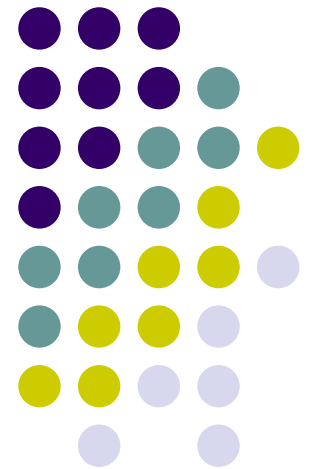
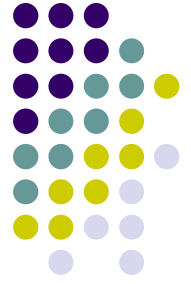


S. 2335

Small Business Development Act



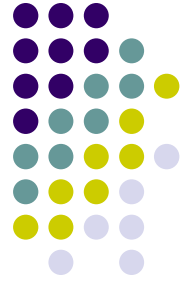


Status

- ‘ Introduced in the 107th Congress
 - ‘ On April 25, 2002
- ‘ Sponsors Include
 - ‘ Inouye, Johnson, Kerry, Cantwell, Wellstone, Daschle, Baucus, Bingaman, Stabenow, Clinton
- ‘ Committee Assignments
 - ‘ Committee on Indian Affairs
 - ‘ Committee on Small Business & Entrepreneurship

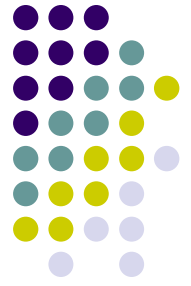
Content Summarized

4 Main Objectives of S.2335

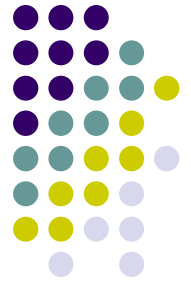


1. Office of Native American Affairs within SBA
2. Native American Small Business Development Program
3. Native American Development Center Grant Pilot Program
4. American Indian Tribal Assistance Center Grant Pilot Program

Key Definitions in the Bill



- ‘ **Alaska Native** – as defined under ANCSA
- ‘ **Alaska Native Corporation (ANC)** – as defined under ANCSA
- ‘ **American Indian** – eligible enrollee in a Tribal Government
- ‘ **Tribal Government** – federally recognized Tribe
- ‘ **Native Hawaiian** – as defined in Older Americans Act of 1965
 - ‘ Any individual whose ancestors were natives of the area which consists of the Hawaiian Islands prior to 1778
- ‘ **Native Hawaiian Organization** – as defined under 8(a)(15)
 - ‘ Any community service organization serving Native Hawaiians and:
 - ‘ Is a nonprofit
 - ‘ Is controlled by Native Hawaiians
 - ‘ Has activities that principally benefit Native Hawaiians



Key Definitions

- ‘ Native American Small Business Concern – a small business concern that is owned and controlled by:
 - ‘ A member of an Indian Tribe
 - ‘ An Alaska Native
 - ‘ A Native Hawaiian

Small Business typically owned and controlled by private **Individual or Individuals**

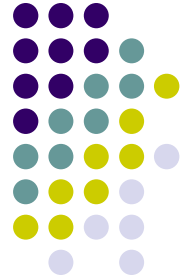
Private
Joint Venture

Private
Partnership

Private
Corporation

Sole
Proprietor

Key Definitions



- ‘ Native American Small Business Concern – a small business concern that is owned and controlled by:
 - ‘ A Tribal Government
 - ‘ An Alaska Native Corporation
 - ‘ A Native Hawaiian Organization

Small Business typically owned and controlled by a
“Community of Natives”

