

Union Calendar No. 462

104<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

**H. R. 3158**

[Report No. 104-850]

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## **A BILL**

To amend the Small Business Act to extend the pilot Small Business Technology Transfer program, and for other purposes.

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SEPTEMBER 26, 1996

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 25, 1996

Mrs. MEYERS of Kansas (for herself, Mr. POSHARD, Mr. TORKILDSEN, and Mr. LAFALCE) introduced the following bill; which was referred to the Committee on Small Business

SEPTEMBER 26, 1996

Reported with an amendment, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Strike out all after the enacting clause and insert the part printed in italics]

[For text of introduced bill, see copy of bill as introduced on March 25, 1996]

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## A BILL

To amend the Small Business Act to extend the pilot Small Business Technology Transfer 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,*

1 **SECTION 1. SHORT TITLE.**

2       *This Act may be cited as the “Pilot Small Business*  
3 *Technology Transfer Program Extension Act of 1996”.*

4 **SEC. 2. PROGRAM EXTENSION.**

5       *Section 9(n) of the Small Business Act (15 U.S.C.*  
6 *638(n)) is amended—*

7           *(1) in paragraph (1)—*

8                   *(A) by striking “in fiscal year 1994, 1995,*  
9 *or 1996,”;*

10                   *(B) by striking “and” at the end of sub-*  
11 *paragraph (B);*

12                   *(C) by striking the comma at the end of*  
13 *subparagraph (C) and inserting “; and”; and*

14                   *(D) by inserting after subparagraph (C) the*  
15 *following new subparagraph:*

16                           *“(D) not less than 0.25 percent of such*  
17 *budget in fiscal year 1997 and each succeeding*  
18 *fiscal year,”; and*

19                   *(2) by adding at the end the following new para-*  
20 *graph:*

21                           *“(4) PROGRAM EXPIRATION.—Authorization to*  
22 *carry out the STTR program pursuant to this sub-*  
23 *section (and subsections (o) and (p) of this section)*  
24 *shall expire on September 30, 2000.”.*

1 **SEC. 3. ASSESSMENT BY THE COMPTROLLER GENERAL.**

2       (a) *ASSESSMENT REQUIRED.*—*The Comptroller Gen-*  
3 *eral of the United States shall conduct an assessment of the*  
4 *ongoing implementation of the Small Business Innovation*  
5 *Research (SBIR) program and the pilot Small Business*  
6 *Technology Transfer (STTR) program. The assessment*  
7 *shall address the following issues with respect to each pro-*  
8 *gram:*

9           (1) *The extent of competition and the quality of*  
10 *proposals submitted for the award of SBIR and*  
11 *STTR agreements, and the quality of subsequent per-*  
12 *formance by the recipients of such awards.*

13           (2) *Whether any adverse effects on the research*  
14 *or research and development programs of any spon-*  
15 *soring agency are attributable to the agency's partici-*  
16 *pation in the SBIR program or the pilot STTR pro-*  
17 *gram.*

18           (3) *Whether any awards by a sponsoring agency*  
19 *in each fiscal year represent the applicable percent-*  
20 *ages of such agency's extramural budget, identifying*  
21 *any systemic management weaknesses contributing to*  
22 *such limitation on implementation.*

23           (4) *Any management techniques initiated by*  
24 *sponsoring agencies that attempt to minimize delays*  
25 *between the successful completion of a Phase I agree-*  
26 *ment and the award (and commencement of perform-*

1        *ance) under a Phase II agreement or ameliorate the*  
2        *adverse effects of such delays.*

3                *(5) The implementation of Phase III by partici-*  
4        *parting agencies, including awards in support of*  
5        *Phase III and other techniques adopted by the agen-*  
6        *cies to foster commercialization.*

7                *(6) The extent to which small business partici-*  
8        *pants in each program, especially recipients of STTR*  
9        *awards, utilize the results of research undertaken for*  
10        *Federal agencies by universities, federally funded re-*  
11        *search and development centers, and other research*  
12        *institutions, and the extent to which the results were*  
13        *subsequently developed by such small firms to meet*  
14        *the needs of Federal, State, and local government or*  
15        *advanced to use in the commercial marketplace.*

16                *(7) Whether the required and structured collabo-*  
17        *ration between a small business and a research insti-*  
18        *tution under the pilot STTR program is necessary in*  
19        *light of the experiences with voluntary collaborations*  
20        *under the SBIR program.*

21                *(8) Any duplication between the SBIR program*  
22        *and the pilot STTR program.*

23                *(9) The extent to which each agency participat-*  
24        *ing in the SBIR program has complied with the pol-*  
25        *icy directives to enhance outreach efforts to increase*

1        *the participation of socially and economically dis-*  
2        *advantaged small business concerns and women-*  
3        *owned small business concerns issued under section*  
4        *(9)(j)(2)(F) of the Small Business Act (15 U.S.C.*  
5        *638(j)(2)(F)) and the extent to which each agency*  
6        *participating in the STTR program has made out-*  
7        *reach efforts to increase the participation of such con-*  
8        *cerns in the agency's STTR program.*

9                *(10) Any other relevant information as deter-*  
10              *mined by the Comptroller General.*

