to $200,000 \\
2014 & 24 & $3.5 & $94,000 to $250,000 \\
\hline
\end{tabular}
\caption{PRIME Grant Awards, FY2014-FY2020 ($ in millions)}
\end{table}


\begin{itemize}
\item \textsuperscript{99} SBA, “What is PRIME?”
\item \textsuperscript{100} SBA, “What is PRIME?” For Technical Assistance and Capacity Building Grants, after the initial grant, funding for additional year(s) must be no more than 67% of the initial grant amount. For Research and Development and Discretionary Grants, after the initial grant, funding for additional year(s) will be approved at the SBA’s discretion.
\item \textsuperscript{102} 13 C.F.R. §119.8.
\item \textsuperscript{103} 13 C.F.R. §119.8.
\end{itemize}
Congress has recommended that the PRIME program receive $5 million in each of FY2015-
FY2019, and $5.5 million in FY2020 and FY2021 under the continuing resolution (funding
through December 11, 2020) (see Table 1).

As mentioned, the Obama Administration recommended in its FY2012-FY2017 budget requests
that funding for the PRIME program be eliminated. It argued that the PRIME program overlaps
and duplicates the SBA’s Microloan Technical Assistance Program. The Trump Administration
requested that the program receive no funding in FY2018, FY2019, FY2020, and FY2021.

7(j) Management and Technical Assistance Program

Using what it viewed as broad statutory powers granted under Section 8(a) of the Small Business
Act of 1958, as amended, the SBA issued regulations in 1970 creating the 8(a) contracting
program to “assist small concerns owned by disadvantaged persons to become self-sufficient,
viable businesses capable of competing effectively in the market place.” Using its statutory
authority under Section 7(j) of the Small Business Act to provide management and technical
assistance through contracts, grants, and cooperative agreement to qualified service providers, the
regulations specified that “the SBA may provide technical and management assistance to assist in
the performance of the subcontracts.”

On October 24, 1978, P.L. 95-507, to amend the Small Business Act and the Small Business
Investment Act of 1958, provided the SBA explicit statutory authority to extend financial,
management, technical, and other services to socially and economically disadvantaged small
businesses. The SBA’s current regulations indicate that the 7(j) Management and Technical
Assistance Program, named after the section of the Small Business Act of 1958, as amended,
authorizing the SBA to provide management and technical assistance training, will, “through its
private sector service providers” deliver “a wide variety of management and technical assistance
to eligible individuals or concerns to meet their specific needs, including: (a) counseling and
training in the areas of financing, management, accounting, bookkeeping, marketing, and
operation of small business concerns; and (b) the identification and development of new business
opportunities.” Eligible individuals and businesses include “8(a) certified firms, small

---

104 SBA, FY2012 Congressional Budget Justification and FY2010 Annual Performance Report, p. 4, at
https://www.sba.gov/sites/default/files/aboutsvbaarticle/
FINAL%20FY%202012%20CBJ%20FY%202010%20APR_0.pdf; SBA, FY2013 Congressional Budget Justification
and FY2011 Annual Performance Report, pp. 8, 15, at https://www.sba.gov/sites/default/files/files/1-
508%20Compliant%20FY%202013%20CBJ%20FY%202011%20APR(1).pdf; SBA, FY2014 Congressional Budget
Justification and FY2012 Annual Performance Report, p. 22, 27, at https://www.sba.gov/sites/default/files/files/1-508-
Compliant-FY-2014-CBJ%20FY%202012%20APR.pdf; SBA, FY2017 Congressional Budget Justification and
FY2015 Annual Performance Report, p. 19; and SBA, FY2021 Congressional Budget Justification and FY2019 Annual
Performance Report, p. 11.

105 SBA, FY2018 Congressional Budget Justification and FY2016 Annual Performance Report, p. 12; SBA, FY2019
Congressional Budget Justification and FY2017 Annual Performance Report, p. 13; and SBA, FY2020 Congressional
Budget Justification and FY2018 Annual Performance Report, p. 11.

106 13 C.F.R. §124.8-1(b) (1970); and Notes, “Minority Enterprise, Federal Contracting, and the SBA’s 8(a) Program:
analysis of the Minority Small Business and Capital Ownership Development Program, also known as the 8(a)
program, see CRS Report R44844, SBA’s “8(a) Program”: Overview, History, and Current Issues, by Robert Jay
Dilger.


disadvantaged businesses, businesses operating in areas of high unemployment, or low income or firms owned by low income individuals.”

As shown on Table 5, the 7(j) program assisted 8,032 small business owners in FY2019.

<table>
<thead>
<tr>
<th>FY</th>
<th># of Clients Trained or Counseled</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019</td>
<td>8,032</td>
</tr>
<tr>
<td>2018</td>
<td>6,483</td>
</tr>
<tr>
<td>2017</td>
<td>4,100</td>
</tr>
<tr>
<td>2016</td>
<td>5,245</td>
</tr>
<tr>
<td>2015</td>
<td>5,360</td>
</tr>
<tr>
<td>2014</td>
<td>4,104</td>
</tr>
</tbody>
</table>


Congress has recommended that the 7(j) program receive $2.8 million in each fiscal year since FY2018 (see Table 1).