Joint Venture
w/ the above

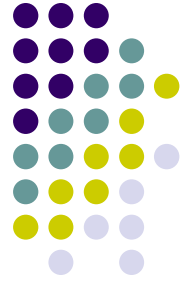
Partnership
w/ the above

Public
Corporation

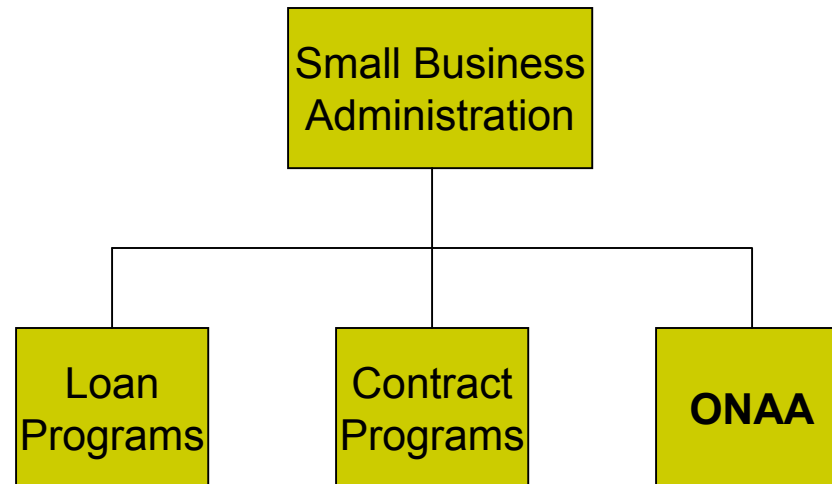
Non-Profit

Objective 1

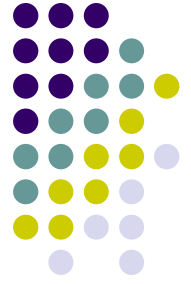
Office of Native American Affairs



- Establish the ONAA within the Small Business Administration

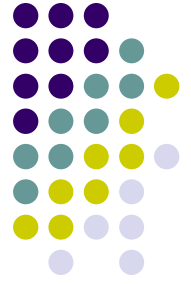


Office of Native American Affairs



- ‘ Purpose of ONAA - Assist Native American Entrepreneurs to:
 - ‘ Start, operate and grow small business concerns
 - ‘ Develop management and technical skills
 - ‘ Seek federal procurement opportunities
 - ‘ Increase employment opportunities through the creation and expansion of small business concerns
 - ‘ Increase access of Native Americans to capital markets

