

NATIVE AMERICAN ENTREPRENEURIAL
OPPORTUNITY ACT

FEBRUARY 23, 2024.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. WILLIAMS of Texas, from the Committee on Small Business,
submitted the following

R E P O R T

together with

MINORITY VIEWS

[To accompany H.R. 7102]

The Committee on Small Business, to whom was referred the bill
(H.R. 7102) to establish an Office of Native American Affairs with-
in the Small Business Administration, and for other purposes, hav-
ing considered the same, reports favorably thereon without amend-
ment and recommends that the bill do pass.

CONTENTS

	Page
I. Purpose and Bill Summary	2
II. Need for Legislation	2
III. Hearings	2
IV. Committee Consideration	2
V. Committee Votes	2
VI. Section-by-Section of H.R. 7102	5
VII. Congressional Budget Office Cost Estimate	5
VIII. New Budget Authority, Entitlement Authority, and Tax Expenditures	5
IX. Oversight Findings & Recommendations	5
X. Performance Goals and Objectives	5
XI. Statement of Duplication of Federal Programs	6
XII. Congressional Earmarks, Limited Tax Benefits, and Limited Tariff Benefits	6
XIII. Federal Mandates Statement	6
XIV. Federal Advisory Committee Statement	6
XV. Applicability to Legislative Branch	6
XVI. Statement of Constitutional Authority	6
XVII. Changes in Existing Law Made by the Bill, As Reported	6
XVIII. Minority Views	9

I. PURPOSE AND BILL SUMMARY

On January 29, 2024, Rep. Davids and Rep. Crane introduced H.R. 7102. The purpose of H.R. 7102, the “Native American Entrepreneurial Opportunity Act,” is to provide statutory codification for the Office of Native American Affairs within the U.S. Small Business Administration (SBA). In doing so, Congress will be able to provide better oversight into the activities and effectiveness of the office.

II. NEED FOR LEGISLATION

The SBA’s Office of Native American Affairs has been providing services to Indian Tribes and Native Hawaiian Organizations for decades. This bill will codify the office within statute, better outlining the roles and responsibilities of the office. It will also require a report to Congress on the activities of the office.

III. HEARINGS

In the 118th Congress, the Committee held one hearing examining the issues covered in H.R. 7102. On June 13, 2023, the Committee held a hearing titled “Assisting Entrepreneurs: Examining Private and Public Resources Helping Small Businesses.” Witnesses discussed challenges faced by entrepreneurs in underserved communities.

IV. COMMITTEE CONSIDERATION

The Committee on Small Business met in open session, with a quorum being present, on January 31, 2024, and ordered H.R. 7102 reported favorably to the House of Representatives. During the markup no amendments were offered.

V. COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list the recorded votes on the motion to report legislation and amendments thereto. The Committee voted to favorably report H.R. 7102 to the House of Representatives at 11:54 a.m.

118th Congress, House Committee on Small Business
Vote Record

Date: Wednesday, Jan 31st, 2024

H.R.- 7102

Time of Vote: 11.54

Republicans	Aye	No	Present
Mr. Luetkemeyer (MO-03)	✓		
Mr. Stauber (MN-08)	✓		
Mr. Meuser (PA-09)	✓		
Ms. Van Duyne (TX-24)	✓		
Ms. Salazar (FL-27)	✓		
Mr. Mann (KS-01)	✓		
Mr. Ellzey (TX-06)	✓		
Mr. Molinaro (NY-19)	✓		
Mr. Alford (MO-04)	✓		
Mr. Crane (AZ-02)	✓		
Mr. Bean (FL-04)	✓		
Mr. Hunt (TX-38)	✓		
Mr. (La-Low-ta) Lalota (NY-01)	✓		
Ms. Maloy (UT-02)			
Chairman Williams (TX-25)	✓		
TOTALS:			

Mr. Chairman _____ Votes _____

Mr. Chairman _____ Off _____, Votes _____

Mr. Chairman on that vote 24 Ayes 0 Nays and 0 Present

118th Congress, House Committee on Small Business
Vote Record

Date: Wednesday, Jan 31st, 2024

H.R.- 7102

Time of Vote:

Democrats	Aye	No	Present
Mr. Golden (ME-02)	✓		
Mr. M-fume (MD-07)	✓		
Mr. Phillips (MN-03)			
Mr. Landsman (OH-01)	✓		
Mr. Mc-Gar-vey (KY-03)	✓		
Ms. Glue-sen-kamp Perez (WA-03)	✓		
Ms. (Skull- ton) Scholten (MI-03)	✓		
Mr. (Tan-a-dar) Thanedar (MI-13)	✓		
Ms. (Chew) Chu (CA-28)	✓		
Ms. Davids (KS-03)	✓		
Mr. Pappas (NH-01)			
Ranking Member Velazquez (NY-07)	✓		
TOTALS:			

VI. SECTION-BY-SECTION OF H.R. 7102

Section 1. Short title

This section titles the bill as the “Native American Entrepreneurial Opportunity Act”.

