

103^D CONGRESS
1ST SESSION

H. R. 2357

To amend the Small Business Act to assist the development of small business concerns owned and controlled by women, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 9, 1993

Mr. LAFALCE (for himself, Ms. KAPTUR, and Mrs. MEYERS of Kansas) introduced the following bill; which was referred to the Committee on Small Business

A BILL

To amend the Small Business Act to assist the development of small business concerns owned and controlled by women, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Women’s Business
5 Procurement Assistance Act of 1993”.

6 **SEC. 2. GOAL SETTING.**

7 Section 15(g) of the Small Business Act (15 U.S.C.
8 644(g)) is amended—

1 (1) in paragraph (1) by inserting “, small busi-
2 ness concerns owned and controlled by women,”
3 after “small business concerns” the first place it ap-
4 pears in the first sentence and the first place it ap-
5 pears in the fourth sentence;

6 (2) in the first sentence of paragraph (2) by in-
7 serting “by small business concerns owned and con-
8 trolled by women,” after “small business concerns,”;

9 (3) in the second sentence of paragraph (2) by
10 inserting “, small business concerns owned and con-
11 trolled by women,” after “small business concerns”
12 the first place it appears; and

13 (4) in the fourth sentence of paragraph (2) by
14 inserting “small business concerns owned and con-
15 trolled by women and” after “including participation
16 by”.

17 **SEC. 3. REPORTING.**

18 Section 15(h) of the Small Business Act (15 U.S.C.
19 644(h)) is amended—

20 (1) by inserting “, small business concerns
21 owned and controlled by women,” after “small busi-
22 ness concerns” the first place it appears in para-
23 graph (1), the first place it appears in paragraph
24 (2)(A), and the first place it appears in paragraph
25 (2)(D);

1 (2) in paragraph (1) by inserting “and sub-
2 contracts” after “contracts”;

3 (3) by adding at the end of paragraph (1) the
4 following new sentence: “The Administration shall
5 submit to the Committee on Small Business of the
6 Senate and the Committee on Small Business of the
7 House of Representatives information obtained from
8 such reports, together with appropriate comments.”;
9 and

10 (4) in paragraph (2)(F) by striking “women-
11 owned small business enterprises” and inserting
12 “small business concerns owned and controlled by
13 women”.

14 **SEC. 4. SUBCONTRACTING.**

15 (a) STATEMENT OF POLICY.—Section 8(d)(1) of the
16 Small Business Act (15 U.S.C. 637(d)(1)) is amended—

17 (1) in the first sentence by inserting “small
18 business concerns owned and controlled by women,”
19 after “small business concerns,”; and

20 (2) in the second sentence by inserting “, small
21 business concerns owned and controlled by women,”
22 after “small business concerns” the first place it
23 appears.

1 (b) CONTRACT CLAUSE.—The contract clause speci-
2 fied in section 8(d)(3) of the Small Business Act (15
3 U.S.C. 637(d)(3)) is amended as follows:

4 (1) Subparagraph (A) of such clause is amend-
5 ed by inserting “, small business concerns owned
6 and controlled by women,” after “small business
7 concerns” the first place it appears in the first sen-
8 tence and the first place it appears in the second
9 sentence.

10 (2) Subparagraph (C) of such clause is amend-
11 ed to read as follows:

12 “(C)(i) As used in this contract, the term ‘small
13 business concern’ means a small business concern as
14 defined pursuant to section 3 of the Small Business
15 Act and relevant regulations promulgated pursuant
16 thereto.

17 “(ii) As used in this contract, the term ‘small
18 business concern owned and controlled by socially
19 and economically disadvantaged individuals’ means a
20 small business concern—

21 “(I) which is at least 51 percent owned by
22 one or more socially and economically disadvan-
23 taged individuals; or, in the case of any publicly
24 owned business, at least 51 percent of the stock

1 of which is owned by one or more socially and
2 economically disadvantaged individuals; and

3 “(II) whose management and daily busi-
4 ness operations are controlled by one or more of
5 such individuals.

6 The contractor shall presume that socially and eco-
7 nomically disadvantaged individuals include Black
8 Americans, Hispanic Americans, Native Americans,
9 Asian Pacific Americans, and other minorities, or
10 any other individual found to be disadvantaged by
11 the Administration pursuant to section 8(a) of the
12 Small Business Act.