The Trump Administration requested $2.8 million for the program in FY2018 and FY2019, and $0.5 million in FY2020 and FY2021.\(^\text{110}\)

**Native American Outreach Program**

The SBA established the Office of Native American Affairs in 1992 to “address the unique needs of America’s First people.”\(^\text{111}\) It oversees the Native American Outreach Program, which provides management and technical educational assistance to American Indians, Alaska Natives, Native Hawaiians, and “the indigenous people of Guam and American Samoa … to promote entity-owned and individual 8(a) certification, government contracting, entrepreneurial education, and capital access.”\(^\text{112}\) The program’s management and technical assistance services are available to


\(^{112}\) SBA, FY2011 Congressional Budget Justification and FY2009 Annual Performance Report, p. 65, at https://www.sba.gov/sites/default/files/aboutsbaarticle/Congressional_Budget_Justification.pdf (hereinafter SBA,
members of these groups living in most areas of the nation. However, “for Native Americans living in much of Indian Country, actual reservations communities where the land is held in trust by the U.S. federal government, SBA loan guaranties and technical assistance services are not available.”

In FY2019, the SBA’s Office of Native American Affairs assisted 2,125 small businesses. It provided workshops on business development and financial literacy, training webinars, incubator training, and online classes for Native American entrepreneurs.

Congress has recommended that the Native American Outreach Program receive $2 million in each fiscal year since FY2018 (see Table 1).

The Trump Administration requested $1.5 million for the program in FY2018, FY2019, FY2020, and FY2021.

SBA Initiatives

In addition to the Boots to Business initiative discussed under “Veterans Business Development Programs,” Congress has recommended appropriations for the following three Obama Administration management and training initiatives: the Entrepreneurial Development Initiative (Regional Innovation Clusters), Entrepreneurial Education, and Growth Accelerators.

Entrepreneurial Development Initiative (Regional Innovation Clusters)

The SBA has supported regional innovation clusters since FY2009, when it partnered with small business suppliers working in the field of robotics in Michigan. In FY2010, the SBA was involved in the rollouts of two additional clusters: another robotics cluster in southeast Virginia and a cluster involving a partnership with the Department of Energy and several other federal agencies with the goal of developing a regional cluster in energy efficiency homes and businesses. In FY2011, SBA awarded funds to 10 regional innovation clusters. In FY2012, these clusters "spurred $48 million in private capital raised through venture and angel capital sources, $6.5 million in early stage investment from SBIR [Small Business Innovation Research program] and STTR [Small Business Technology Transfer program] awards, and over $217 million in contracts or subcontracts from the federal government.”


118 SBA, FY2014 Congressional Budget Justification and FY2012 Annual Performance Report, p. 60, at https://www.sba.gov/sites/default/files/1-FY%202016%20CBJ%20FY%202014%20APR.PDF. The Small Business Innovation Research (SBIR) program is a competitive program that encourages domestic small businesses to engage in federal research and development that has the potential for commercialization. For additional information and analysis concerning the SBIR program, see CRS Report R43695, Small Business Innovation Research and Small Business Technology Transfer Programs, by John F. Sargent Jr. The Small Business Technology Transfer (STTR) program is a competitive program that reserves a specific percentage of federal research and development funding for awards to
President Obama requested, and Congress recommended, an appropriation of $5 million for the SBA’s Entrepreneurial Development Initiative (Regional Innovation Clusters) in FY2014. Congress recommended that the program receive $6 million in FY2015, $6 million in FY2016, $5 million in FY2017, and $5 million in each fiscal year since then (see Table 1).

The Trump Administration requested that the program receive no funds in FY2018, FY2019, FY2020, and FY2021.119

In 2013, the SBA reported that there were 56 federally supported regional innovation clusters; it was involved in 40 of these clusters and directly funded 10 of them.120 In 2019, the SBA announced that it was funding 7 new clusters, increasing the number of clusters currently supported by the SBA to 14.121

The SBA describes regional innovation clusters as “on-the-ground collaborations between business, research, education, financing and government institutions that work to develop and grow a particular industry or related set of industries in a particular geographic region.”122 The SBA reported that the 7 new clusters funded in FY2019 “are particularly well suited to focus on rural small business creation that will bring much-needed education, training and expertise to support small business growth in rural locations across our country.”123

Entrepreneurial Education

The SBA started its Entrepreneurship Education initiative in 2008. At that time, it was called the Emerging 200 Underserved initiative (E200), reflecting the initiative’s provision of assistance to 200 inner city small businesses. In FY2009, it was renamed the Emerging Leaders initiative to reflect the SBA’s decision to increase the number of small businesses participating in the initiative. It was renamed the Entrepreneurial Education initiative in FY2013, and it is funded under that name in appropriation acts, but the SBA, and others, often still call it the Emerging Leaders Initiative. The initiative currently

small business and nonprofit research institutions.


122 SBA, FY2016 Congressional Budget Justification and FY2014 Annual Performance Report, p. 63, at https://www.sba.gov/sites/default/files/1-FY%202016%20CBJ%20FY%202014%20APR.PDF.

offers high-growth small businesses in underserved communities a seven-month executive leader education series that elevates their growth trajectory, creates jobs, and contributes to the economic well-being of their local communities. Participants receive more than 100 hours of specialized training, technical resources, a professional networking system, and other resources to strengthen their business model and promote economic development within urban communities. At the conclusion of the training, participants produce a three-year strategic growth action plan with benchmarks and performance targets that help them access the necessary support and resources to move forward for the next stage of business growth.\textsuperscript{124}

The Entrepreneurial Education initiative was initially offered in 10 communities (Albuquerque, Atlanta, Baltimore, Boston, Chicago, Des Moines, Memphis, Milwaukee, New Orleans, and Philadelphia) and provided training to 200 inner city small businesses. The program was funded through the SBA’s Office of Entrepreneurship Education.\textsuperscript{125} Since the initiative’s inception, the SBA has requested separate appropriations to fund and expand the initiative. In FY2012, the initiative offered training in 27 communities, with more than 450 small businesses participating.\textsuperscript{126}

The Obama Administration requested $40 million in its FY2014 budget request to sponsor entrepreneur training in 40 locations and to create an online entrepreneurship training program.\textsuperscript{127} Congress included the Entrepreneurship Education initiative in its list of SBA entrepreneurial development/noncredit programs to be funded in FY2014. This was the first time that the initiative was included in the list. In the explanatory statement accompanying the Consolidated Appropriations Act, 2014, Congress recommended that the initiative receive $5 million in FY2014.\textsuperscript{128} Congress recommended that the program receive $7 million in FY2015, $10 million in FY2016 and FY2017, $6 million in FY2018, $3.5 million in FY2019, and $2.5 million in FY2020 and FY2021 under the continuing resolution (funding through December 11, 2020) (see Table 1).