Section 2. Office of Native American Affairs

This section codifies the Office of Native American Affairs within the SBA. The office is responsible for establishing working relationships with Indian Tribes and Native Hawaiian Organizations to promote programs, consultations, and entrepreneurial counseling. This section also requires the Assistant Administrator of the office to provide an annual report to Congress on the number of clients served, number of consultations conducted, and number of trainings held.

Section 3. Compliance with CUTGO

This section reiterates that not additional funding is authorized to be appropriated to carry out the bill.

VII. CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

Pursuant to clause 3(d)(1) of House rule XIII, the Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974. The Committee has requested but not received from the Director of the Congressional Budget Office a cost estimate for the Committee’s provisions. Once available, the cost estimate will be published in the Congressional Record.

VII. NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

Pursuant to clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a)(I) of the Congressional Budget Act of 1974, the Committee provides the following opinion and estimate with respect to new budget authority, entitlement authority, and tax expenditures. While the Committee has not received an estimate of new budget authority contained in the cost estimate prepared by the Director of the Congressional Budget Act of 1974, the Committee does not believe that there will be any additional costs attributable to this legislation. H.R. 7102 does not direct spending, but instead reallocates funding independently authorized and appropriated.

IX. OVERSIGHT FINDINGS & RECOMMENDATIONS

In accordance with clause 3(c)(1) of rule XIII and clause 2(b)(1) of rule X of the Rules of the House of Representatives, the oversight findings and recommendations of the Committee on Small Business with respect to the subject matter contained in H.R. 7102 are incorporated into the descriptive portions of this report.

X. PERFORMANCE GOALS AND OBJECTIVES

With respect to the requirements of clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the performance goals

and objectives of H.R. 7102 are to require an annual report to Congress by the Office of Native American Affairs.

XI. STATEMENT OF DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, no provision of H.R. 7102 is known to be duplicative of another Federal program, including any program that was included in a report to Congress pursuant to section 21 of Public Law 111–139 or the most recent Catalog of Federal Domestic Assistance.

XII. CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

With respect to clause 9 of rule XXI of the Rules of the House of Representatives, the Committee finds that the bill does not contain any congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of rule XXI of the Rules of the House of Representatives.

XIII. FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

XIV. FEDERAL ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

XV. APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

XVI. STATEMENT OF CONSTITUTIONAL AUTHORITY

Pursuant to clause 7 of rule XII of the Rules of the House, the Committee finds that the authority for this legislation in Art. I, § 8, cl. 1 of the Constitution of the United States.

XVII. CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics,

and existing law in which no change is proposed is shown in roman):

SMALL BUSINESS ACT

* * * * *

SEC. 49. OFFICE OF NATIVE AMERICAN AFFAIRS.

(a) *DEFINITIONS.*—*In this section:*

(1) *ASSISTANT ADMINISTRATOR.*—*The term “Assistant Administrator” means the Assistant Administrator for Native American Affairs appointed under subsection (c).*

(2) *INDIAN TRIBE.*—*The term “Indian Tribe” has the meaning given the term “Indian tribe” in section 8(a)(13).*

(3) *NATIVE HAWAIIAN ORGANIZATION.*—*The term “Native Hawaiian Organization” has the meaning given the term in section 8(a)(15).*

(4) *OFFICE.*—*The term “Office” means the Office of Native American Affairs described in this section.*

(b) *ESTABLISHMENT.*—

(1) *IN GENERAL.*—*There is established within the Administration the Office of Native American Affairs, which shall be responsible for establishing a working relationship with Indian Tribes and Native Hawaiian Organizations by targeting programs of the Administration relating to entrepreneurial development, contracting, and capital access to—*

(A) establish or expand small business concerns owned and controlled by individuals who are members of Indian Tribes or Native Hawaiian Organizations; and

(B) promote economic development in Indian country (as defined in section 1151 of title 18, United States Code).

