

116TH CONGRESS  
1ST SESSION

# H. R. 4407

To amend the Small Business Act to reauthorize the SCORE program,  
and for other purposes.

---

## IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 19, 2019

Mr. KEVIN HERN of Oklahoma (for himself and Ms. CRAIG) introduced the  
following bill; which was referred to the Committee on Small Business

---

## A BILL

To amend the Small Business Act to reauthorize the SCORE  
program, 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 title may be cited as the “SCORE for Small  
5 Business Act of 2019”.

6 **SEC. 2. SCORE PROGRAM PROVISIONS AND REQUIRE-**  
7 **MENTS.**

8 Section 8 of the Small Business Act (15 U.S.C. 637)  
9 is amended—

10 (1) in subsection (b)(1)(B)—

1 (A) by striking “a Service Corps of Retired  
2 Executives (SCORE)” and inserting “the  
3 SCORE program described in subsection (c)”;  
4 and

5 (B) by striking “SCORE may” and insert-  
6 ing “the SCORE Association (as defined in  
7 subsection (c)) may”; and

8 (2) by striking subsection (e) and inserting the  
9 following:

10 “(c) SCORE PROGRAM.—

11 “(1) DEFINITIONS.—In this subsection:

12 “(A) SCORE ASSOCIATION.—The term  
13 ‘SCORE Association’ means the Service Corps  
14 of Retired Executives Association or any suc-  
15 cessor or other organization that enters into a  
16 cooperative agreement (as described under  
17 paragraph (2)) with the Administrator to oper-  
18 ate the SCORE program.

19 “(B) SCORE FOUNDATION.—The term  
20 ‘SCORE Foundation’ means an organization  
21 with a mission to support the SCORE Associa-  
22 tion and volunteers of the SCORE program.

23 “(C) SCORE PROGRAM.—The term  
24 ‘SCORE program’ means the SCORE program  
25 authorized by subsection (b)(1)(B).

1           “(2) COOPERATIVE AGREEMENT.—The Admin-  
2           istrator shall enter into a cooperative agreement  
3           with the SCORE Association to carry out the  
4           SCORE program, which shall include the following  
5           requirements:

6                   “(A) ADMINISTRATOR DUTIES.—The Ad-  
7           ministrator shall—

8                           “(i) conduct an annual financial ex-  
9                           amination of the SCORE Association to  
10                           ensure that any costs paid for with Federal  
11                           funds are allowable, allocable, and reason-  
12                           able;

13                           “(ii) for contracts entered into by the  
14                           SCORE Association to provide goods or  
15                           services for the SCORE program of a  
16                           value greater than an amount determined  
17                           by the Administrator, review and approve  
18                           such contracts;

19                           “(iii) establish a system through  
20                           which the SCORE Association can provide  
21                           documentation relating to such contracts;  
22                           and

23                           “(iv) within 30 days of the receipt of  
24                           a quarterly report on the achievements of  
25                           the SCORE program submitted by the

1 SCORE Association, reconcile and dif-  
2 ferences between such report and the per-  
3 formance results of the SCORE program  
4 reported in a management information sys-  
5 tem of the Office of Entrepreneurial Devel-  
6 opment.

7 “(B) SCORE ASSOCIATION DUTIES.—The  
8 SCORE Association shall—

9 “(i) manage nationwide chapters of  
10 the SCORE program;

11 “(ii) develop guidance and provide an-  
12 nual training to employees of the SCORE  
13 Association on generating and using pro-  
14 gram income from the SCORE program;

15 “(iii) submit documentation to the  
16 Administrator verifying such annual train-  
17 ing is completed;

18 “(iv) separate funds donated to the  
19 SCORE Association from program income  
20 and funds received pursuant to a coopera-  
21 tive agreement; and

22 “(v) establish requirements for volun-  
23 teers participating in the SCORE program,  
24 including requirements that each such vol-  
25 unteer shall—

