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S. 3362

[Report No. 110-447]

To reauthorize and improve the SBIR and STTR programs, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 29 (legislative day, JULY 28), 2008

Mr. KERRY (for himself, Ms. SNOWE, Mr. LIEBERMAN, Ms. LANDRIEU, Mr. BAYH, Mr. CARDIN, Mr. COLEMAN, Mr. LEVIN, and Mr. BROWN) introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

AUGUST 22 (legislative day, AUGUST 1), 2008

Reported under authority of the order of the Senate of August 1, 2008, by Mr. KERRY, without amendment

A BILL

To reauthorize and improve the SBIR and STTR programs,
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 “SBIR/STTR Reau-
5 thorization Act of 2008”.

1 SEC. 2. TABLE OF CONTENTS.

2 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. Definitions.

TITLE I—REAUTHORIZATION OF THE SBIR AND STTR PROGRAMS

- Sec. 101. Extension of termination dates.
- Sec. 102. Status of the office of technology.
- Sec. 103. SBIR cap increase.
- Sec. 104. STTR cap increase.
- Sec. 105. SBIR and STTR award levels.
- Sec. 106. Agency and program collaboration.
- Sec. 107. Elimination of Phase II invitations.
- Sec. 108. Majority-venture investments in SBIR firms.
- Sec. 109. SBIR and STTR special acquisition preference.
- Sec. 110. Collaborating with Federal laboratories and research and development centers.
- Sec. 111. Notice requirement.

TITLE II—OUTREACH AND COMMERCIALIZATION INITIATIVES

- Sec. 201. Rural and State outreach.
- Sec. 202. SBIR–STEM Workforce Development Grant Pilot Program.
- Sec. 203. Technical assistance for awardees.
- Sec. 204. Commercialization pilot program at Department of Defense.
- Sec. 205. Commercialization Pilot Program for civilian agencies.
- Sec. 206. Nanotechnology initiative.
- Sec. 207. Accelerating cures.

TITLE III—OVERSIGHT AND EVALUATION

- Sec. 301. Streamlining annual evaluation requirements.
- Sec. 302. Data collection from agencies for SBIR.
- Sec. 303. Data collection from agencies for STTR.
- Sec. 304. Public database.
- Sec. 305. Government database.
- Sec. 306. Accuracy in funding base calculations.
- Sec. 307. Continued evaluation by the National Academy of Sciences.
- Sec. 308. Technology insertion reporting requirements.
- Sec. 309. Intellectual property protections.

TITLE IV—POLICY DIRECTIVES

- Sec. 401. Conforming amendments to the SBIR and the STTR policy directives.

3 SEC. 3. DEFINITIONS.

4 In this Act—

1 (1) the terms “Administration” and “Adminis-
2 trator” mean the Small Business Administration
3 and the Administrator thereof, respectively;

4 (2) the terms “extramural budget”, “Federal
5 agency”, “Small Business Innovation Research Pro-
6 gram”, “SBIR”, “Small Business Technology
7 Transfer Program”, and “STTR” have the mean-
8 ings given such terms in section 9 of the Small Busi-
9 ness Act (15 U.S.C. 638); and

10 (3) the term “small business concern” has the
11 same meaning as under section 3 of the Small Busi-
12 ness Act (15 U.S.C. 632).

13 **TITLE I—REAUTHORIZATION OF** 14 **THE SBIR AND STTR PROGRAMS**

15 **SEC. 101. EXTENSION OF TERMINATION DATES.**

16 (a) SBIR.—Section 9(m) of the Small Business Act
17 (15 U.S.C. 638(m)) is amended by striking “2008” and
18 inserting “2022”.

19 (b) STTR.—Section 9(n)(1)(A) of the Small Busi-
20 ness Act (15 U.S.C. 638(n)(1)(A)) is amended by striking
21 “2009” and inserting “2023”.

22 **SEC. 102. STATUS OF THE OFFICE OF TECHNOLOGY.**

23 Section 9(b) of the Small Business Act (15 U.S.C.
24 638(b)) is amended—

1 (1) in paragraph (7), by striking “and” at the
2 end;

3 (2) in paragraph (8), by striking the period at
4 the end and inserting “; and”;

5 (3) by redesignating paragraph (8) as para-
6 graph (9); and

7 (4) by adding at the end the following:

8 “(10) to maintain an Office of Technology—

9 “(A) to carry out its responsibilities under
10 this section, headed by the Assistant Adminis-
11 trator for Technology, who shall report directly
12 to the Administrator; and

13 “(B) which shall be independent from the
14 Office of Government Contracting and suffi-
15 ciently staffed and funded to comply with the
16 oversight, reporting, and public database re-
17 sponsibilities assigned to the Office of Tech-
18 nology by the Administrator.”.

