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119TH CONGRESS
1ST SESSION

H. R. 2993

To establish a position in the Small Business Administration to provide to small businesses assistance with establishing employee stock ownership plans, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 24, 2025

Mr. CASE (for himself, Mr. BRESNAHAN, and Ms. TLAIB) introduced the following bill; which was referred to the Committee on Small Business

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A BILL

To establish a position in the Small Business Administration to provide to small businesses assistance with establishing employee stock ownership plans, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the "ESOP Funding for SBA Position Act of 2025".

SEC. 2. ESTABLISHMENT OF ESOP SUPPORT POSITION.

(a) IN GENERAL.—There is established in the Administration a position in the competitive service (as such term is defined in section 2102 of title 5, United States Code) which shall be appointed by the Administrator and responsible for providing small business concerns assistance with establishing employee stock ownership plans.

(b) RESPONSIBILITIES.—The responsibilities of the position established under subsection (a) include—

(1) providing guidance to small business concerns on establishing employee stock ownership plans, including tax treatment of such plans, regulatory compliance, stock valuation, and opportunities to acquire funding to establish such a plan;

(2) coordinating with relevant public and private entities to provide assistance and resources for establishing employee stock ownership plans that are tailored for small business concerns;

(3) coordinating with the relevant personnel at the Department of Labor to assist small business concerns establishing employee stock ownership plans with compliance with all relevant regulatory requirements;

(4) advocating for appropriate guidance from relevant Federal agencies, including the Department of Labor, regarding regulations relating to establishing and maintaining employee stock ownership

plans, including regulations regarding stock valuation and employee ownership; and

(5) such other responsibilities as determined appropriate by the Administrator.

SEC. 3. REPORTING.

Not later than one year after the date of the enactment of this Act, and annually thereafter, the Administrator shall submit to Congress a report on the activities of the position established under section 2(a), including the number of small business concerns that have received assistance from such position, the types of assistance and resources provided to small business concerns by such position, and any policy recommendations for improving the process for small business concerns to establish and maintain employee stock ownership plans.

SEC. 4. DEFINITIONS.

In this Act:

(1) ADMINISTRATION.—The term ''Administration'' means the Small Business Administration.

(2) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the Administration.

(3) EMPLOYEE STOCK OWNERSHIP PLAN.—The term ''employee stock ownership plan'' has the meaning given such term in section 4975(e)(7) of

the Internal Revenue Code of 1986 (26 U.S.C. 4975(e)(7)).

(4) SMALL BUSINESS CONCERN.—The term "small business concern" has the meaning given such term under section 3 of the Small Business Act (15 U.S.C. 632).

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated such sums as are necessary to carry out this Act, except that, for the fiscal year in which this Act is enacted, there is authorized $500,000 to carry out this Act.

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