1           “(I) based on the business expe-  
2           rience and knowledge of the volun-  
3           teer—

4                   “(aa) provide personal coun-  
5                   seling, mentoring, and coaching  
6                   on the process of starting, ex-  
7                   panding, managing, buying, and  
8                   selling a business at no cost to  
9                   individuals who own, or aspire to  
10                  own, small business concerns;  
11                  and

12                   “(bb) facilitate free or low-  
13                   cost education workshops for in-  
14                   dividuals who own, or aspire to  
15                   own, small business concerns;  
16                   and

17           “(II) as appropriate, use tools,  
18           resources, and expertise of other orga-  
19           nizations to carry out the SCORE  
20           program.

21           “(C) JOINT DUTIES.—The Administrator,  
22           in consultation with the SCORE Association,  
23           shall ensure that the SCORE program and each  
24           chapter of the SCORE program—

1           “(i) develop and implement plans and  
2           goals to more effectively and efficiently  
3           provide services to individuals in rural  
4           areas, economically disadvantaged commu-  
5           nities, or other traditionally underserved  
6           communities, including plans for electronic  
7           initiatives, web-based initiatives, chapter  
8           expansion, partnerships, and the develop-  
9           ment of new skills by volunteers partici-  
10          pating in the SCORE program; and

11           “(ii) reinforce an inclusive culture by  
12          recruiting diverse volunteers for the chap-  
13          ters of the SCORE program.

14          “(3) ONLINE COMPONENT.—In carrying out  
15          this subsection, the SCORE Association shall make  
16          use of online counseling, including by developing and  
17          implementing webinars and an electronic mentoring  
18          platform to expand access to services provided under  
19          this subsection and to further support entre-  
20          preneurs.

21          “(4) ACCOUNTING.—Not later than 6 months  
22          after the date of the enactment of this subsection,  
23          the SCORE Association shall—

24                 “(A) centralize all accounting and finance  
25                 systems of each chapter of the SCORE pro-

1           gram and develop a uniform policy and proce-  
2           dures to manage Federal funds; and

3           “(B) designate an employee of the SCORE  
4           Association to serve as a compliance officer to  
5           ensure expenditures of the SCORE program are  
6           fully compliant with any law, regulation, or co-  
7           operative agreement relating to the SCORE  
8           program.

9           “(5) COMPENSATION.—

10           “(A) SALARIES.—The salary of an em-  
11           ployee of the SCORE Association may not ex-  
12           ceed the equivalent of the maximum rate of pay  
13           allowable for an individual in the career Senior  
14           Executive Service employed at the Small Busi-  
15           ness Administration.

16           “(B) PERFORMANCE AWARDS.—The  
17           SCORE Association may spend up to 1.5 per-  
18           cent of the aggregate salaries of employees of  
19           the SCORE Association on individual perform-  
20           ance awards to employees of the SCORE Asso-  
21           ciation, to be disbursed before the last day of  
22           the fiscal year, if not later than 60 days before  
23           disbursement the SCORE Association submits  
24           to the Administrator a report on the number  
25           and amount of such awards to be disbursed.

1           “(C) SCORE FOUNDATION.—A member of  
2           the Board of Directors of the SCORE Associa-  
3           tion or an employee of the SCORE Association  
4           may not simultaneously serve on the Board of  
5           Directors of, or receive compensation from, the  
6           SCORE Foundation without written approval  
7           from the Administrator.

8           “(6) WHISTLEBLOWER PROTECTION REQUIRE-  
9           MENTS.—The SCORE Association shall—

10           “(A) annually update all manuals or other  
11           documents applicable to employees and volun-  
12           teers of the SCORE Association or the SCORE  
13           program to include requirements relating to re-  
14           porting procedures and protectors for whistle-  
15           blowers; and

16           “(B) conduct an annual training for em-  
17           ployees and volunteers of the SCORE Associa-  
18           tion or the SCORE program on the require-  
19           ments described in paragraph (1) and empha-  
20           size the use of the hotline established by the Of-  
21           fice of the Inspector General of the Small Busi-  
22           ness Administration to submit whistleblower re-  
23           ports.