19 **SEC. 103. SBIR CAP INCREASE.**

20 Section 9(f) of the Small Business Act (15 U.S.C.
21 638(f)) is amended—

22 (1) in paragraph (1)—

23 (A) in subparagraph (B), by striking
24 “and” at the end; and

1 (B) by striking subparagraph (C) and in-
2 serting the following:

3 “(C) not less than 2.5 percent of such
4 budget in fiscal year 2009;

5 “(D) not less than 2.6 percent of such
6 budget in fiscal year 2010;

7 “(E) not less than 2.7 percent of such
8 budget in fiscal year 2011;

9 “(F) not less than 2.8 percent of such
10 budget in fiscal year 2012;

11 “(G) not less than 2.9 percent of such
12 budget in fiscal year 2013;

13 “(H) not less than 3.0 percent of such
14 budget in fiscal year 2014;

15 “(I) not less than 3.1 percent of such
16 budget in fiscal year 2015;

17 “(J) not less than 3.2 percent of such
18 budget in fiscal year 2016;

19 “(K) not less than 3.3 percent of such
20 budget in fiscal year 2017;

21 “(L) not less than 3.4 percent of such
22 budget in fiscal year 2018; and

23 “(M) not less than 3.5 percent of such
24 budget in fiscal year 2019 and each fiscal year
25 thereafter,”; and

1 (2) in paragraph (2)—

2 (A) by redesignating subparagraphs (A)
3 and (B) as clauses (i) and (ii), respectively, and
4 adjusting the margins accordingly;

5 (B) by striking “A Federal agency” and
6 inserting the following:

7 “(A) IN GENERAL.—A Federal agency”;

8 and

9 (C) by adding at the end the following:

10 “(B) DEPARTMENT OF DEFENSE AND DE-
11 PARTMENT OF ENERGY.—For the Department
12 of Defense and the Department of Energy, to
13 the greatest extent practicable, the increased
14 percentage of expenditures required under sub-
15 paragraphs (D) through (M) of paragraph (1)
16 shall not be used for new Phase I or Phase II
17 awards and shall be used for activities that fur-
18 ther the technology readiness levels of tech-
19 nologies being developed under Phase II
20 awards, including to conduct testing and eval-
21 uation, in order to promote the transition of
22 such technologies into commercial or defense
23 products or systems furthering the mission
24 needs of the Department of Defense or the De-
25 partment of Energy, as the case may be.

1 “(C) DEPARTMENT OF HEALTH AND
2 HUMAN SERVICES.—Subparagraphs (D)
3 through (M) of paragraph (1) shall not apply to
4 the Department of Health and Human Services.
5 For fiscal year 2009, and each fiscal year there-
6 after, the Department of Health and Human
7 Services shall expend with small business con-
8 cerns not less than 2.5 percent of the extra-
9 mural budget for research or research and de-
10 velopment of the department of Health and
11 Human Services.”.

12 **SEC. 104. STTR CAP INCREASE.**

13 Section 9(n)(1)(B) of the Small Business Act (15
14 U.S.C. 638(n)(1)(B)) is amended—

15 (1) in clause (i), by striking “and” at the end;

16 (2) in clause (ii), by striking “thereafter.” and
17 inserting “through fiscal year 2009;”; and

18 (3) by adding at the end the following:

19 “(iii) 0.4 percent for fiscal years 2010
20 and 2011;

21 “(iv) 0.5 percent for fiscal years 2012
22 and 2013; and

23 “(v) 0.6 percent for fiscal year 2014
24 and each fiscal year thereafter.”.

1 **SEC. 105. SBIR AND STTR AWARD LEVELS.**

2 (a) SBIR ADJUSTMENTS.—Section 9(j)(2)(D) of the
3 Small Business Act (15 U.S.C. 638(j)(2)(D)) is amend-
4 ed—

5 (1) by striking “\$100,000” and inserting
6 “\$150,000”; and

7 (2) by striking “\$750,000” and inserting
8 “\$1,000,000”.

9 (b) STTR ADJUSTMENTS.—Section 9(p)(2)(B)(ix) of
10 the Small Business Act (15 U.S.C. 638(p)(2)(B)(ix)) is
11 amended—

12 (1) by striking “\$100,000” and inserting
13 “\$150,000”; and

14 (2) by striking “\$750,000” and inserting
15 “\$1,000,000”.

16 (c) TRIENNIAL ADJUSTMENTS.—Section 9 of the
17 Small Business Act (15 U.S.C. 638) is amended—

18 (1) in subsection (j)(2)(D)—

19 (A) by striking “5 years” and inserting “3
20 years”; and

21 (B) by striking “and programmatic consid-
22 erations”; and

23 (2) in subsection (p)(2)(B)(ix) by striking
24 “greater or lesser amounts to be awarded at the dis-
25 cretion of the awarding agency,” and inserting “and

1 an adjustment for inflation of such amounts once
2 every 3 years.”.

3 (d) LIMITATION ON CERTAIN AWARDS.—Section 9 of
4 the Small Business Act (15 U.S.C. 638) is amended by
5 adding at the end the following:

6 “(aa) LIMITATION ON CERTAIN AWARDS.—No Fed-
7 eral agency may issue an award under the SBIR program
8 or the STTR program if the size of the award exceeds
9 the award guidelines established under this section by
10 more than 50 percent. Participating agencies shall main-
11 tain information on awards exceeding the guidelines, in-
12 cluding award amounts, justification for exceeding the
13 amount, identities and locations of recipients, whether a
14 recipient has received venture capital investment and, if
15 so, if the recipient is majority-owned and controlled by
16 multiple venture capital companies, and the Administra-
17 tion shall include such information in its annual report
18 to Congress.”.