The Trump Administration requested $2 million for the program in FY2018 and FY2019, and $2.5 million in FY2020 and FY2021.\textsuperscript{129}

The Entrepreneurship Education initiative is currently being offered in 60 cities and serves more than 800 small business owners annually.\textsuperscript{130} These owners are required to have been in business

\begin{flushleft}
\textsuperscript{124} SBA, \textit{FY2014 Congressional Budget Justification and FY2012 Annual Performance Report}, p.71, at https://www.sba.gov/sites/default/files/1-FY%202016%20CBJ%20FY%202014%20APR.PDF.
\textsuperscript{127} SBA, \textit{FY2014 Congressional Budget Justification and FY2012 Annual Performance Report}, p. 10.
\textsuperscript{130} SBA, \textit{FY2021 Congressional Budget Justification and FY2019 Annual Performance Report}, pp. 91, 92.
\end{flushleft}
for at least three years, have annual revenue of at least $250,000, and have at least one employee, other than the owner, to participate in the initiative. There is no cost to the participants.\textsuperscript{131}

### Growth Accelerators

The SBA describes growth accelerators as “organizations that help entrepreneurs start and scale their businesses.”\textsuperscript{132} Growth accelerators are typically run by experienced entrepreneurs and help small businesses access seed capital and mentors. The SBA claims that growth accelerators “help accelerate a startup company’s path towards success with targeted advice on revenue growth, job, and sourcing outside funding.”\textsuperscript{133}

In FY2012, the SBA sponsored several meetings with university officials and faculty, entrepreneurs, and representatives of growth accelerators to discuss mentoring and how to best assist “high-growth” entrepreneurs. These meetings “culminated with a White House event co-hosted by the SBA and the Department of Commerce to help formalize the network of universities and accelerators, provide a series of ‘train the trainers’ events on various government programs that benefit high-growth entrepreneurs, and provide a playbook of best practices on engaging universities on innovation and entrepreneurship.”\textsuperscript{134}

In FY2014, the Obama Administration requested $5 million, and Congress recommended an appropriation of $2.5 million, for the growth accelerator initiative. The Obama Administration proposed to use the funding to provide matching grants to universities and private sector accelerators “to start a new accelerator program (based on successful models) or scale an existing program.”\textsuperscript{135} The Obama Administration also indicated that it planned to request funding for five years ($25 million in total funding) and feature a required 4:1 private-sector match.\textsuperscript{136} However, because it received half of its budget request ($2.5 million), the SBA decided to reconsider the program’s requirements. As part of that reconsideration, the SBA decided to drop the 4:1 private-sector match in an effort to enable the program to have a larger effect.\textsuperscript{137}

The SBA announced the availability of 50 growth accelerator grants of $50,000 each on May 12, 2014, and received more than 800 applications by the August 2, 2014 deadline. The 50 awards were announced in September 2014.\textsuperscript{138}

Congress recommended that the program receive $4 million in FY2015, $1 million in FY2016, FY2017, and FY2018, and $2 million in FY2019, FY2020, and FY2021 under the continuing resolution (funding through December 11, 2020) (see Table 1). Congress also directed the SBA in

---


\textsuperscript{132} SBA, FY2018 Congressional Budget Justification and FY2016 Annual Performance Report, p. 75.

\textsuperscript{133} SBA, FY2018 Congressional Budget Justification and FY2016 Annual Performance Report, p. 75.

\textsuperscript{134} SBA, FY2014 Congressional Budget Justification and FY2012 Annual Performance Report, p. 60.

\textsuperscript{135} SBA, FY2014 Congressional Budget Justification and FY2012 Annual Performance Report, p. 60.

\textsuperscript{136} SBA, FY2014 Congressional Budget Justification and FY2012 Annual Performance Report, p. 60.

\textsuperscript{137} SBA, Office of Congressional and Legislative Affairs, “Correspondence with the author,” May 6, 2014.

its explanatory statements accompanying P.L. 113-235 and P.L. 114-113 to “require $4 of matching funds for every $1 awarded under the growth accelerators program.”

The Trump Administration requested that the program receive no funding in FY2018, FY2019, FY2020, and FY2021. The SBA announced the award of 80 growth accelerator grants on August 4, 2015 ($4 million), 68 on August 31, 2016 ($3.4 million), 20 on October 30, 2017 ($1 million), 60 on September 26, 2019 ($3 million), and 60 on February 6, 2020 ($3 million). The SBA did not issue a competitive announcement for Growth Accelerator awards in FY2018.

H.R. 4387, to establish Growth Accelerator Fund Competition within the Small Business Administration, and for other purposes, would provide the Growth Accelerators initiative statutory authorization. Similar legislation was introduced during the 115th Congress (H.R. 2686).