13 “(iii) As used in this contract, the term ‘small
14 business concern owned and controlled by women’
15 means a small business concern—

16 “(I) which is at least 51 percent owned by
17 one or more women; or, in the case of any pub-
18 licly owned business, at least 51 percent of the
19 stock of which is owned by one or more women;
20 and

21 “(II) whose management and daily busi-
22 ness operations are controlled by such women.

23 The contractor shall presume that women have been
24 subjected to gender based discrimination and may
25 determine whether a small business concern meets

1 the percentage requirements under subclause (I)
2 without regard to the community property laws of
3 any jurisdiction.”.

4 (c) CONFORMING AMENDMENTS.—Section 8(d) of
5 the Small Business Act (15 U.S.C. 637(d)) is amended
6 by inserting “, small business concerns owned and con-
7 trolled by women,” after “small business concerns” the
8 first place it appears in paragraphs (3)(D), (4)(D),
9 (4)(E), (6)(A), (6)(C), (6)(F), (10)(B), and (11).

10 (d) EXCLUSION.—No business concern shall be
11 deemed eligible for any contract or other assistance pursu-
12 ant to section 2323 of title 10, United States Code, due
13 solely to the provisions of this section.

14 **SEC. 5. WOMEN-IN-BUSINESS SPECIALISTS.**

15 Section 15(k) of the Small Business Act (15 U.S.C.
16 644(k)) is amended—

17 (1) by inserting “(1)” after “(k)”;

18 (2) by redesignating paragraphs (1), (2), (3),
19 (4), (5), (6), (7), (8), and (9) as subparagraphs (A),
20 (B), (C), (D), (E), (F), (G), (H), and (I), respec-
21 tively;

22 (3) by striking “and” at the end of subpara-
23 graph (H) (as redesignated);

24 (4) in subparagraph (I) (as redesignated), by
25 striking out the period after “Code” and all that fol-

1 lows through “shall be made” and inserting in lieu
2 thereof a comma, and by striking the period after
3 “contract file” and inserting “, and”;

4 (5) by inserting after subparagraph (I) (as re-
5 designated) the following new subparagraph:

6 “(J) subject to paragraph (2)(A), designate an
7 employee of such office to be a women-in-business
8 specialist responsible for the implementation and
9 execution of programs designed to assist small busi-
10 ness concerns owned and controlled by women.”;

11 (6) by designating the last sentence as para-
12 graph (2); and

13 (7) by adding at the end the following new
14 paragraph:

15 “(3)(A) The Director of Small and Disadvantaged
16 Business Utilization in a Federal agency shall ensure that
17 the women-in-business specialist designated pursuant to
18 paragraph (1)(J) has sufficient knowledge of small busi-
19 ness concerns owned and controlled by women and the
20 Federal procurement process, other appropriate qualifica-
21 tions, and appropriate training from the Office of Wom-
22 en’s Business Ownership to effectively carry out the spe-
23 cialist’s responsibilities under this Act.

24 “(B) Each women-in-business specialist designated
25 pursuant to paragraph (1)(J) in a Federal agency shall

1 work full time to initiate and execute programs to assist
2 small business concerns owned and controlled by women
3 in participating in the performance of contracts let by the
4 agency. The specialist shall—

5 “(i) respond to requests from small business
6 concerns owned and controlled by women;

7 “(ii) identify and solicit offers from small busi-
8 ness concerns owned and controlled by women, as
9 required under section 15(p) of this Act, through
10 means such as sending solicitation packages to such
11 concerns for each proposed contract for which such
12 concerns may be eligible to compete and holding
13 workshops on procurement for such concerns; and

14 “(iii) regularly monitor the agency’s progress
15 toward meeting the annual goal established under
16 subsection (g) for participation by small business
17 concerns owned and controlled by women.”.

18 **SEC. 6. OUTREACH.**

19 Section 15 the Small Business Act (15 U.S.C. 644)
20 is amended by adding at the end the following new sub-
21 section:

22 “(p) Each Federal agency having procurement pow-
23 ers shall engage in affirmative efforts to identify and so-
24 licit offers from small business concerns owned and con-
25 trolled by women and the small business concerns owned

1 and controlled by socially and economically disadvantaged
2 individuals. To the maximum extent practicable, a rep-
3 resentative number of such concerns shall receive solicita-
4 tion packages for each proposed acquisition for which such
5 concerns may be eligible to compete.”.