19 **SEC. 106. AGENCY AND PROGRAM COLLABORATION.**

20 Section 9 of the Small Business Act (15 U.S.C. 638),
21 as amended by this Act, is amended by adding at the end
22 the following:

23 “(bb) SUBSEQUENT PHASES.—

24 “(1) AGENCY COLLABORATION.—A small busi-
25 ness concern that received an award from a Federal

1 agency under this section shall be eligible to receive
2 an award for a subsequent phase from another Fed-
3 eral agency, if the head of each relevant Federal
4 agency or its component makes a written determina-
5 tion that the topics of the relevant awards are the
6 same and both agencies report the awards to the Ad-
7 ministration for inclusion in the public database
8 under subsection (k).

9 “(2) SBIR AND STTR COLLABORATION.—A
10 small business concern which received an award
11 under this section under the SBIR program or the
12 STTR program may receive an award under this
13 section for a subsequent phase in either the SBIR
14 program or the STTR program and the partici-
15 pating agency or agencies shall report the awards to
16 the Administration for inclusion in the public data-
17 base under subsection (k).”.

18 **SEC. 107. ELIMINATION OF PHASE II INVITATIONS.**

19 Section 9(e) of the Small Business Act (15 U.S.C.
20 638(e)) is amended—

21 (1) in paragraph (4)(B), by striking “to fur-
22 ther” and inserting: “not encumbered by any invita-
23 tion, pre-screening, pre-selection, or down-selection
24 process between the first phase and the second
25 phase that will further”; and

1 (2) in paragraph (6)(B), by striking “to further
2 develop proposed ideas to” and inserting “not en-
3 cumbered by any invitation, pre-screening, pre-selec-
4 tion, or down-selection process between the first
5 phase and the second phase that will further develop
6 proposals which”.

7 **SEC. 108. MAJORITY-VENTURE INVESTMENTS IN SBIR**
8 **FIRMS.**

9 (a) **IN GENERAL.**—Section 9 of the Small Business
10 Act (15 U.S.C. 638), as amended by this Act, is amended
11 by adding at the end the following:

12 “(cc) **MAJORITY-VENTURE INVESTMENTS IN SBIR**
13 **FIRMS.**—

14 “(1) **AUTHORITY AND DETERMINATION.**—

15 “(A) **IN GENERAL.**—Upon a written deter-
16 mination provided not later than 30 days in ad-
17 vance to the Administrator and to the Com-
18 mittee on Small Business and Entrepreneurship
19 of the Senate and the Committee on Small
20 Business of the House of Representatives—

21 “(i) the head of the SBIR program of
22 the National Institutes of Health may
23 award not more than 18 percent of the
24 SBIR funds of the National Institutes of
25 Health allocated in accordance with this

1 Act, in the first full fiscal year beginning
2 after the date of enactment of this sub-
3 section, and each fiscal year thereafter, to
4 small business concerns that are owned in
5 majority part by venture capital companies
6 and that satisfy the qualification require-
7 ments under paragraph (2) through com-
8 petitive, merit-based procedures that are
9 open to all eligible small business concerns;
10 and

11 “(ii) the head of any other Federal
12 agency participating in the SBIR program
13 may award not more than 8 percent of the
14 SBIR funds of the Federal agency allo-
15 cated in accordance with this Act, in the
16 first full fiscal year beginning after the
17 date of enactment of this subsection, and
18 each fiscal year thereafter, to small busi-
19 ness concerns that are owned in majority
20 part by venture capital companies and that
21 satisfy the qualification requirements
22 under paragraph (2) through competitive,
23 merit-based procedures that are open to all
24 eligible small business concerns.

1 “(B) DETERMINATION.—A written deter-
2 mination under subparagraph (A) shall dem-
3 onstrate that the use of the authority under
4 that subparagraph will induce additional ven-
5 ture capital funding of small business innova-
6 tions, substantially contribute to the mission of
7 the funding Federal agency, demonstrate a
8 need for public research, and otherwise fulfill
9 the capital needs of small business concerns for
10 additional financing for the SBIR project.

11 “(2) QUALIFICATION REQUIREMENTS.—The
12 Administrator shall establish requirements relating
13 to the affiliation by small business concerns with
14 venture capital companies, which may not exclude a
15 United States small business concern from participa-
16 tion in the program under paragraph (1) on the
17 basis that the small business concern is owned in
18 majority part by, or controlled by, more than 1
19 United States venture capital company, so long as
20 no single venture capital company owns more than
21 49 percent of the small business concern.

22 “(3) REGISTRATION.—Any small business con-
23 cern that is majority owned and controlled by mul-
24 tiple venture capital companies and qualified for

1 participation in the program authorized under para-
2 graph (1) shall—

3 “(A) register with the Administrator on
4 the date that the small business concern sub-
5 mits an application for an award under the
6 SBIR program; and

7 “(B) indicate whether the small business
8 concern is registered under subparagraph (A) in
9 any SBIR proposal.