**Department of Commerce Small Business Management and Technical Assistance Training Programs**

As mentioned, the Department of Commerce’s Minority Business Development Agency (MBDA) provides training to minority business owners to assist them in obtaining contracts and financial awards. In addition, the Department of Commerce’s Economic Development Administration’s Local Technical Assistance Program promotes efforts to build and expand local organizational capacity in distressed areas. As part of that effort, it funds projects that focus on technical or market feasibility studies of economic development projects or programs, which often include consultation with small businesses.

**The Minority Business Development Agency**

The MBDA was established by President Richard M. Nixon by Executive Order 11625, issued on October 13, 1971, and published in the *Federal Register* the next day. It clarified the authority of the Secretary of Commerce to

---


143 13 C.F.R. §306.
• implement federal policy in support of the minority business enterprise program,
• provide additional technical and management assistance to disadvantaged businesses,
• assist in demonstration projects, and
• coordinate the participation of all federal departments and agencies in an increased minority enterprise effort.\textsuperscript{144}

The MBDA received an appropriation of $39 million in FY2018, $40 million in FY2019, and $42 million in FY2020 and FY2021 under the continuing resolution (funding through December 11, 2020).\textsuperscript{145} The CARES Act provided the MBDA an additional $10 million in supplemental funding in FY2020.

The Trump Administration requested $6 million to close the agency in FY2018, and a reduction to $10 million in FY2019 and FY2020, and $10.281 million in FY2021.\textsuperscript{146}

As part of its mission, the MBDA seeks to train minority business owners to become first- or second-tier suppliers to private corporations and the federal government. Progress is measured in the business’s increased gross receipts, number of employees, and size and scale of the firms associated with minority business enterprises.

The MBDA reported that in FY2015 it helped to create and retain 36,896 jobs and assisted minority-owned and operated businesses in obtaining more than $5.9 billion in contracts and capital awards.\textsuperscript{147}

**The EDA Local Technical Assistance Program**

P.L. 89-186, the Public Works and Economic Development Act of 1965, authorized the Department of Commerce’s Economic Development Administration (EDA) to provide financial assistance to economically distressed areas in the United States that are characterized by high levels of unemployment and low per-capita income. The EDA currently administers seven Economic Development Assistance Programs (EDAPs) that award matching grants for public works, economic adjustment, planning, technical assistance, research and evaluation, trade adjustment assistance, and global climate change mitigation.\textsuperscript{148}

\textsuperscript{144} The Executive Office of the President, “Executive Order 11625,” 36 Federal Register 11625, October 14, 1971; and 3 C.F.R., 1971-1975 Comp. 9, 616. The MBDA superseded the Office of Minority Business Enterprise, which was established by Executive Order 11458 signed by President Richard Nixon on March 5, 1969.


\textsuperscript{148} In addition, since 1970, Congress has periodically allocated supplemental funds for the Economic Development Administration (EDA) to assist with disaster mitigation and economic recovery. Also, EDA grant applicants must be designated by EDA as part of an EDD—a multijurisdictional consortium of county and local governments—to be eligible for EDA funding and grants. To be designated as an EDD, an area must meet the definition of economic distress, under 13 C.F.R. 303.3: “(i) An unemployment rate that is, for the most recent twenty-four (24) month period...
Grants awarded under the EDA’s Local Technical Assistance Program are designed to help solve specific economic development problems, respond to development opportunities, and build and expand local organizational capacity in distressed areas.149 The majority of local technical assistance projects focus on technical or market feasibility studies of economic development projects or programs, including consultation with small businesses. The EDA’s Local Technical Assistance Program received an appropriation of $9 million in FY2017, $9.5 million in FY2018, FY2019, FY2020, and FY2021 under the continuing resolution (funding through December 11, 2020).150

The Trump Administration requested $30 million to close the EDA in FY2018, $14.9 million to close it in FY2019, $29.95 million to close it in FY2020, and $31.593 million to close it in FY2021.151

Congressional Issues

For many years, a recurring theme at congressional hearings concerning the SBA’s management and technical assistance training programs was the perceived need to improve program efficiency by eliminating duplication of services or increasing cooperation and coordination both within and among SCORE, WBCs, and SBDCs.152 For example, in 2013 the House Committee on Small

for which data are available, at least one (1) percentage point greater than the national average unemployment rate; (ii) Per capita income is that, for the most recent period for which data are available, eighty (80) percent or less of the national average per capita income; or (iii) A Special Need, as determined by Economic Development Administration (EDA).”

149 13 C.F.R. §306.
Small Business Management and Technical Assistance Training Programs

Business’s majority argued in its “views and estimates letter” to the House Budget Committee that the SBA’s various management and technical assistance training programs should be “folded into the mission of the SBDC program or their responsibilities should be taken over by other agencies” because they “overlap each other and duplicate the educational services provided by other agencies.”

In addition, as mentioned, the Obama Administration recommended that the PRIME program be eliminated, arguing that it overlaps and duplicates the SBA’s Microloan Technical Assistance Program. The Trump Administration has also recommended that the PRIME program, the Growth Accelerators Initiative, and the Entrepreneurial Development Initiative (Regional Innovation Clusters) be eliminated because they overlap private-sector “mechanisms to foster local business development and investment” or are “duplitative of other federal programs.”

In contrast, Congress has approved continued funding for these programs and the Boots to Business and Boots to Business: Reboot initiatives. In recent years, Congress has also explored ways to improve the SBA’s measurement of its management and training programs’ effectiveness.