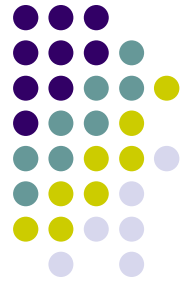
ONAA Position Appointment



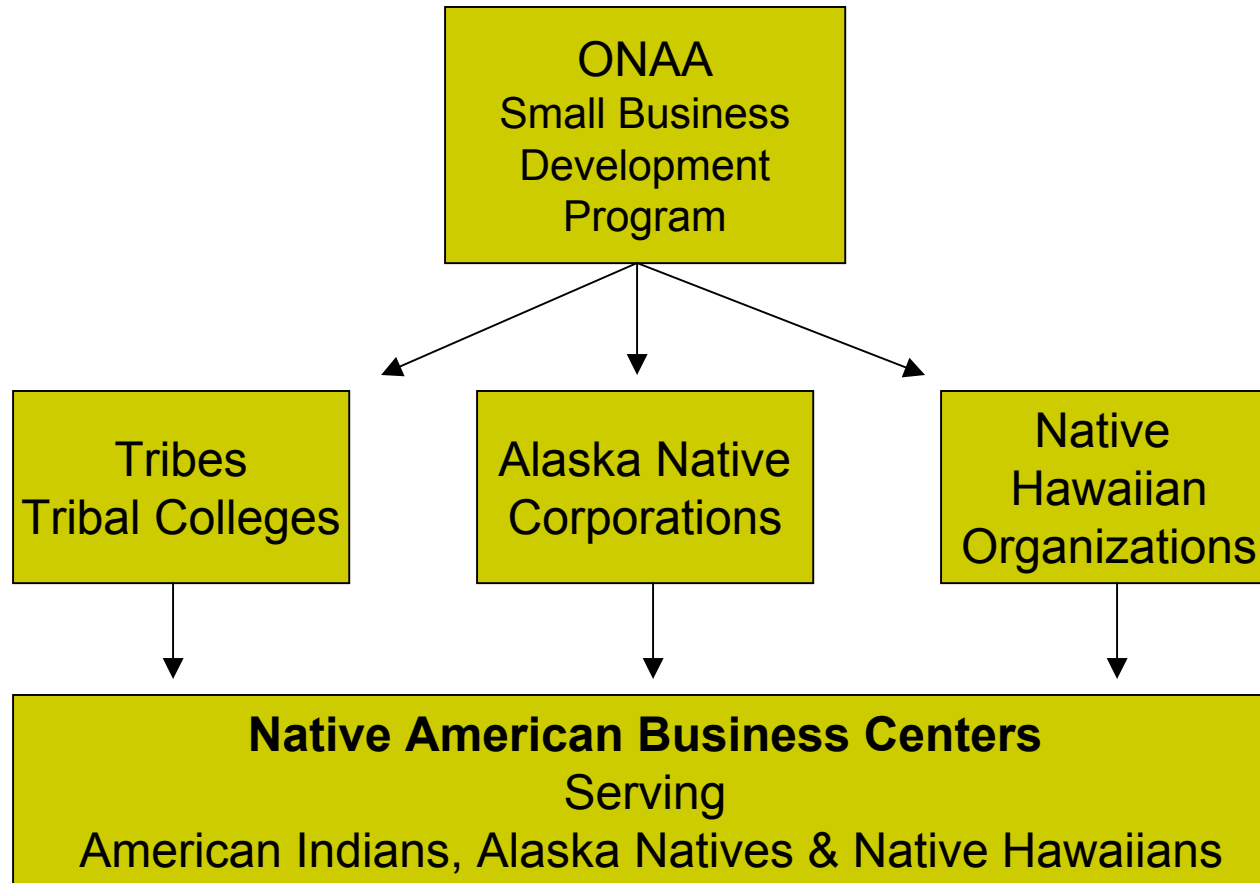
- ‘ Assistant Administrator Position Created
- ‘ Must among other things:
 - ‘ Have knowledge of Native American culture
 - ‘ Be a Senior Executive Service position
 - ‘ Administer & manage the Native American Small Business Development program
 - ‘ Consultation: Confer with and seek the advice of Administration officials, BIA, Tribes, Tribal Colleges, Alaska Native Corporations and Native Hawaiian Organizations

Objective 2

Small Business Development Program

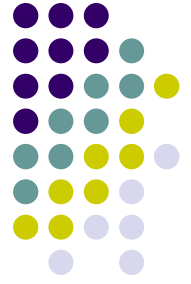


- ‘ SBDP General Purpose
 - ‘ Provide financial assistance to tribal governments, tribal colleges, Alaska Native Corporations and Native Hawaiian organizations *to create Native American Business Centers*
 - ‘ Resources shall be used to overcome obstacles impeding the creation, development and expansion of small business concerns....by American Indians, Alaska Natives and Native Hawaiians

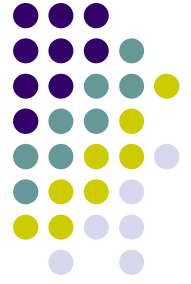


- Each Business Center that receives funding shall conduct 5-year projects that offer business development assistance

Native American Business Center Project Activities



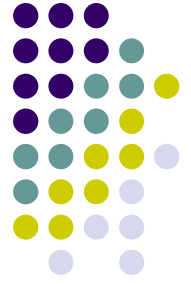
- ‘ 5-Year Business Assistance Projects
 - ‘ Financial education, training and counseling
 - ‘ Applying for and securing business capital
 - ‘ Preparing and presenting financial statements
 - ‘ Managing cash flow and other financial operations
 - ‘ Management education, planning, organizing, staffing, etc
 - ‘ Marketing – domestic and international
 - ‘ Pricing strategies and contract negotiations
 - ‘ Locating contract opportunities