10 “(4) COMPLIANCE.—A Federal agency de-
11 scribed in paragraph (1) shall collect data regarding
12 the number and dollar amounts of phase I, phase II,
13 and all other categories of awards under the SBIR
14 program, and the Administrator shall report on the
15 data and the compliance of each such Federal agen-
16 cy with the maximum amounts under paragraph (1)
17 as part of the annual report by the Administration
18 under subsection (b)(7).

19 “(5) ENFORCEMENT.—If a Federal agency
20 awards more than the amount authorized under
21 paragraph (1) for a purpose described in paragraph
22 (1), the amount awarded in excess of the amount
23 authorized under paragraph (1) shall be transferred
24 to the funds for general SBIR programs from the
25 non-SBIR research and development funds of the

1 Federal agency within 60 days of the date on which
2 the Federal agency awarded more than the amount
3 authorized under paragraph (1) for a purpose de-
4 scribed in paragraph (1).”.

5 (b) TECHNICAL AND CONFORMING AMENDMENT.—
6 Section 3 of the Small Business Act (15 U.S.C. 632) is
7 amended by adding at the end the following:

8 “(t) VENTURE CAPITAL COMPANY.—In this Act, the
9 term ‘venture capital company’ means an entity described
10 in clause (i), (v), or (vi) of section 121.103(b) of title 13,
11 Code of Federal Regulations (or any successor thereto).”.

12 (c) ASSISTANCE FOR DETERMINING AFFILIATES.—
13 Not later than 30 days after the date of enactment of this
14 Act, the Administrator shall post on the website of the
15 Administration (with a direct link displayed on the home-
16 page of the website of the Administration or the SBIR
17 website of the Administration)—

18 (1) a clear explanation of the SBIR affiliation
19 rules under part 121 of title 13, Code of Federal
20 Regulations; and

21 (2) contact information for officers or employ-
22 ees of the Administration who—

23 (A) upon request, shall review an issue re-
24 lating to the rules described in paragraph (1);
25 and

1 (B) shall respond to a request under sub-
2 paragraph (A) not later than 20 business days
3 after the date on which the request is received.

4 **SEC. 109. SBIR AND STTR SPECIAL ACQUISITION PREF-**
5 **ERENCE.**

6 Section 9(r) of the Small Business Act (15 U.S.C.
7 638(r)) is amended by adding at the end the following:

8 “(4) PHASE III AWARDS.—Congress intends
9 that, to the greatest extent practicable, Federal
10 agencies and Federal prime contractors shall issue
11 Phase III awards, including sole source awards, to
12 the SBIR and STTR award recipients that devel-
13 oped the technology.”.

14 **SEC. 110. COLLABORATING WITH FEDERAL LABORATORIES**
15 **AND RESEARCH AND DEVELOPMENT CEN-**
16 **TERS.**

17 Section 9 of the Small Business Act (15 U.S.C. 638),
18 as amended by this Act, is amended by adding at the end
19 the following:

20 “(dd) COLLABORATING WITH FEDERAL LABORA-
21 TORIES AND RESEARCH AND DEVELOPMENT CENTERS.—

22 “(1) AUTHORIZATION.—Subject to the limita-
23 tions under this section, the head of each partici-
24 pating Federal agency may issue SBIR and STTR
25 awards to any eligible small business concern that—

1 “(A) intends to enter into an agreement
2 with a Federal laboratory or federally funded
3 research and development center for portions of
4 the activities to be performed under that award;
5 or

6 “(B) has entered into a cooperative re-
7 search and development agreement (as defined
8 in section 12(d) of the Stevenson-Wydler Tech-
9 nology Innovation Act of 1980 (15 U.S.C.
10 3710a(d))) with a Federal laboratory.

11 “(2) PROHIBITION.—No Federal agency shall—

12 “(A) condition a SBIR or STTR award
13 upon entering into agreement with any Federal
14 laboratory or any federally funded laboratory or
15 research and development center for any por-
16 tion of the activities to be performed under that
17 award;

18 “(B) approve an agreement between a
19 small business concern receiving a SBIR or
20 STTR award and a Federal laboratory or feder-
21 ally funded laboratory or research and develop-
22 ment center, if the small business concern per-
23 forms a lesser portion of the activities to be
24 performed under that award than required by

1 this section and by the SBIR and STTR Policy
2 Directives; or

3 “(C) approve an agreement that violates
4 any provision, including any data rights protec-
5 tions provision, of this section or the SBIR and
6 the STTR Policy Directives.

7 “(3) IMPLEMENTATION.—Not later than 180
8 days after the date of enactment of this subsection,
9 the Administrator shall modify the SBIR Policy Di-
10 rective and the STTR Policy Directive issued under
11 this section to ensure that small business concerns—

12 “(A) have the flexibility to use the re-
13 sources of the Federal laboratories and feder-
14 ally funded research and development centers;
15 and

16 “(B) are not mandated to enter into agree-
17 ment with any Federal laboratory or any feder-
18 ally funded laboratory or research and develop-
19 ment center as a condition of an award.”.