Program Administration

In 2007, the U.S. Government Accountability Office (GAO) was asked to assess the SBA’s oversight of WBCs and the coordination and duplication of services among the SBA’s management and technical training assistance programs. GAO found that

As described in the terms of the SBA award, WBCs are required to coordinate with local SBDCs and SCORE chapters. In addition, SBA officials told us that they expected district offices to ensure that the programs did not duplicate each other. However, based on our review, WBCs lacked guidance and information from SBA on how to successfully carry out their coordination efforts. Most of the WBCs that we spoke with explained that in some situations they referred clients to an SBDC or SCORE counselor, and some WBCs also took steps to more actively coordinate with local SBDCs and SCORE chapters to avoid duplication and leverage resources. We learned that WBCs used a variety of approaches to facilitate coordination, such as memorandums of understanding, information-sharing meetings, and co-locating staff and services. However, some WBCs told us that they faced challenges in coordinating services with SBDC and SCORE, in part because the programs have similar performance measures, and this could result in competition among the service providers in some locations. We also found that on some occasions SBA encouraged WBCs to provide services that were similar to services already provided by SBDCs in their


153 U.S. Congress, House Committee on Small Business, “Views and Estimates of the Committee on Small Business on Matters to be set forth in the Concurrent Resolution on the Budget for FY2014,” communication to the Chairman, House Committee on the Budget, 113th Cong., 1st sess., February 27, 2013. Previously, the House Committee on Small Business had recommended that funding for Women Business Centers, PRIME technical assistance, HUBZone outreach, and the Offices of Native American Affairs and International Trade be eliminated; and funding for 7(j) technical assistance, Microloan technical assistance, and the National Women’s Business Council be reduced. See U.S. Congress, House Committee on Small Business, “Views and Estimates of the Committee on Small Business on Matters to be set forth in the Concurrent Resolution on the Budget for FY2013,” communication to the Chairman, House Committee on the Budget, 112th Cong., 2nd sess., March 7, 2012.

district. Such challenges thwart coordination efforts and could increase the risk of duplication in some geographic areas.\textsuperscript{155}

Some organizations have argued that the SBA’s management and technical assistance training programs should be merged. For example, the U.S. Women’s Chamber of Commerce argued that over the last 50 years, the SBA entrepreneurial development system has grown into a fragmented array of programs, which has resulted in a disorganized, overlapping, and [in] efficient delivery of service through a system that is ill-prepared to effectively address the challenges of our economy….

if we are to serve the needs of American entrepreneurs, we must commit to a top to bottom restructuring of the delivery of the entrepreneurial services of the SBA. The myriad of entrepreneurial development programs should be unified into one centrally managed organization that has the flexibility to provide services when and where they are needed.\textsuperscript{156}

These organizations argue that merging the SBA’s management and technical assistance training programs would provide greater coordination of services and “one clear channel for assistance” that “is paramount to the average business owner seeking help.”\textsuperscript{157} Advocates of merging the SBA’s management and technical assistance training programs often mention merging them into the SBDC Program because, in their view, it has the advantage of having a broader connection to mainstream resources and its locations are “greater and more diverse” than other SBA management and technical assistance training programs.\textsuperscript{158}

Others argue that providing separate management and training assistance programs for specific groups is the best means to ensure that those groups’ unique challenges are recognized and their unique needs are met.\textsuperscript{159} For example, when asked at a congressional hearing about the rationale for having separate management and technical assistance training programs for specific groups, a representative of the Association of Women’s Business Centers stated,

I think that there is tremendous rationale for having different programs…. The women’s business center programs really target a very different kind of population than the SBDCs…. We serve very different clientele…. We create a very different culture at the women’s business center. We really have made it a welcoming place where … they feel comfortable…. And it’s very important to me that the woman have a place where they feel


\textsuperscript{157}U.S. Congress, House Committee on Small Business, Subcommittee on Rural Development, Entrepreneurship, and Trade, Subcommittee Hearing on Legislative Initiatives to Modernize SBA’s Entrepreneurial Development Programs, 111\textsuperscript{th} Cong., 1\textsuperscript{st} sess., April 2, 2009 (Washington: GPO, 2009), p. 29.

\textsuperscript{158}U.S. Congress, House Committee on Small Business, Full Committee Hearing on the State of the SBA’s Entrepreneurial Development Programs and Their Role in Promoting an Economic Recovery, 111\textsuperscript{th} Cong., 1\textsuperscript{st} sess., February 11, 2009, Small Business Committee Doc. No. 111-005 (Washington: GPO, 2009), p. 26 (hereinafter U.S. Congress, House Committee on Small Business, Full Committee Hearing on the State of the SBA’s Entrepreneurial Development Programs and Their Role in Promoting an Economic Recovery).

\textsuperscript{159}U.S. Congress, House Committee on Small Business, Full Committee Hearing on the State of the SBA’s Entrepreneurial Development Programs and Their Role in Promoting an Economic Recovery, pp. 15, 17, 26, 29, 58-65, 72; and U.S. Congress, House Committee on Small Business, Women’s Business Ownership Act of 1988, report to accompany H.R. 5050, 100\textsuperscript{th} Cong., 2\textsuperscript{nd} sess., September 22, 1988, H.Rept. 100-955 (Washington: GPO, 1988), pp. 9, 10, 13, 14.
comfortable … and where they see other women like themselves who are aspiring to reach their dreams.\textsuperscript{160}

At another congressional hearing, the Association of Women’s Business Centers’ executive director argued that “the new three-year funding arrangement” for WBCs had enabled them to “concentrate on better serving their clients and growing their programs” and that WBCs should be provided continued and expanded funding because they provide effective services:

We know that when our program performance is measured against any other enterprise assistance program, we will meet or exceed any performance measures. Indeed, the SBA’s own client-based performance reviews have shown our clients to be just as satisfied or in some cases more satisfied with the services they have received compared to the SBA’s other entrepreneurial development efforts.\textsuperscript{161}