Forms of Project Assistance

- ‘ Grant, Contract or Cooperative Agreement
 - ‘ Exception: Alaska Native Corporations and Native Hawaiian Organizations may only receive grants
- ‘ Payments may be disbursed in
 - ‘ Single lump sums
 - ‘ Installments
 - ‘ In advance or after costs incurred
- ‘ No Matching requirement by the grant recipient

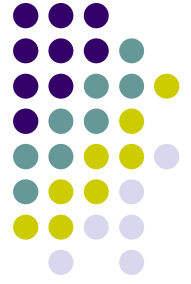
Funding Authorization



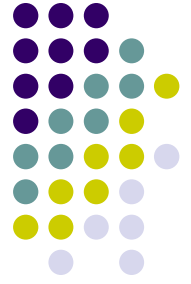
- ‘ \$25 million total over 5 years
- ‘ \$5 million per year beginning in 2003 until 2007

Objective 3

Native American Development Grant Pilot



- ‘ NADG Pilot General Purpose
 - ‘ Establish a 4-year pilot program to award grants to provide culturally tailored business development training and related services to Native Americans and Native American Small Business concerns.



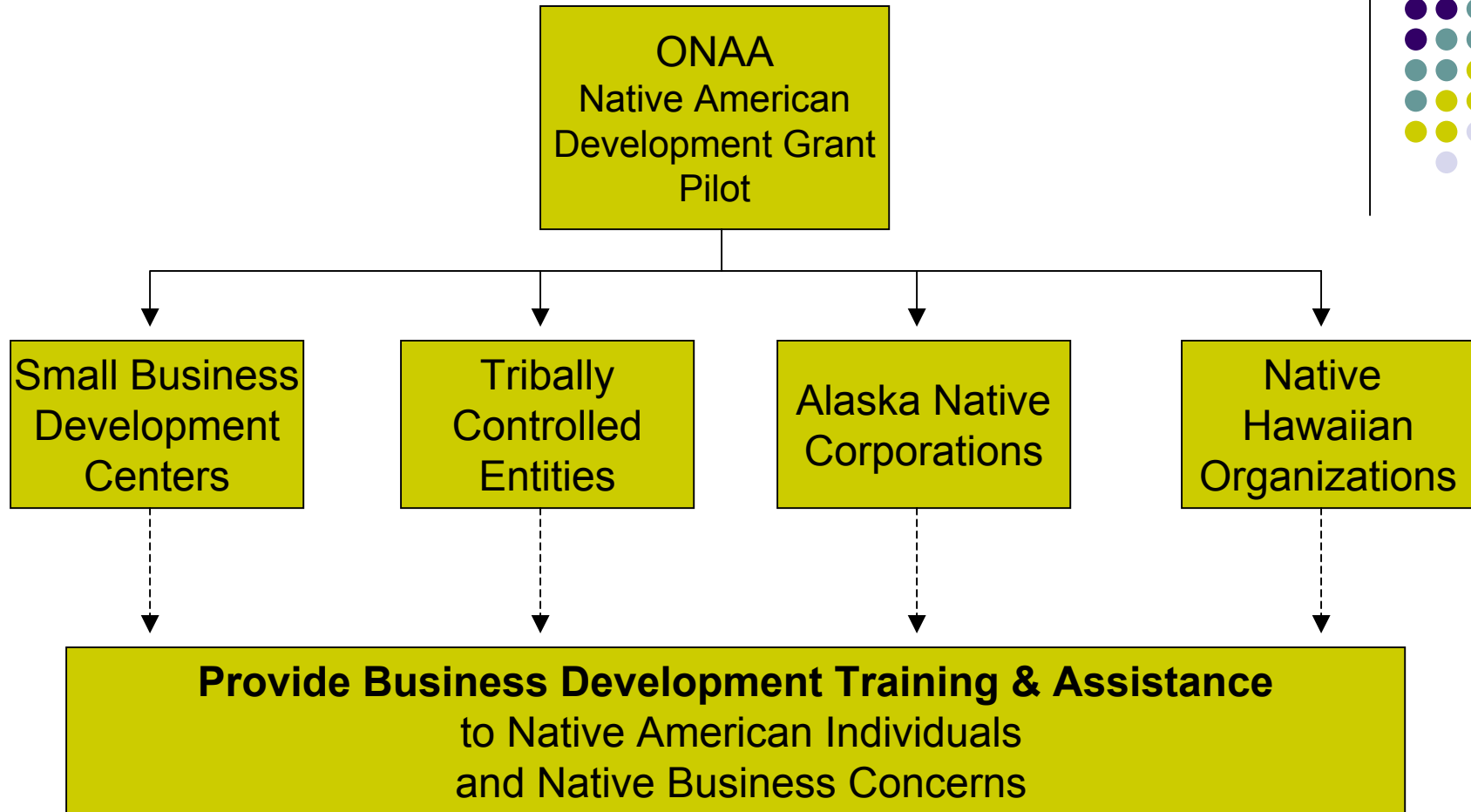
NADG Pilot Eligible Recipients

- ‘ Any Small Business Development Center or

- ‘ Any Private, Nonprofit Organization that
 - ‘ Has tribal government members or has tribal designees that comprise the majority on the board of directors

 - ‘ Is a Native Hawaiian Organization

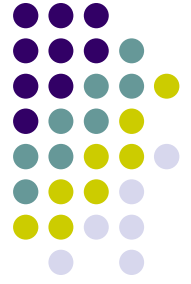
 - ‘ Is an Alaska Native Corporation



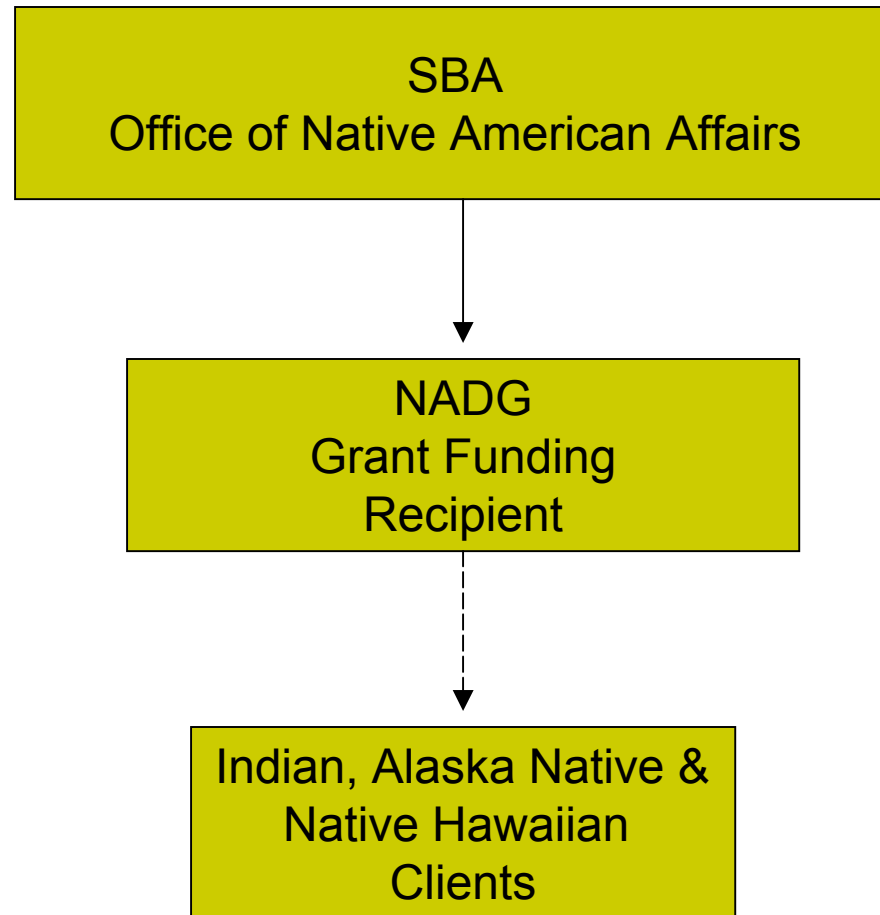
- Each grant recipient will provide direct training & assistance over a 2 to 4 year project period