24           “(7) PUBLISHED MATERIALS.—The SCORE  
25           Association shall ensure all published materials in-

1       clude written acknowledgment of Small Business Ad-  
2       ministration support of the SCORE program if such  
3       materials are paid for in whole or in part by Federal  
4       funds.

5               “(8) PRIVACY REQUIREMENTS.—

6               “(A) IN GENERAL.—Neither the Adminis-  
7       trator nor the SCORE Association may disclose  
8       the name, address, or telephone number of any  
9       individual or small business concern receiving  
10      assistance from the SCORE Association with-  
11      out the consent of such individual or small busi-  
12      ness concern, unless—

13              “(i) the Administrator is ordered to  
14      make such a disclosure by a court in any  
15      civil or criminal enforcement action initi-  
16      ated by a Federal or State agency; or

17              “(ii) the Administrator determines  
18      such a disclosure to be necessary for the  
19      purpose of conducting a financial audit of  
20      the SCORE program, in which case disclo-  
21      sure shall be limited to the information  
22      necessary for the audit.

23              “(B) ADMINISTRATOR USE OF INFORMA-  
24      TION.—This paragraph shall not—

1 “(i) restrict the access of the Adminis-  
2 trator to SCORE program activity data; or

3 “(ii) prevent the Administrator from  
4 using SCORE program client information  
5 to conduct client surveys.

6 “(C) STANDARDS.—

7 “(i) IN GENERAL.—The Administrator  
8 shall, after the opportunity for notice and  
9 comment, establish standards for—

10 “(I) disclosures with respect to  
11 financial audits under subparagraph  
12 (A)(ii); and

13 “(II) conducting client surveys,  
14 including standards for oversight of  
15 the surveys and for dissemination and  
16 use of client information.

17 “(ii) MAXIMUM PRIVACY PROTEC-  
18 TION.—The standards issued under this  
19 subparagraph shall, to the extent prac-  
20 ticable, provide for the maximum amount  
21 of privacy protection.

22 “(9) ANNUAL REPORT.—Not later than 180  
23 days after the date of the enactment of this sub-  
24 section and annually thereafter, the Administrator  
25 shall submit to the Committee on Small Business

1 and Entrepreneurship of the Senate and the Com-  
2 mittee on Small Business of the House of Rep-  
3 resentatives a report on the performance and effec-  
4 tiveness of the SCORE program, which may be in-  
5 cluded as part of another report submitted to such  
6 Committees by the Administrator, and which shall  
7 include—

8 “(A) the number of individuals counseled  
9 or trained under the SCORE program;

10 “(B) the number of hours of counseling  
11 provided under the SCORE program;

12 “(C) the number of local workshops;

13 “(D) the number of clients attending on-  
14 line and local workshops;

15 “(E) the number of unique clients served;

16 “(F) to the extent practicable, the demo-  
17 graphics of SCORE program participants and  
18 volunteers, which shall include the gender, race,  
19 and age of each such participant or volunteer;

20 “(G) the cost to create a job, the cost to  
21 create a business, and return on investment;

22 “(H) the number of referrals to other re-  
23 sources and programs of the Administration;

24 “(I) the number of participants in the  
25 SCORE program receiving financial assistance,

1 including the type and dollar amount, under  
2 loan programs of the Administration;

3 “(J) the results of SCORE program par-  
4 ticipant satisfactory surveys, including a sum-  
5 mary of any comments received from such par-  
6 ticipants;

7 “(K) the number of new businesses started  
8 up by SCORE program participants;

9 “(L) the number of such new businesses  
10 realizing revenue growth;

11 “(M) to the extent practicable, the number  
12 of jobs created with assistance from the  
13 SCORE program;

14 “(N) the total cost of the SCORE pro-  
15 gram;

16 “(O) any recommendations of the Adminis-  
17 trator to improve the SCORE program; and

18 “(P) an explanation of how the SCORE  
19 program has been integrated with other re-  
20 source partners and related resources of the  
21 Administration.”.