Instead of merging programs, some argue that improved communication among the SBA’s management and technical assistance training resource partners and enhanced SBA program oversight is needed. For example, during the 111\textsuperscript{th} Congress, the House passed H.R. 2352, the Job Creation Through Entrepreneurship Act of 2009, on May 20, 2009, by a vote of 406-15. The Senate did not take action on the bill. In its committee report accompanying the bill, the House Committee on Small Business concluded that

Each ED [Entrepreneurial Development] program has a unique mandate and service delivery approach that is customized to its particular clients. However, as a network, the programs have established local connections and resources that benefit entrepreneurs within a region. Enhanced coordination among this network is critical to make the most of scarce resources available for small firms. It can also ensure that best practices are shared amongst providers that have similar goals but work within different contexts.\textsuperscript{162}

In an effort to enhance the oversight and coordination of the SBA’s management and technical assistance training programs, the Job Creation Through Entrepreneurship Act of 2009 would have required the SBA to

- create a new online, multilingual distance training and education program that was fully integrated into the SBA’s existing management and technical assistance training programs and “allows entrepreneurs and small business owners the opportunity to exchange technical assistance through the sharing of information.”\textsuperscript{163}
- coordinate its management and technical assistance training programs “with State and local economic development agencies and other federal agencies as appropriate.”\textsuperscript{164}


\textsuperscript{161}U.S. Congress, House Committee on Small Business, \textit{Full Committee Hearing on the State of the SBA’s Entrepreneurial Development Programs and Their Role in Promoting an Economic Recovery}, 111\textsuperscript{th} Cong., 1\textsuperscript{st} sess., February 11, 2009, Small Business Committee Doc. No. 111-005 (Washington: GPO, 2009), pp. 45, 47.


\textsuperscript{164}H.R. 2352, §601. Expanding Entrepreneurship.
• “report annually to Congress, in consultation with other federal departments and agencies as appropriate, on opportunities to foster coordination, limit duplication, and improve program delivery for federal entrepreneurial development activities.”

During the 112th Congress, S. 3442, the SUCCESS Act of 2012, and S. 3572, the Restoring Tax and Regulatory Certainty to Small Businesses Act of 2012, sought to address the coordination issue by requiring the SBA, in consultation with other federal departments and agencies, to submit an annual report to Congress “describing opportunities to foster coordination of, limit duplication among, and improve program delivery for federal entrepreneurial development programs.” The SUCCESS Act of 2012 was referred to the Senate Committee on Small Business and Entrepreneurship, which held hearings on the bill. The Restoring Tax and Regulatory Certainty to Small Businesses Act of 2012 was referred to the Senate Committee on Finance.

There has also been some discussion of merging SBA’s small business management and training programs with business management and training programs offered by other federal agencies, both as a means to improve program performance and to achieve savings. For example, P.L. 111-139, Increasing the Statutory Limit on the Public Debt, requires GAO to “conduct routine investigations to identify programs, agencies, offices, and initiatives with duplicative goals and activities within Departments and governmentwide and report annually to Congress on the findings.” GAO identified 51 programmatic areas in its 2012 annual report on federal duplication “where programs may be able to achieve greater efficiencies or become more effective in providing government services.” GAO identified management and training assistance provided to businesses by the SBA and the Departments of Commerce, Housing and Urban Development, and Agriculture as one of these areas. GAO identified 53 business management and technical assistance programs sponsored by the SBA and these three departments. GAO reported that “the number of programs that support entrepreneurs—53—and the overlap among these programs raise questions about whether a fragmented system is the most effective way to support entrepreneurs. By exploring alternatives, agencies may be able to determine whether there are more efficient ways to continue to serve the unique needs of entrepreneurs, including consolidating various programs.”

As mentioned, the House Committee on Small Business previously argued that “given tight budgetary constraints” the SBA’s various management and technical assistance training programs

166 S. 3442, the SUCCESS Act of 2012, §411. Expanding Entrepreneurship; and S. 3572, the Restoring Tax and Regulatory Certainty to Small Businesses Act of 2012, §411. Expanding Entrepreneurship.
170 GAO, 2012 Annual Report: Opportunities to Reduce Duplication, Overlap and Fragmentation, Achieve Savings, and Enhance Results, pp. 52-61.
171 GAO, 2012 Annual Report: Opportunities to Reduce Duplication, Overlap and Fragmentation, Achieve Savings, and Enhance Results, p. 55.
“should be folded into the mission of the SBDC program or their responsibilities should be taken over by other agencies.”\textsuperscript{172} The House Committee on Small Business also indicated its opposition to the Obama Administration’s increased use of, and requests for increased funding for, management and training initiatives. For example, Representative Sam Graves, then-chair of the House Committee on Small Business, indicated in his opening remarks at a congressional hearing in April 2014 that

Despite reports that the federal government is riddled with redundant [management and training] programs for entrepreneurs, the SBA has increasingly spawned its own entrepreneurial development initiatives. In doing so, the SBA has repeatedly requested increased funding for its own initiatives while allowing funding for statutorily authorized programs, such as SBDCs, to remain static…. I continue to question the necessity of these initiatives given the potential overlap with both private and public sector efforts already in existence.\textsuperscript{173}

In addition, as mentioned, H.R. 1774 would, among other provisions, require the SBA to only use authorized entrepreneurial development programs (SCORE, WBCs, SBDCs, etc.) to deliver specified entrepreneurial development services.