20 **SEC. 111. NOTICE REQUIREMENT.**

21 The head of any Federal agency involved in a case
22 or controversy before any Federal judicial or administra-
23 tive tribunal concerning the SBIR program or the STTR
24 program shall provide timely notice, as determined by the

1 Administrator, of the case or controversy to the Adminis-
 2 trator.

3 **TITLE II—OUTREACH AND COM-**
 4 **MERCIALIZATION INITIA-**
 5 **TIVES**

6 **SEC. 201. RURAL AND STATE OUTREACH.**

7 (a) OUTREACH.—Section 9 of the Small Business Act
 8 (15 U.S.C. 638) is amended by inserting after subsection
 9 (r) the following:

10 “(s) OUTREACH.—

11 “(1) DEFINITION OF ELIGIBLE STATE.—In this
 12 subsection, the term ‘eligible State’ means a State—

13 “(A) if the total value of contracts award-
 14 ed to the State under this section during the
 15 most recent fiscal year for which data is avail-
 16 able was less than \$5,000,000; and

17 “(B) that certifies to the Administration
 18 described in paragraph (2) that the State will,
 19 upon receipt of assistance under this sub-
 20 section, provide matching funds from non-Fed-
 21 eral sources in an amount that is not less than
 22 50 percent of the amount provided under this
 23 subsection.

24 “(2) PROGRAM AUTHORITY.—Of amounts made
 25 available to carry out this section for each of the fis-

1 cal years 2000 through 2014, the Administrator
2 may expend with eligible States not more than
3 \$5,000,000 in each such fiscal year in order to in-
4 crease the participation of small business concerns
5 located in those States in the programs under this
6 section.

7 “(3) AMOUNT OF ASSISTANCE.—The amount of
8 assistance provided to an eligible State under this
9 subsection in any fiscal year—

10 “(A) shall be equal to not more than 50
11 percent of the total amount of matching funds
12 from non-Federal sources provided by the
13 State; and

14 “(B) shall not exceed \$100,000.

15 “(4) USE OF ASSISTANCE.—Assistance provided
16 to an eligible State under this subsection shall be
17 used by the State, in consultation with State and
18 local departments and agencies, for programs and
19 activities to increase the participation of small busi-
20 ness concerns located in the State in the programs
21 under this section, including—

22 “(A) the establishment of quantifiable per-
23 formance goals, including goals relating to

1 “(i) the number of program awards
2 under this section made to small business
3 concerns in the State; and

4 “(ii) the total amount of Federal re-
5 search and development contracts awarded
6 to small business concerns in the State;

7 “(B) the provision of competition outreach
8 support to small business concerns in the State
9 that are involved in research and development;

10 “(C) the development and dissemination of
11 educational and promotional information relat-
12 ing to the programs under this section to small
13 business concerns in the State; and

14 “(D) the establishment of initiatives to
15 reach out to women and minorities with the
16 goal of increasing their involvement in the
17 SBIR and STTR programs.”

18 (b) FEDERAL AND STATE PROGRAM EXTENSION.—
19 Section 34 of the Small Business Act(15 U.S.C. 657d) is
20 amended—

21 (1) in subsection (h), by striking “2001
22 through 2005” each place it appears and inserting
23 “2009 through 2014”; and

24 (2) in subsection (i), by striking “2005” and in-
25 serting “2014”.

1 (c) RURAL AREAS.—Section 34(e)(2) of the Small
2 Business Act (15 U.S.C. 657d(e)(2)) is amended—

3 (1) by redesignating subparagraphs (C) and
4 (D) as subparagraphs (D) and (E), respectively; and

5 (2) by inserting after subparagraph (B) the fol-
6 lowing:

7 “(C) RURAL AREAS.—

8 “(i) IN GENERAL.—Except as pro-
9 vided in clause (ii), the non-Federal share
10 of the cost of the activity carried out using
11 an award or under a cooperative agree-
12 ment under this section shall be 50 cents
13 for each Federal dollar that will be directly
14 allocated by a recipient described in para-
15 graph (A) to serve small business concerns
16 located in a rural area.

17 “(ii) ENHANCED RURAL AWARDS.—

18 For a recipient located in a rural area that
19 is located in a State described in subpara-
20 graph (A)(i), the non-Federal share of the
21 cost of the activity carried out using an
22 award or under a cooperative agreement
23 under this section shall be 35 cents for
24 each Federal dollar that will be directly al-
25 located by a recipient described in para-

1 graph (A) to serve small business concerns
2 located in the rural area.

3 “(iii) DEFINITION OF RURAL AREA.—
4 In this subparagraph, the term ‘rural area’
5 has the meaning given that term in section
6 1393(a)(2)) of the Internal Revenue Code
7 of 1986.”.