1 **SEC. 3. AUTHORIZATION OF APPROPRIATIONS FOR THE**  
2 **SCORE PROGRAM.**

3 Section 20 of the Small Business Act (15 U.S.C. 631  
4 note) is amended by adding at the end the following new  
5 subsection:

6 “(h) SCORE PROGRAM.—There are authorized to be  
7 appropriated to the Administrator to carry out the  
8 SCORE program authorized by section 8(b)(1) such sums  
9 as are necessary for the Administrator to make grants or  
10 enter into cooperative agreements in a total amount that  
11 does not exceed \$11,700,000 in each of fiscal years 2020,  
12 2021, and 2022.”.

13 **SEC. 4. REPORTING REQUIREMENTS.**

14 (a) STUDY AND REPORT ON THE FUTURE ROLE OF  
15 THE SCORE PROGRAM.—

16 (1) STUDY.—The SCORE Association shall  
17 carry out a study on the future role of the SCORE  
18 program and develop a strategic plan for how the  
19 SCORE program will meet the needs of small busi-  
20 ness concerns during the 5-year period beginning on  
21 the date of the enactment of this Act, with specific  
22 objectives for the first, third, and fifth years of the  
23 5-year period.

24 (2) REPORT.—Not later than the end of the 6-  
25 month period beginning on the date of the enact-  
26 ment of this Act, the SCORE Association shall sub-

1 mit to the Committee on Small Business of the  
2 House of Representatives and the Committee on  
3 Small Business and Entrepreneurship of the Senate  
4 a report containing—

5 (A) all findings and determination made in  
6 carrying out the study required under para-  
7 graph (1);

8 (B) the strategic plan developed under  
9 paragraph (1); and

10 (C) an explanation of how the SCORE As-  
11 sociation plans to achieve the strategic plan, as-  
12 suming both stagnant and increased funding  
13 levels.

14 (b) ADMINISTRATOR REPORT ON LEASED SPACE.—  
15 The Administrator of the Small Business Administration  
16 shall submit to the Committee on Small Business of the  
17 House of Representatives and the Committee on Small  
18 Business and Entrepreneurship of the Senate a report  
19 containing an assessment of the cost of leased space that  
20 is donated to the SCORE Association.

21 (c) ONLINE COMPONENT REPORT.—Before the last  
22 day of fiscal year 2020, the SCORE Association shall sub-  
23 mit to the Committee on Small Business of the House of  
24 Representatives and the Committee on Small Business  
25 and Entrepreneurship of the Senate a report on the effec-

1 tiveness of the online counseling and webinars required  
2 under paragraph (3) of section 8(c) of the Small Business  
3 Act, as added by section 2 of this Act, including a descrip-  
4 tion of—

5 (1) how the SCORE Association determines  
6 electronic mentoring and webinar needs, develops  
7 training for electronic mentoring, establishes  
8 webinar criteria curricula, and evaluates webinar  
9 and electronic mentoring results;

10 (2) the internal controls that are used and a  
11 summary of the topics covered by the webinars; and

12 (3) performance metrics, including the number  
13 of small business concerns counseled by, the number  
14 of small business concerns created by, the number of  
15 jobs created and retained by, and the funding  
16 amounts directed towards such online counseling  
17 and webinars.