**Program Evaluation**

GAO noted in its 2007 assessment of the SBA’s management and technical assistance training programs that, in addition to its annual survey of WBC, SBDC, and SCORE participants, the SBA requires WBCs to provide quarterly performance reports that include “the WBCs’ actual accomplishments, compared with their performance goals for the reporting period; actual budget expenditures, compared with an estimated budget; cost of client fees; success stories; and names of WBC personnel and board members.”\textsuperscript{174} GAO also noted that WBCs are also required to issue fourth quarter performance reports that “also include a summary of the year’s activities and economic impact data that the WBCs collect from their clients, such as number of business start-ups, number of jobs created, and gross receipts.”\textsuperscript{175} SBDCs have similar reporting requirements.\textsuperscript{176}

In recent years, Congress has considered requiring the SBA to expand its use of outcome-based measures to determine the effectiveness of its management and technical training assistance programs. For example, during the 111\textsuperscript{th} Congress, the previously mentioned Job Creation Through Entrepreneurship Act of 2009 would have required the SBA to create “outcome-based

\textsuperscript{172} U.S. Congress, House Committee on Small Business, “Views and Estimates of the Committee on Small Business on Matters to be set forth in the Concurrent Resolution on the Budget for FY2014,” communication to the Chairman, House Committee on the Budget, 113\textsuperscript{th} Cong., 1\textsuperscript{st} sess., February 27, 2013, at http://smallbusiness.house.gov/uploadedfiles/revised_2014_views_and_estimates_document.pdf.


\textsuperscript{175} GAO, *Small Business Administration: Opportunities Exist to Improve Oversight of Women’s Business Centers and Coordination among SBA’s Business Assistance Programs*, p. 15.

measures of the amount of job creation or economic activity generated in the local community as a result of efforts made and services provided by each women’s business center.”\textsuperscript{177} It would also have required the SBA to “develop and implement a consistent data collection process to cover all entrepreneurial development programs” including “data relating to job creation, performance, and any other data determined appropriate by the Administrator with respect to the Administration’s entrepreneurial development programs.”\textsuperscript{178}

During the 112th Congress, the SUCCESS Act of 2012 and Restoring Tax and Regulatory Certainty to Small Businesses Act of 2012 would have required the SBA to “promulgate a rule to develop and implement a consistent data collection process for the entrepreneurial development programs” that included data “relating to job creation and performance and any other data determined appropriate by the Administrator.”\textsuperscript{179}

During the 114th Congress, H.R. 207 would have required the SBA to issue an annual report concerning “all entrepreneurial development activities undertaken in the current fiscal year.” This report would include a description and operating details for each program and activity; operating circulars, manuals, and standard operating procedures for each program and activity; a description of the process used to award grants under each program and activity; a list of all awardees, contractors, and vendors and the amount of awards provided for the current fiscal year for each program and activity; the amount of funding obligated for the current fiscal year for each program and activity; and the names and titles for those individuals responsible for each program and activity. This legislative language was reintroduced during the 115th Congress in H.R. 1774, the Developing the Next Generation of Small Businesses Act of 2017.

**Concluding Observations**

Congress has always shown an interest in the SBA’s management and technical assistance training programs, primarily because small businesses are seen as important contributors to job retention and creation.\textsuperscript{180} As then-Representative Heath Shuler stated during a congressional hearing in 2009:

> We often talk about the role that small business plays in the creation of jobs and with good reason. Small firms generate between 60 and 80 percent of new positions. Following the recession in the mid-1990s, they created 3.8 million jobs…. we could use that growth today. But unfortunately, many firms are struggling to make ends meet. Let’s allow them to hire new workers. In the face of historic economic challenges, we should be investing in America’s job creators. SBA’s Entrepreneurial Development Programs, or ED, do just that. Of all the tools in the small business toolbox, these are some of the most critical. They help small firms do everything from draft business plans to access capital.\textsuperscript{181}

\textsuperscript{177} H.R. 2352, §404. Performance and Planning.

\textsuperscript{178} H.R. 2352, §601. Expanding Entrepreneurship.

\textsuperscript{179} S. 3442, §411. Expanding Entrepreneurship; and S. 3572, §411. Expanding Entrepreneurship.


During the 116th Congress, congressional interest in the SBA’s management and training programs has increased due to the COVID-19 pandemic’s adverse economic impact on the national economy. The general consensus is that the SBA’s management and technical assistance training programs serve an important purpose and, for the most part, are providing needed services that are not available elsewhere.

As Karen Mills, then-SBA administrator, stated during a press interview in 2010:

> We find that our counseling operations are equally important as our credit operations because small businesses really need help and advice, and when they get it, they tend to have more sales and more profits and more longevity, and they hire more people. So we have looked forward and said, “How do we get all the tools small businesses need into their hands?” Maybe they want to export. Maybe they want to know how to use broadband. Maybe they are veterans who are coming back and want to start a business or grow their business. Our job is to make sure all that information and opportunity is accessible for small businesses so they can do what they do, which is keep our economy strong.

There is also a general consensus that making federal management and technical assistance training programs more effective and responsive to the needs of small business would help retain and create jobs. However, there are disagreements over how to achieve that goal.

Some advocate (1) increased funding for existing programs to enable them to provide additional training opportunities for small businesses while, at the same time, maintaining separate training programs for specific demographic groups as a means to ensure that those groups’ specific needs are met; (2) requiring the SBA to make more extensive use of outcome-based measures to better determine the programs’ effect on small business formation and retention, job creation and retention, and the generation of wealth; and (3) temporarily reducing or eliminating federal matching requirements to enable SBA’s management and technical assistance training resource partners to focus greater attention to service delivery and less to fund raising.

Others argue for a merger of existing programs to reduce costs and improve program efficiency. They advocate additional funding for SBDCs and less funding for other SBA resource partners. They also would require the SBA to make more extensive use of outcome-based performance measures to determine program effectiveness.

