

building grant program to provide assistance from the Administration in the form of grants to qualified organizations in accordance with this chapter.

(Pub. L. 103-325, title I, §173, as added Pub. L. 106-102, title VII, §725, Nov. 12, 1999, 113 Stat. 1473.)

#### § 6903. Uses of assistance

A qualified organization shall use grants made under this chapter—

(1) to provide training and technical assistance to disadvantaged entrepreneurs;

(2) to provide training and capacity building services to microenterprise development organizations and programs and groups of such organizations to assist such organizations and programs in developing microenterprise training and services;

(3) to aid in researching and developing the best practices in the field of microenterprise and technical assistance programs for disadvantaged entrepreneurs; and

(4) for such other activities as the Administrator determines are consistent with the purposes of this chapter.

(Pub. L. 103-325, title I, §174, as added Pub. L. 106-102, title VII, §725, Nov. 12, 1999, 113 Stat. 1473.)

#### § 6904. Qualified organizations

For purposes of eligibility for assistance under this chapter, a qualified organization shall be—

(1) a nonprofit microenterprise development organization or program (or a group or collaborative thereof) that has a demonstrated record of delivering microenterprise services to disadvantaged entrepreneurs;

(2) an intermediary;

(3) a microenterprise development organization or program that is accountable to a local community, working in conjunction with a State or local government or Indian tribe; or

(4) an Indian tribe acting on its own, if the Indian tribe can certify that no private organization or program referred to in this paragraph exists within its jurisdiction.

(Pub. L. 103-325, title I, §175, as added Pub. L. 106-102, title VII, §725, Nov. 12, 1999, 113 Stat. 1473.)

#### § 6905. Allocation of assistance; subgrants

##### (a) Allocation of assistance

###### (1) In general

The Administrator shall allocate assistance from the Administration under this chapter to ensure that—

(A) activities described in section 6903(1) of this title are funded using not less than 75 percent of amounts made available for such assistance; and

(B) activities described in section 6903(2) of this title are funded using not less than 15 percent of amounts made available for such assistance.

###### (2) Limit on individual assistance

No single person may receive more than 10 percent of the total funds appropriated under this chapter in a single fiscal year.

##### (b) Targeted assistance

The Administrator shall ensure that not less than 50 percent of the grants made under this chapter are used to benefit very low-income persons, including those residing on Indian reservations.

##### (c) Subgrants authorized

###### (1) In general

A qualified organization receiving assistance under this chapter may provide grants using that assistance to qualified small and emerging microenterprise organizations and programs, subject to such rules and regulations as the Administrator determines to be appropriate.

###### (2) Limit on administrative expenses

Not more than 7.5 percent of assistance received by a qualified organization under this chapter may be used for administrative expenses in connection with the making of subgrants under paragraph (1).

##### (d) Diversity

In making grants under this chapter, the Administrator shall ensure that grant recipients include both large and small microenterprise organizations, serving urban, rural, and Indian tribal communities serving diverse populations.

##### (e) Prohibition on preferential consideration of certain SBA program participants

In making grants under this chapter, the Administrator shall ensure that any application made by a qualified organization that is a participant in the program established under section 636(m) of this title does not receive preferential consideration over applications from other qualified organizations that are not participants in such program.

(Pub. L. 103-325, title I, §176, as added Pub. L. 106-102, title VII, §725, Nov. 12, 1999, 113 Stat. 1473.)

#### § 6906. Matching requirements

##### (a) In general

Financial assistance under this chapter shall be matched with funds from sources other than the Federal Government on the basis of not less than 50 percent of each dollar provided by the Administration.

##### (b) Sources of matching funds

Fees, grants, gifts, funds from loan sources, and in-kind resources of a grant recipient from public or private sources may be used to comply with the matching requirement in subsection (a) of this section.

##### (c) Exception

###### (1) In general

In the case of an applicant for assistance under this chapter with severe constraints on available sources of matching funds, the Administrator may reduce or eliminate the matching requirements of subsection (a) of this section.

###### (2) Limitation

Not more than 10 percent of the total funds made available from the Administration in