18 **SEC. 5. TECHNICAL AND CONFORMING AMENDMENTS.**

19 (a) SMALL BUSINESS ACT.—The Small Business Act  
20 (15 U.S.C. 631 et seq.) is amended—

21 (1) in section 7 (15 U.S.C. 636)—

22 (A) in subsection (b)(12)—

23 (i) in the paragraph heading, by in-  
24 serting “PROGRAM” after “SCORE”; and

1 (ii) in subparagraph (A), by striking  
2 “Service Corps of Retired Executives” and  
3 inserting “SCORE program”; and

4 (B) in subsection (m)(3)(A)(i)(VIII), by  
5 striking “Service Corps of Retired Executives”  
6 and inserting “SCORE program”; and

7 (2) in section 22 (15 U.S.C. 649)—

8 (A) in subsection (b)—

9 (i) in paragraph (1), by striking  
10 “Service Corps of Retired Executives” and  
11 inserting “SCORE program”; and

12 (ii) in paragraph (3), by striking  
13 “Service Corps of Retired Executives” and  
14 inserting “SCORE program”; and

15 (B) in subsection (c)(12), by striking  
16 “Service Corps of Retired Executives” and in-  
17 serting “SCORE program”.

18 (b) OTHER LAWS.—

19 (1) SMALL BUSINESS REAUTHORIZATION ACT  
20 OF 1997.—Section 707 of the Small Business Reau-  
21 thorization Act of 1997 (15 U.S.C. 631 note) is  
22 amended by striking “Service Corps of Retired Ex-  
23 ecutives (SCORE) program” and inserting “SCORE  
24 program (as defined in section 8(c)(1) of the Small  
25 Business Act)”.

1           (2) VETERANS ENTREPRENEURSHIP AND  
2 SMALL BUSINESS DEVELOPMENT ACT OF 1999.—Sec-  
3 tion 301 of the Veterans Entrepreneurship and  
4 Small Business Development Act of 1999 (15 U.S.C.  
5 657b note) is amended by striking “Service Core of  
6 Retired Executives” and inserting “SCORE pro-  
7 gram”.

8           (3) MILITARY RESERVIST AND VETERAN SMALL  
9 BUSINESS REAUTHORIZATION AND OPPORTUNITY  
10 ACT OF 2008.—Section 3(5) of the Military Reservist  
11 and Veteran Small Business Reauthorization and  
12 Opportunity Act of 2008 (15 U.S.C. 636 note) is  
13 amended by striking “the Service Corps of Retired  
14 Executives” and inserting “the SCORE program”.

15           (4) CHILDREN’S HEALTH INSURANCE PROGRAM  
16 REAUTHORIZATION ACT OF 2009.—Section 621 of the  
17 Children’s Health Insurance Program Reauthoriza-  
18 tion Act of 2009 (15 U.S.C. 657p) is amended—

19                   (A) in subsection (a), by striking para-  
20 graph (4) and inserting the following:

21                   “(4) the term ‘SCORE program’ means the  
22 SCORE program authorized by section 8(b)(1)(B)  
23 of the Small Business Act (15 U.S.C.  
24 637(b)(1)(B));” and

1 (B) in subsection (b)(4)(A)(iv), by striking  
2 “Service Corps of Retired Executives” and in-  
3 serting “SCORE program”.

4 (5) ENERGY POLICY AND CONSERVATION  
5 ACT.—Section 337(d)(2)(A) of the Energy Policy  
6 and Conservation Act (42 U.S.C. 6307(d)(2)(A)) is  
7 amended by striking “Service Corps of Retired Ex-  
8 ecutives (SCORE)” and inserting “SCORE pro-  
9 gram”.

10 **SEC. 6. DEFINITIONS.**

11 In this Act:

12 (1) ADMINISTRATION; ADMINISTRATOR.—The  
13 terms “Administration” and “Administrator” mean,  
14 respectively, the Small Business Administration and  
15 the Administrator thereof.

16 (2) SCORE ASSOCIATION; SCORE PROGRAM.—  
17 The terms “SCORE Association” and “SCORE pro-  
18 gram” have the meaning given those terms, respec-  
19 tively, under section 8(c)(1) of the Small Business  
20 Act, as added by section 2 of this Act.

○