

117TH CONGRESS
2D SESSION

S. 4701

To provide cybersecurity support for small business concerns through the small business development center program, and for other purposes.

IN THE SENATE OF THE UNITED STATES

AUGUST 2, 2022

Ms. HASSAN introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

A BILL

To provide cybersecurity support for small business concerns through the small business development center 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 Act may be cited as the “Small Businesses Cy-
5 bersecurity Act”.

6 **SEC. 2. SMALL BUSINESS CYBERSECURITY GRANTS.**

7 Section 21 of the Small Business Act (15 U.S.C. 648)
8 is amended by adding at the end the following:

9 “(o) CYBERSECURITY GRANTS.—

10 “(1) DEFINITIONS.—In this section:

1 “(A) RURAL AREA.—The term ‘rural area’
2 has the meaning given the term in section
3 343(a) of the Consolidated Farm and Rural
4 Development Act (7 U.S.C. 1991(a)).

5 “(B) SMALL STATE.—The term ‘small
6 State’ means any State that is minimally fund-
7 ed by the funding formula of the Small Busi-
8 ness Development Center Program under sub-
9 section (a)(4)(C).

10 “(C) STATE.—The term ‘State’ means
11 each of the several States, the District of Co-
12 lumbia, and any territory or possession of the
13 United States.

14 “(2) GRANTS.—

15 “(A) IN GENERAL.—The Administrator
16 shall establish a grant program under which the
17 Administrator may award grants on a non-
18 competitive basis to small business development
19 centers to support the cybersecurity needs of
20 the small business concerns served by the small
21 business development centers.

22 “(B) GRANT CRITERIA.—In awarding
23 grants under this subsection, the Administrator
24 may consider the following criteria:

1 “(i) The plan of the small business
2 development center for the use of the grant
3 funds, including how funds would benefit
4 small business concerns in rural areas.

5 “(ii) Evidence submitted by the small
6 business development center that the grant
7 would increase the cybersecurity of the
8 small business concerns that the small
9 business development center serves, includ-
10 ing evidence of past success in offering cy-
11 bersecurity support to small business con-
12 cerns.

13 “(C) APPLICATIONS.—To be eligible for a
14 grant under this subsection, a small business
15 development center shall submit to the Admin-
16 istrator an application in such form, at such
17 time, and containing such information as the
18 Administrator determines is appropriate.

19 “(D) USE OF FUNDS.—A small business
20 development center may use amounts received
21 under a grant under this subsection to support
22 the cybersecurity of the small business concerns
23 served by the small business development cen-
24 ter, including—

1 “(i) cybersecurity training for employ-
 2 ees of the small business concerns;

3 “(ii) reviews of the cybersecurity poli-
 4 cies, plans, and procedures used by the
 5 small business concerns, including tabletop
 6 exercises to test the policies, plans, and
 7 procedures;

8 “(iii) testing of the cybersecurity
 9 standing of the small business concerns,
 10 including via penetration testing; and

11 “(iv) hiring consultants to support the
 12 cybersecurity needs of the small business
 13 concerns.

14 “(E) GRANT AMOUNT.—

15 “(i) FORMULA.—The Administrator
 16 shall establish a 3-tier formula for grant
 17 funding distribution based on the locations
 18 of small business development centers in
 19 one of the following categories:

20 “(I) Small States.

21 “(II) Medium-sized States, as de-
 22 fined by the Administrator.

23 “(III) Large States, as defined
 24 by the Administrator.

1 “(ii) MAXIMUM AMOUNT.—The max-
 2 imum amount of a grant under this sub-
 3 section shall be, for a small business devel-
 4 opment center located in—

5 “(I) a small State, \$200,000;

6 “(II) a medium-sized State,
 7 \$300,000; or

8 “(III) a large State, \$400,000.

9 “(F) DURATION OF GRANT.—The period
 10 of a grant under this subsection shall be 1 fis-
 11 cal year.

12 “(G) ANNOUNCEMENT OF GRANT PRO-
 13 GRAM.—The Administrator shall make widely
 14 available to the public information on the grant
 15 program under this subsection.

16 “(3) AUTHORIZATION OF APPROPRIATIONS.—
 17 There are authorized to be appropriated to carry out
 18 this subsection \$20,000,000 for fiscal year 2023 and
 19 each fiscal year thereafter, to remain available until
 20 expended.”.

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