8 **SEC. 202. SBIR-STEM WORKFORCE DEVELOPMENT GRANT**
9 **PILOT PROGRAM.**

10 (a) PILOT PROGRAM ESTABLISHED.—From amounts
11 made available to carry out this section, the Administrator
12 shall establish a SBIR-STEM Workforce Development
13 Grant Pilot Program to encourage the business commu-
14 nity to provide workforce development opportunities for
15 college students, in the fields of science, technology, engi-
16 neering, and math (in this section referred to as “STEM
17 college students”), by providing a SBIR bonus grant.

18 (b) ELIGIBLE ENTITIES DEFINED.—In this section
19 the term “eligible entity” means a grantee receiving a
20 grant under the SBIR Program on the date of the bonus
21 grant under subsection (a) that provides an internship
22 program for STEM college students.

23 (c) AWARDS.—An eligible entity shall receive a bonus
24 grant equal to 10 percent of either a Phase I or Phase

1 II grant, as applicable, with a total award maximum of
2 not more than \$10,000 per year.

3 (d) EVALUATION.—Following the fourth year of
4 funding under this section, the Administrator shall submit
5 a report to Congress on the results of the SBIR–STEM
6 Workforce Development Grant Pilot Program.

7 (e) AUTHORIZATION OF APPROPRIATIONS.—There
8 are authorized to be appropriated to carry out this sec-
9 tion—

10 (1) \$1,000,000 for fiscal year 2010;

11 (2) \$1,000,000 for fiscal year 2011;

12 (3) \$1,000,000 for fiscal year 2012;

13 (4) \$1,000,000 for fiscal year 2013; and

14 (5) \$1,000,000 for fiscal year 2014.

15 **SEC. 203. TECHNICAL ASSISTANCE FOR AWARDEES.**

16 Section 9(q)(3) of the Small Business Act (15 U.S.C.
17 638(q)(3)) is amended—

18 (1) in subparagraph (A), by striking “\$4,000”
19 and inserting “\$5,000”;

20 (2) in subparagraph (B)—

21 (A) by striking “with funds available from
22 their SBIR awards” and inserting “which shall
23 be in addition to the amount of the recipient’s
24 award”;

1 (B) by striking “\$4,000” and inserting
2 “\$5,000”; and

3 (C) by striking the period at the end and
4 inserting a semicolon; and
5 (3) by adding at the end the following:

6 “(C) FLEXIBILITY.—In carrying out sub-
7 paragraphs (A) and (B), each Federal agency
8 shall provide the allowable amounts to a recipi-
9 ent that meets the eligibility requirements
10 under the applicable subparagraph, if the re-
11 cipient requests to seek technical assistance
12 from an individual or entity other than the ven-
13 dor selected under paragraph (2) by the Fed-
14 eral agency.

15 “(D) LIMITATION.—A Federal agency may
16 not—

17 “(i) use the amounts authorized under
18 subparagraph (A) or (B) unless the vendor
19 selected under paragraph (2) provides the
20 technical assistance to the recipient; or

21 “(ii) enter a contract with a vendor
22 under paragraph (2) under which the
23 amount provided for technical assistance is
24 based on total number of Phase I or Phase
25 II awards.”.

1 **SEC. 204. COMMERCIALIZATION PILOT PROGRAM AT DE-**
2 **PARTMENT OF DEFENSE.**

3 Section 9(y) of the Small Business Act (15 U.S.C.
4 638(y)) is amended—

5 (1) in paragraph (1)—

6 (A) by inserting “or Small Business Tech-
7 nology Transfer Program” after “Small Busi-
8 ness Innovation Research Program”; and

9 (B) by adding at the end the following:
10 “The authority to create and administer a Com-
11 mercialization Pilot Program under this sub-
12 section may not be construed to eliminate or re-
13 place any other SBIR program or STTR pro-
14 gram that enhances the insertion or transition
15 of SBIR or STTR technologies, including any
16 such program in effect on the date of enact-
17 ment of the National Defense Authorization Act
18 for Fiscal Year 2006 (Public Law 109–163;
19 119 Stat. 3136).”;

20 (2) in paragraph (2), by inserting “or Small
21 Business Technology Transfer Program” after
22 “Small Business Innovation Research Program”;

23 (3) by redesignating paragraphs (5) and (6) as
24 paragraphs (7) and (8), respectively;

25 (4) by inserting after paragraph (4) the fol-
26 lowing:

1 “(5) INSERTION INCENTIVES.—For any con-
2 tract with a value of not less than \$100,000,000, the
3 Secretary of Defense is authorized to—

4 “(A) establish goals for transitioning
5 Phase III technologies in subcontracting plans;
6 and

7 “(B) require a prime contractor on such a
8 contract to report the number and dollar
9 amount of contracts entered into by that prime
10 contractor for Phase III SBIR or STTR
11 projects.