6 **SEC. 7. ESTABLISHMENT OF THE OFFICE OF WOMEN'S**
7 **BUSINESS OWNERSHIP.**

8 The Small Business Act (15 U.S.C. 631 et seq.) is
9 amended by adding at the end the following new section:

10 **“SEC. 28. OFFICE OF WOMEN'S BUSINESS OWNERSHIP.**

11 “(a) ESTABLISHMENT.—There is established in the
12 Small Business Administration the Office of Women's
13 Business Ownership (hereinafter in this section referred
14 to as the ‘Office’).

15 “(b) DIRECTOR.—The Director of the Office (herein-
16 after in this section referred to as the ‘Director’) shall be
17 appointed by the Administrator not later than sixty days
18 after the date of the enactment of this section.

19 “(c) FUNCTIONS.—The Director shall perform the
20 following functions:

21 “(1) Promote, coordinate, and monitor the
22 plans, programs, and operations of Federal depart-
23 ments and agencies which may contribute to the es-
24 tablishment, preservation, and strengthening of
25 small business concerns owned and controlled by

1 women. The Director may, as appropriate, develop
2 comprehensive interagency plans and specific pro-
3 gram goals for small business concerns owned and
4 controlled by women with the cooperation of the
5 departments and agencies.

6 “(2) Establish policies, definitions, procedures,
7 and guidelines to govern the implementation, inter-
8 pretation, and application of this section, and gen-
9 erally perform such functions and take such steps as
10 the Director may consider to be necessary or appro-
11 priate to carry out this section.

12 “(3) Promote the mobilization of activities and
13 resources of State and local governments, business
14 and trade associations, private industry, colleges and
15 universities, foundations, professional organizations,
16 and volunteer and other groups toward the growth
17 of small business concerns owned and controlled by
18 women, and facilitate the coordination of the efforts
19 of such groups with those of Federal departments
20 and agencies.

21 “(4) Make an annual assessment of the
22 progress made in the Federal Government toward
23 assisting small business concerns owned and con-
24 trolled by women to enter the mainstream of busi-

1 ness ownership and provide recommendations for fu-
2 ture actions to the Administrator.

3 “(5) Convene and consult (as necessary) with
4 persons inside and outside government to develop
5 and promote new ideas concerning the development
6 of small business concerns owned and controlled by
7 women.

8 “(6) Consider the findings and recommenda-
9 tions of government and private sector investigations
10 and studies of the problems of women entrepreneurs,
11 and promote further research into such problems.

12 “(7) Monitor the contracting and subcontract-
13 ing performance of each department, agency, and
14 business enterprise participating under this section.

15 “(8) Promote access and participation for small
16 business concerns owned and controlled by women to
17 a fair proportion of the broad array of purchases
18 and contracts for property and services for the Fed-
19 eral Government.

20 “(9) Provide training as needed to women-in-
21 business specialists designated pursuant to section
22 15(k)(1)(J) to carry out their responsibilities under
23 this Act.”.

1 **SEC. 8. GENERAL ACCOUNTING OFFICE REPORT.**

2 (a) REPORT REQUIREMENT.—Not later than 3 years
3 after the date of the enactment of this Act, the Comptrol-
4 ler General shall submit to Congress a report comparing
5 the number of small business concerns owned and con-
6 trolled by women procuring Federal contracts during the
7 year preceding the date of the enactment of this Act with
8 the number of such businesses during each of the 3 years
9 occurring after such date. If the number of such busi-
10 nesses did not increase significantly by the end of the 3-
11 year period beginning on the date of the enactment of this
12 Act, the Comptroller General shall include in the report
13 recommendations on actions that could be taken to
14 increase the number.

15 (b) SENSE OF CONGRESS.—If the report required
16 under subsection (a) shows that the number of small busi-
17 ness concerns owned and controlled by women did not in-
18 crease significantly by the end of the 3-year period begin-
19 ning on the date of the enactment of this Act, it is the
20 sense of Congress that further legislative steps should be
21 taken to ensure that the number of Federal contracts en-
22 tered into with small business concerns owned and con-
23 trolled by women realistically reflects the potential of such
24 business concerns to perform Federal contracting and sub-
25 contracting work.

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