(2) *CONNECTION WITH OTHER PROGRAMS.*—*To the extent reasonable, the Office shall educate Indian Tribes and Native Hawaiian Organizations about programs administered by other Federal agencies related to the interests described in paragraph (1).*

(c) *ASSISTANT ADMINISTRATOR.*—*The Office shall be headed by an Assistant Administrator for Native American Affairs, who shall—*

(1) be appointed by and report to the Administrator;

(2) have knowledge of Native American cultures and experience providing culturally tailored small business development assistance to Native Americans;

(3) provide assistance to Indian Tribes and Native Hawaiian Organizations and small business concerns owned and controlled by individuals who are members of Indian Tribes or Native Hawaiian Organizations;

(4) formulate policies, and promote policies and existing programs, to better address the entrepreneurial, capital access, business development, and contracting needs of persons described in paragraph (3);

(5) collaborate with Associate Administrators within the Administration and officials of other Federal agencies to develop policies and plans to implement programs of the Administration to holistically address the needs described in paragraph (4);

(6) *provide assistance, including grants, contracts, cooperative agreements, or other financial assistance, to Indian Tribes and Native Hawaiian Organizations, or to private nonprofit organizations governed by members of Indian Tribes or Native Hawaiian Organizations that have the experience and capability to use the assistance to—*

(A) deploy training, counseling, workshops, educational outreach, and supplier events; and

(B) access the entrepreneurial, capital, and contracting programs of the Administration;

(7) *assist the Administrator in conducting, or conduct, Tribal consultation to solicit input and facilitate discussion of potential modifications to programs and procedures of the Administration; and*

(8) *recommend annual budgets for the Office.*

(d) *REPORT TO CONGRESS.—On an annual basis until the termination date, the Assistant Administrator shall submit to Congress a report on the effectiveness of the Office of Native American Affairs that includes the number of clients served in Tribal communities, the number of consultations conducted, and the number of trainings held in Tribal country.*

(e) *TERMINATION.—The authority under this section shall terminate seven years after the date of the enactment of this section.*

SEC. [49.] 50. All laws and parts of laws inconsistent with this Act are hereby repealed to the extent of such inconsistency.

XVIII. MINORITY VIEWS

The mission of the Office of Native American Affairs is to ensure American Indians, Alaska Natives, and Native Hawaiians seeking to start and grow small businesses have access to SBA's entrepreneurial development, lending, and procurement programs. The Office currently engages in numerous outreach activities, including tribal consultations, development and distribution of promotional materials, and participation in national economic development conferences. The Office also contracts with third-party vendors to provide workshops on business development and financial literacy, training webinars, incubator training, and online entrepreneurial classes.¹

In 2020, there were more than 3.7 million people who identified as American Indian and Alaska Native alone,² and there are 574 federally recognized Indian tribes in the United States.³ In exchange for the surrender of their lands, their removal, and resettlement, the United States signed 375 treaties, passed laws, and instituted policies to shape and define the special relationship between the federal government and tribal governments.⁴ However, the U.S. government also forced many Native Americans to give up their culture and, historically, has not provided the resources to support Native American interconnected infrastructure, self-governance, housing, education, health, and economic development needs.⁵ As a result, Native Americans continue to experience lower educational attainment, higher unemployment rates, and lower median incomes than other racial and ethnic groups.⁶

Entrepreneurship can provide a pathway out of poverty for American Indians and Alaska Natives, which have the highest poverty rate among all racial and ethnic groups. Native American-owned businesses contribute over \$33 billion to the U.S. economy every year and employ 200,000 people.⁷ Statutorily authorizing the Office of Native American Affairs at SBA will increase access to federal programs and services that support Native American entrepreneurs across the country and help Native Americans launch and

¹*Office of Native American Affairs*, U.S. SMALL BUS. ADMIN. (Nov. 14, 2023), <https://www.sba.gov/about-sba/sba-locations/headquarters-offices/office-native-american-affairs>.

²*Table P1: Race*, U.S. CENSUS BUREAU (2020), <https://data.census.gov/table?g=010XX00US>.

³*Facts for Features: American Indian and Alaska Native Heritage Month*, U.S. CENSUS BUREAU (Nov. 15, 2023), <https://www.census.gov/newsroom/facts-for-features/2023/aian-month.html>.

⁴U.S. COMM'N ON C.R., *BROKEN PROMISES: CONTINUING FEDERAL FUNDING SHORTFALL FOR NATIVE AMERICANS*, (Dec. 20, 2018), <https://www.usccr.gov/pubs/2018/12-20-Broken-Promises.pdf>.

⁵*Id.*

⁶Dedrick Asante Muhammad, Esha Kamra, Connor Sanchez, Kathy Ramirez, & Rogelio Tec, *Racial Wealth Snapshot: Native Americans*, NAT'L CMTY. REINVESTMENT COAL. (Feb. 14, 2022), <https://nrcr.org/racial-wealth-snapshot-native-americans>.

⁷*Table ABI900NESD01: Statistics for Employer and Nonemployer Firms by Industry, Sex, Ethnicity, Race, and Veteran Status*, U.S. CENSUS BUREAU (2019), <https://data.census.gov/table/ABS NESD2019.AB1900NESD01?q=ab1900NESD01&g=010XX00US&y=2019>.

grow small businesses, and in turn, promote economic development
in their tribal communities.

Sincerely,

NYDIA M. VELÁZQUEZ,
Ranking Member.