12 “(6) GOAL FOR SBIR AND STTR TECHNOLOGY
13 INSERTION.—The Secretary of Defense shall—

14 “(A) set a goal to increase the number of
15 Phase II SBIR contracts and the number of
16 Phase II STTR contracts awarded by that Sec-
17 retary that lead to technology transition into
18 programs of record or fielded systems;

19 “(B) use incentives in effect on the date of
20 enactment of the SBIR/STTR Reauthorization
21 Act of 2008, or create new incentives, to en-
22 courage agency program managers and prime
23 contractors to meet the goal under subpara-
24 graph (A); and

1 “(C) include in the annual report to Con-
2 gress the percentage of contracts described in
3 subparagraph (A) awarded by that Secretary,
4 which shall include information on the ongoing
5 status of projects funded through the Commer-
6 cialization Pilot Program and efforts to transi-
7 tion these technologies into programs of record
8 or fielded systems.”; and

9 (5) in paragraph (8), as so redesignated, by
10 striking “fiscal year 2009” and inserting “fiscal year
11 2014”.

12 **SEC. 205. COMMERCIALIZATION PILOT PROGRAM FOR CI-**
13 **VILIAN AGENCIES.**

14 Section 9 of the Small Business Act (15 U.S.C. 638),
15 as amended by this Act, is amended by adding at the end
16 the following:

17 “(ee) PILOT PROGRAM.—

18 “(1) AUTHORIZATION.—Except for the Depart-
19 ment of Defense, the head of each participating Fed-
20 eral agency may set aside not more than 10 percent
21 of the SBIR and STTR funds of such agency for
22 further technology development, testing, and evalua-
23 tion of SBIR and STTR Phase II technologies (in
24 this section referred to as a ‘pilot program’).

25 “(2) REQUIREMENTS.—

1 “(A) IN GENERAL.—A Federal agency may
2 not establish a pilot program unless such agen-
3 cy makes a written application to the Adminis-
4 trator, not less than 90 days prior to the begin-
5 ning of the fiscal year in which such pilot pro-
6 gram is to be established, based on a compelling
7 reason that additional investment in SBIR or
8 STTR technologies is required due to unusually
9 high regulatory, systems integration, or other
10 costs relating to development or manufacturing
11 of identifiable, highly promising small business
12 technologies or a class of such technologies ex-
13 pected to substantially advance the agency’s
14 mission.

15 “(B) DETERMINATION.—The Adminis-
16 trator shall—

17 “(i) make a determination regarding
18 an application submitted under subpara-
19 graph (A) not later than 30 days before
20 the beginning of the fiscal year for which
21 such application is submitted;

22 “(ii) publish such decision in the Fed-
23 eral Register; and

24 “(iii) make a copy of such decision,
25 and any related materials available to the

1 Committee on Small Business and Entre-
2 preneurship of the Senate and the Com-
3 mittee on Small Business of the House of
4 Representatives.

5 “(C) MAXIMUM AMOUNT.—No award
6 under a pilot program may be made in excess
7 of 2 times the dollar amounts generally estab-
8 lished for Phase II awards under this section.

9 “(D) MATCHING.—No award may be made
10 under a pilot program unless new private, Fed-
11 eral non-SBIR, or Federal non-STTR funding
12 which at least matches the award from the Fed-
13 eral agency is dedicated towards SBIR or
14 STTR Phase II technology.

15 “(E) ELIGIBILITY.—Awards under a pilot
16 program may be made to any applicant that is
17 eligible to receive a Phase III award related to
18 such SBIR or STTR Phase II technology.

19 “(F) REGISTRATION.—Applicants receiving
20 awards under a pilot program shall register
21 with the Administrator in a publicly available
22 registry.

23 “(G) TERMINATION.—The authority to es-
24 tablish a pilot program under this section ex-
25 pires at the end of fiscal year 2014.”.

1 **SEC. 206. NANOTECHNOLOGY INITIATIVE.**

2 (a) IN GENERAL.—Section 9 of the Small Business
3 Act (15 U.S.C. 638), as amended by this Act, is amended
4 by adding at the end the following:

5 “(ff) NANOTECHNOLOGY INITIATIVE.—Each Federal
6 agency participating in the SBIR or STTR program shall
7 encourage the submission of applications for support of
8 nanotechnology related projects to such program.”.

9 (b) SUNSET.—Effective October 1, 2014, subsection
10 (ff) of the Small Business Act, as added by subsection (a)
11 of this section, is repealed.

12 **SEC. 207. ACCELERATING CURES.**

13 The Small Business Act (15 U.S.C. 631 et seq.) is
14 amended—

15 (1) by redesignating section 44 as section 45;

16 and

17 (2) by inserting after section 43 the following:

18 **“SEC. 44. SMALL BUSINESS INNOVATION RESEARCH PRO-**
19 **GRAM.**

20 “(a) NIH CURES PILOT.—

21 “(1) ESTABLISHMENT.—An independent advi-
22 sory board shall be established at the National Acad-
23 emy of Sciences to conduct periodic evaluations of
24 the SBIR program (as that term is defined in sec-
25 tion 9) of all the National Institutes of Health (re-
26 ferred to in this section as the ‘NIH’) institutes and

1 centers for the purpose of improving the manage-
2 ment of the SBIR program through data-driven as-
3 sessment.