---

No case studies or empirical data are available concerning the efficiencies that might be gained by merging the SBA’s management and technical assistance training programs. Advocates argue that merging the programs would improve communication, reduce confusion by business owners seeking assistance by ensuring that all small business management and technical assistance training centers serve all small business owners and aspiring entrepreneurs, lead to more sustainable and predictable funding for the programs from nonfederal sources, and result in more consistent and standard operating procedures throughout the country. Opponents argue that any gains in program efficiency that might be realized would be more than offset by the loss of targeted services for constituencies that often require different information and training to meet their unique challenges and needs.


Appendix. Brief Descriptions of SBA Management and Technical Assistance Training Programs

Table A-1. Brief Descriptions of SBA Management and Technical Assistance Training Programs

<table>
<thead>
<tr>
<th>Program Name</th>
<th>Authority</th>
<th>Brief Description</th>
<th>Number</th>
<th>Federal Matching Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>Small Business Development Center Grant Program</td>
<td>P.L. 96-302, 1980</td>
<td>Provides management and technical assistance training to small businesses through centers located in leading universities, colleges, and state economic development agencies.</td>
<td>63 lead centers and nearly 900 local centers</td>
<td>50% match from nonfederal sources comprised of not less than 50% cash and not more than 50% of indirect costs.</td>
</tr>
<tr>
<td>Women Business Center Grant Program</td>
<td>P.L. 100-533, 1988</td>
<td>Provides long-term training, counseling, networking, and mentoring to women entrepreneurs, especially those who are socially and economically disadvantaged.</td>
<td>187</td>
<td>50% match from nonfederal sources; not more than one-half of the nonfederal matching assistance may be in the form of in-kind contributions, including office equipment and office space.</td>
</tr>
<tr>
<td>SCORE (Service Corps of Retired Executives)</td>
<td>Section 8(b) of the Small Business Act; P.L. 89-754, 1966</td>
<td>Provides technical, managerial, and informational assistance to small business concerns through in-person mentoring by volunteer counselors who are working or, in most instances, retired business owners.</td>
<td>250+ chapters and 800+ branch offices</td>
<td>None</td>
</tr>
<tr>
<td>7(j) Technical Assistance Program</td>
<td>Section 7(j) of the Small Business Act; Section 8(a) of the Small Business Act; P.L. 95-507, 1978</td>
<td>Provides management and technical assistance training to 8(a) certified firms, small disadvantaged businesses, businesses operating in areas of high unemployment or low-income and firms owned by low-income individuals.</td>
<td>9 service providers in FY2019</td>
<td>None</td>
</tr>
<tr>
<td>Microloan Technical Assistance Program</td>
<td>P.L. 102-140, 1992</td>
<td>Provides management and technical assistance training to Microloan borrowers and, within specified limits, to prospective Microloan borrowers.</td>
<td>144 actively lending intermediaries</td>
<td>25% from nonfederal sources; no matching requirement if the intermediary makes at least 50% of its loans in an Economically Distressed Area.</td>
</tr>
<tr>
<td>Program Name</td>
<td>Authority</td>
<td>Brief Description</td>
<td>Number</td>
<td>Federal Matching Requirement</td>
</tr>
<tr>
<td>----------------------</td>
<td>---------------------------------------------------------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>---------------</td>
<td>-----------------------------</td>
</tr>
<tr>
<td>Native American</td>
<td>Section 7(j) of the Small Business Act; SBA regulations, 1994</td>
<td>Provides management and technical assistance training to American Indians, Alaska Natives, Native Hawaiians and “the indigenous people of Guam and American Samoa … to promote entity-owned and individual 8(a) certification, government contracting, entrepreneurial education, and capital access.”</td>
<td>2 service providers in FY2019</td>
<td>None</td>
</tr>
<tr>
<td>Outreach Program</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRIME Technical</td>
<td>P.L. 106-102, 1999</td>
<td>Provides assistance in the form of grants to nonprofit microenterprise development organizations or programs that have a demonstrated record of delivering microenterprise services to disadvantaged entrepreneurs.</td>
<td>30 service providers in FY2020</td>
<td>50% from nonfederal sources; sources such as fees, grants, gifts, income from loan sources, and in-kind resources from nonfederal public or private sources may be used to comply with the matching funds requirement</td>
</tr>
<tr>
<td>Assistance Program</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Veterans Business</td>
<td>P.L. 106-50, 1999</td>
<td>The SBA’s Office of Veterans Business Development mission is to (1) expand the provision of and improve access to technical assistance regarding entrepreneurship for the Nation’s veterans; and (2) to assist veterans, including service-disabled veterans, with the formation and expansion of small business concerns by working with and organizing public and private resources, including those of the SBA.</td>
<td>22 Veterans Business Office Centers and other providers</td>
<td>None</td>
</tr>
<tr>
<td>Development Programs</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Sources:** Federal statutes cited in table.

**Author Information**

Robert Jay Dilger  
Senior Specialist in American National Government
Disclaimer

This document was prepared by the Congressional Research Service (CRS). CRS serves as nonpartisan shared staff to congressional committees and Members of Congress. It operates solely at the behest of and under the direction of Congress. Information in a CRS Report should not be relied upon for purposes other than public understanding of information that has been provided by CRS to Members of Congress in connection with CRS’s institutional role. CRS Reports, as a work of the United States Government, are not subject to copyright protection in the United States. Any CRS Report may be reproduced and distributed in its entirety without permission from CRS. However, as a CRS Report may include copyrighted images or material from a third party, you may need to obtain the permission of the copyright holder if you wish to copy or otherwise use copyrighted material.