NADG Pilot

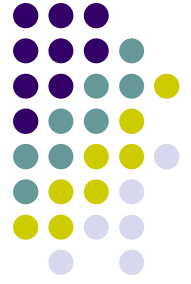
General Project Activities



- ‘ Types of business development assistance:
 - ‘ Culturally Tailored Counseling & Technical Assistance
 - ‘ Culturally Tailored Training Sessions & Workshops
- ‘ Impact & Upgrade skills of current or prospective Native Business owners
 - ‘ Fiscal Management & Systems
 - ‘ Organizational Management
 - ‘ Marketing Program Development
 - ‘ Other business development skill areas



- ‘ NADG Pilot provides access by Native Clients to Business Skill Development Training & Assistance

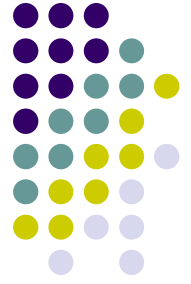


Funding Authorization

- ‘ \$4 million over 4 years
- ‘ \$1 million per year beginning 2003 and ending 2006
- ‘ Each grant award to eligible entities shall not exceed \$100,000 for each project year with a minimum of a 2-year project period & a maximum of a 4-year project period
- ‘ Target: American Indians, Alaska Natives & Native Hawaiians

Objective 4

American Indian Tribal Assistance Center Grant Pilot



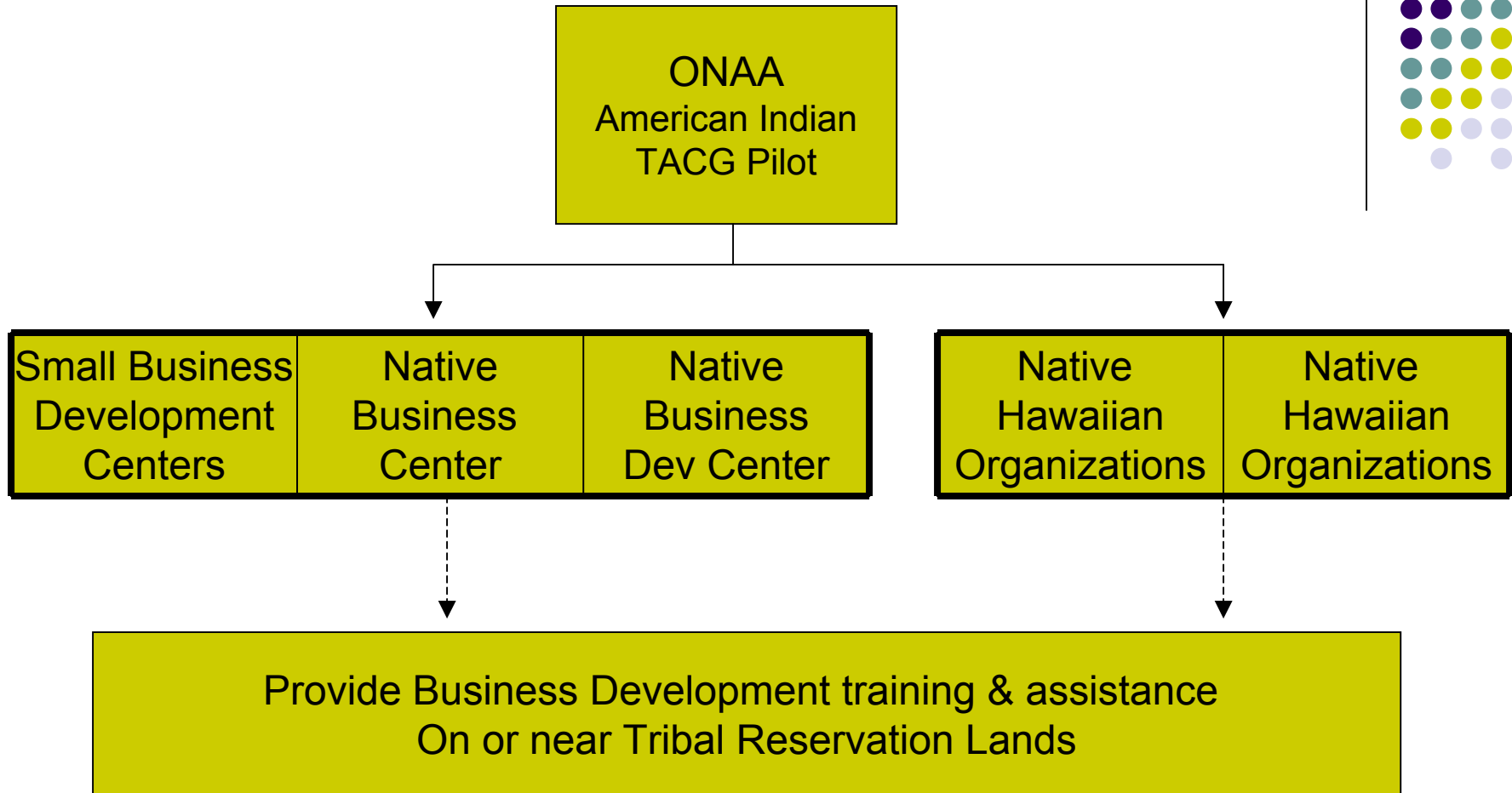
- ‘ AITACG Pilot General Purpose
 - ‘ Establish a 4-year pilot program to award grants to provide culturally tailored business development training and related services to Native Americans and Native American Small Business concerns located on or near tribal lands
 - ‘ Note: This Pilot is primarily to serve reservation-based American Indians and/or entities

AITACG Pilot Eligible Recipients



- ‘ Joint Applicant comprising of 3 partners:
 - ‘ A Native American Business Center
 - ‘ A Native American Business Development Center and
 - ‘ A Small Business Development Center

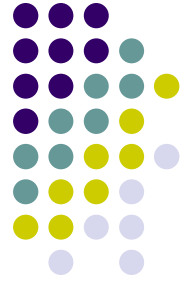
- ‘ Joint Applicant comprising of 2 partners:
 - ‘ A Native American Business Center and
 - ‘ A Native American Business Development Center