11        *(b) PERIOD OF ASSESSMENT.—The assessment re-*  
12        *quired by subsection (a) shall focus on the implementation*  
13        *of each program during the period beginning October 1,*  
14        *1995, and ending September 30, 1999.*

15        *(c) REPORT.—*

16                *(1) SUBMISSION OF REPORT.—The Comptroller*  
17        *General shall submit a report of the assessment re-*  
18        *quired by subsection (a) to the Committees on Small*  
19        *Business of the Senate and House of Representatives*  
20        *not later than February 1, 2000.*

21                *(2) APPENDICES TO REPORT.—The report shall*  
22        *include—*

23                        *(A) an appendix summarizing the findings*  
24                        *of previous reports issued by the Comptroller*

1           *General with respect to the SBIR program and*  
2           *the pilot STTR program; and*

3                   *(B) an appendix listing reports of other as-*  
4                   *sessments of the SBIR program or the pilot*  
5                   *STTR program issued by the Small Business*  
6                   *Administration, any of the sponsoring agencies,*  
7                   *and any other entities determined by the Comp-*  
8                   *troller General to be useful resources to the Con-*  
9                   *gress in evaluating each program for reauthor-*  
10                  *ization.*

11 **SEC. 4. INTERAGENCY TASK FORCE ON COMMERCIALIZA-**  
12                   **TION.**

13           *(a) IN GENERAL.—The Administrator of the Small*  
14           *Business Administration shall convene and supervise an*  
15           *interagency task force on fostering commercialization of the*  
16           *results of projects being undertaken by small business con-*  
17           *cerns through the SBIR program and the pilot STTR pro-*  
18           *gram.*

19           *(b) DUTIES.—The interagency task force shall—*

20                   *(1) review existing studies and analyses and con-*  
21                   *duct independent assessments, as may be appropriate,*  
22                   *regarding the obstacles faced by small business entre-*  
23                   *preneurs seeking to commercialize results of basic re-*  
24                   *search or research and development undertaken*  
25                   *through Federal funding;*

1           (2) *devise recommendations to overcome (or minimize the effects of) such obstacles; and*

2  
3           (3) *address other matters that the Administrator determines are appropriate to ensure a comprehensive analysis and the development of practical recommendations.*

4  
5  
6  
7       (c) *PARTICIPATION.—*

8           (1) *TASK FORCE MEMBERSHIP.—The interagency task shall include participation by representatives of—*

9  
10  
11           (A) *the Office of the Chief Counsel for Advocacy of the Small Business Administration;*

12  
13           (B) *the 5 Executive agencies having the greatest dollar value of awards under the SBIR program in fiscal year 1995;*

14  
15  
16           (C) *the Executive agencies participating in the pilot STTR program in fiscal year 1995;*

17  
18           (D) *the Office of Science and Technology Policy, Executive Office of the President; and*

19  
20           (E) *any other Executive agencies invited by the Administrator.*

21  
22           (2) *PUBLIC PARTICIPATION.—In undertaking its assessments and fashioning its recommendations, the interagency task force shall provide opportunities for consultation with representatives of—*

23  
24  
25



1           (A) *small businesses and other entities that*  
2           *have participated in the SBIR program or the*  
3           *pilot STTR program;*

4           (B) *organizations representing small busi-*  
5           *ness concerns;*

6           (C) *organizations representing venture cap-*  
7           *ital sources, especially those focusing on the*  
8           *needs of small high-technology entrepreneurs;*  
9           *and*

10           (D) *any other public or private entities that*  
11           *the Administrator determines are appropriate.*

12           (d) *SCHEDULE.—*

13           (1) *NOTICE AND INITIAL CALL FOR PUBLIC PAR-*  
14           *TICIPATION.—Not earlier than May 1, 1997, the Ad-*  
15           *ministrator shall publish in the Federal Register (and*  
16           *through other means likely to result in broad dissemi-*  
17           *nation) a notice, which at a minimum, announces the*  
18           *existence of the interagency task force, identifies the*  
19           *members of task force, summarizes purposes and ob-*  
20           *jectives of the task force, requests suggestions and rec-*  
21           *ommendations from the public regarding the work of*  
22           *the task force, providing at least 180 days to make a*  
23           *submission in response to such notice, and announces*  
24           *any schedule of meetings of the task force or other*  
25           *public meetings.*

1           (2) *ONGOING PUBLIC PARTICIPATION.*—*In con-*  
2           *ducting its assessments and fashioning its rec-*  
3           *ommendations the task force shall make every reason-*  
4           *able effort to solicit ideas from the public.*

5           *(e) REPORT.*—*Not later than March 1, 1999, the Ad-*  
6           *ministrator shall submit to the Committees on Small Busi-*  
7           *ness of the Senate and House of Representatives a report*  
8           *of the work of the interagency task force, including such*  
9           *recommendations for legislative or administrative action.*

10 **SEC. 5. TECHNICAL CORRECTION.**

11           *Section 9(e)(4)(A) of the Small Business Act (15*  
12           *U.S.C. 638(e)(4)(A)) is amended by striking “(B)(i)” and*  
13           *inserting “(B)”.*