

(Washington, DC) – Senators James Risch (R-ID) and Jeanne Shaheen (D-NH), the Chairman and Ranking Member of the Senate Committee on Small Business & Entrepreneurship, today announced the committee has approved six bipartisan bills to help American small businesses prepare for cyber attacks and hacking, better compete for federal contracts, take advantage of a valuable federal tax credit, and recover from disasters caused by disease related travel warnings.

“This diverse package of commonsense legislation will give small businesses a boost in areas where they need it,” said Risch. **“I am pleased to see these bills move forward with the committee’s unanimous approval, and am particularly glad to see my cybersecurity bill advance, as it will address the vulnerability that so many small businesses face head on.”**

“I’m pleased the Senate Small Business Committee is finding areas of common ground and advancing bipartisan solutions for America’s job-creating small businesses,” said Shaheen. **“New Hampshire is a small business state and these targeted bills will provide our small businesses with additional tools to grow and succeed.”**

The six bipartisan bills that unanimously passed the Senate Small Business Committee today include:

S. 1428, Small Business Cyber Training Act of 2017 – Senators Risch, Peters, Kennedy, Duckworth, Shaheen

- In 2015, 43 percent of small businesses (1 to 250 employees) were victims of a spear-phishing attack, up from 18 percent in 2011. Only 14 percent of small businesses rate their ability to mitigate cyber risks, vulnerabilities and attacks as highly effective.
- The bill requires the Small Business Administration (SBA) to develop new cybersecurity counseling and training programs through the nationwide network of Small Business Development Centers to help small business owners prepare for cyber threats and recover when a cyber attack occurs.

S. 929, Invest in Rural Small Business Act of 2017 – Senators Shaheen and Brown

- The current one-size-fits-all formula for determining SBA’s Historically Underutilized Business Zone (HUBZone) leaves many otherwise eligible

communities outside the program (if located adjacent to a more prosperous community, for example). The law requires 3 percent of contracts be awarded annually to HUBZone firms, but in 2016, only 1.67 percent of federal contracting dollars were awarded to these businesses.

- The bill gives state governors the power to petition SBA to create a new HUBZone area in places where the unemployment rate is 120 percent of the national average. It also requires SBA to approve or deny a HUBZone application from a small business within 60 days and lowers the threshold of employees who must live in a HUBZone to 33 percent (from 35 percent).

S. 154, Small Business Relief from Disease Induced Economic Hardship Act of 2017 – Senators Rubio and Nelson

- When the Zika virus reached pandemic status in 2016, many small businesses in South Florida shut down after the Centers for Disease Control and Prevention issued a travel alert.
- The bill expands the definition of a disaster for which SBA may provide disaster assistance loans to include communicable diseases the federal government has issued a travel alert or travel warning. Disaster assistance loans could be used to mitigate the economic damage to small businesses caused by a disease induced travel alert or warning.

S. 650, Support Small Business R&D Act of 2017 – Senators Coons and Roberts

- Until recently, the federal R&D tax credit could only be used to offset a company's income tax liability. Because many startups are not yet profitable and have no tax liability, the R&D credit was expanded in 2015 to allow small businesses to instead claim the credit against the alternative minimum tax or employment taxes. Many small businesses and entrepreneurs remain unaware of their eligibility to claim the R&D credit.
- The bill requires SBA to create a program with the Internal Revenue Service to educate and train owners of small businesses and innovative startups about the availability of the federal R&D tax credit.

S. 690, HUBZone Investment Protection Act – Senators Cardin, Risch, Shaheen, Hirono, Van Hollen, King, Brown and Peters

- SBA’s HUBZone program helps small businesses located in urban and rural communities with low household incomes and high unemployment gain preferential access to federal contract opportunities.
- The bill increases the amount of time (from three to seven years) that a geographic area may temporarily keep its status as a HUBZone when the area no longer meets the program’s criteria (due to changing census data, for example).

S. 1038, Utilization of small businesses for federal contracts – Senators Ernst, Hirono and Gillibrand

- A 2015 report issued by the U.S. Department of Commerce showed the odds of a women-owned small business (WOSB) winning a federal contract are 21 percent lower than that of their male counterparts. WOSBs are also less likely to win contracts in industries that receive the majority of federal contract dollars.
- The bill directs SBA to conduct a comprehensive study on WOSB participation in multiple award contracts from the federal government and examine the participation of all other socioeconomic categories of small businesses, including service-disabled veteran-owned small businesses and those participating in the HUBZone program.

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