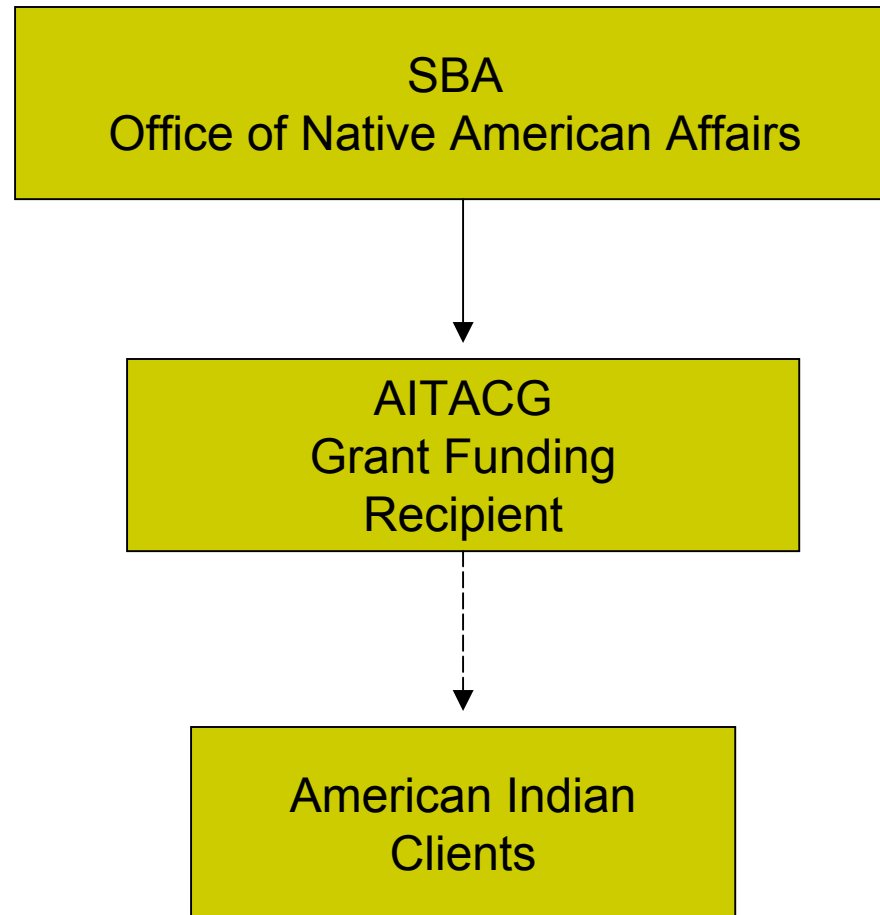
- Each grant recipient will provide direct training & assistance over a 3 year project period

AITACG Pilot

General Project Activities



- ‘ Types of business development assistance:
 - ‘ Culturally Tailored Counseling & Technical Assistance
 - ‘ Culturally Tailored Training Sessions & Workshops
- ‘ Impact & Upgrade skills of current or prospective Native Business owners on or near Tribal lands
 - ‘ Fiscal Management & Systems
 - ‘ Organizational Management
 - ‘ Marketing Program Development
 - ‘ Other business development skill areas

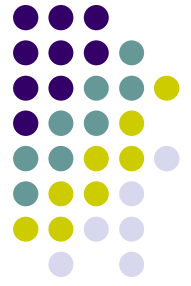


- ‘ AITACG provides access by American Indian Clients to Business Skill Development Training & Assistance



Funding Authorization

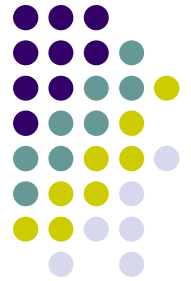
- ‘ \$4 million over 4 years
- ‘ \$1 million per year beginning 2003 and ending 2006
- ‘ Each grant award shall not exceed \$200,000 for each project year with a 3-year project period
- ‘ Target: American Indians on or near Reservations/Tribal Lands



S.2335 Summarized

1. **ONAA** - Establish the *Office of Native American Affairs* in the Small Business Administration
2. **SBDP** – Establish *Native American Business Centers*
 - *\$25 million over 5 years*
3. **NADG Pilot** – Create the *Native American Development Grant Pilot* program (Training & Assistance)
 - *\$4 million over 4 years*
4. **AITACG Pilot** – Create the *American Indian Tribal Assistance Center Grant Pilot* program (Training & Assistance)
 - *\$4 million over 4 years*

The Small Business Development Act



- ‘ Like many other pieces of legislation, the SBDA seeks to address special trust responsibilities and issues facing Indigenous Peoples within the 50 United States
- ‘ S.2335 has a specific focus on economic development in Native communities
 - ‘ Promote small business creation and expansion by For-Profit and Non-Profit Native Entities
 - ‘ Job Creation to address high unemployment statistics in Native communities