4 “(2) MEMBERSHIP.—

5 “(A) IN GENERAL.—The advisory board
6 shall consist of—

7 “(i) the Director of the NIH, the Di-
8 rector of the SBIR program, senior NIH
9 agency managers, industry experts, and
10 other program stakeholders; and

11 “(ii) awardees under the SBIR pro-
12 gram of the NIH.

13 “(B) EQUAL REPRESENTATION.—The
14 number of members of the advisory board de-
15 scribed in clause (i) of subparagraph (A) shall
16 be equal to the number of members of the advi-
17 sory board described in clause (ii) of subpara-
18 graph (A).

19 “(b) ADDRESSING DATA GAPS.—In order to enhance
20 the evidence-base guiding SBIR program decisions and
21 changes, the Director of the SBIR program of the NIH
22 shall address the gaps and deficiencies in the data collec-
23 tion concerns identified in the 2007 National Academies
24 of Science’s report entitled ‘An Assessment of the Small
25 Business Innovation Research Program at the NIH’.

1 “(c) PILOT PROGRAM.—

2 “(1) IN GENERAL.—The Director of the SBIR
3 program of the NIH may initiate a pilot program,
4 under a formal mechanism for designing, imple-
5 menting, and evaluating pilot programs, to spur in-
6 novation and to test new strategies that may en-
7 hance the development of cures and therapies.

8 “(2) CONSIDERATIONS.—The Director of the
9 SBIR program of the NIH may consider conducting
10 a pilot program to include individuals with success-
11 ful SBIR program experience in study sections, hir-
12 ing individuals with small business development ex-
13 perience for staff positions, separating the commer-
14 cial and scientific review processes, and examining
15 the impact of the trend toward larger awards on the
16 overall program.

17 “(d) REPORT TO CONGRESS.—The Director of the
18 NIH shall submit an annual report to Congress and the
19 independent advisory board described in subsection (a) on
20 the activities of the SBIR program of the NIH under this
21 section.

22 “(e) SBIR GRANTS AND CONTRACTS.—

23 “(1) IN GENERAL.—In awarding grants and
24 contracts under the SBIR program of the NIH each
25 SBIR program manager shall place an emphasis on

1 applications that identify from the onset products
2 and services that may enhance the development of
3 cures and therapies.

4 “(2) EXAMINATION OF COMMERCIALIZATION
5 AND OTHER METRICS.—The independent advisory
6 board described in subsection (a) shall evaluate the
7 implementation of the requirement under paragraph
8 (1) by examining increased commercialization and
9 other metrics, to be determined and collected by the
10 SBIR program of the NIH.

11 “(3) PHASE I AND II.—To the greatest extent
12 practicable, the Director of the SBIR program of
13 the NIH shall reduce the time period between Phase
14 I and Phase II funding of grants and contracts
15 under the SBIR program of the NIH to 6 months.

16 “(f) LIMIT.—Not more than a total of 1 percent of
17 the extramural budget (as defined in section 9 of the
18 Small Business Act (15 U.S.C. 638)) of the NIH for re-
19 search or research and development may be used for the
20 pilot programs under subsection (c) and to carry out sub-
21 section (e).

22 “(g) SUNSET.—This section shall cease to be effective
23 on the date that is 5 years after the date of enactment
24 of the SBIR/STTR Reauthorization Act of 2008.”

1 **TITLE III—OVERSIGHT AND**
2 **EVALUATION**

3 **SEC. 301. STREAMLINING ANNUAL EVALUATION REQUIRE-**
4 **MENTS.**

5 Section 9(b) of the Small Business Act (15 U.S.C.
6 638(b)), as amended by section 103 of this Act, is amend-
7 ed—

8 (1) in paragraph (7)—

9 (A) by striking “STTR programs, includ-
10 ing the data” and inserting the following:
11 “STTR programs, including—

12 “(A) the data”;

13 (B) by striking “(g)(10), (o)(9), and
14 (o)(15), the number” and all that follows
15 through “under each of the SBIR and STTR
16 programs, and a description” and inserting the
17 following: “(g)(8) and (o)(9); and

18 “(B) the number of proposals received
19 from, and the number and total amount of
20 awards to, HUBZone small business concerns
21 and firms with venture capital investment (in-
22 cluding those majority owned and controlled by
23 multiple venture capital firms) under each of
24 the SBIR and STTR programs;

1 “(C) a description of the extent to which
2 each Federal agency is increasing outreach and
3 awards to firms owned and controlled by women
4 and minorities under each of the SBIR and
5 STTR programs;

6 “(D) general information about the imple-
7 mentation and compliance with the allocation of
8 funds for firms majority owned and controlled
9 by multiple venture capital firms under each of
10 the SBIR and STTR programs;

11 “(E) a detailed description of appeals of
12 Phase III awards and notices of noncompliance
13 with the SBIR and the STTR Policy Directives
14 filed by the Administrator with Federal agen-
15 cies; and

16 “(F) a description”; and

17 (2) by inserting after paragraph (7) the fol-
18 lowing:

19 “(8) to coordinate the implementation of elec-
20 tronic databases at each of the participating agen-
21 cies, including the technical ability of the partici-
22 pating agencies to electronically share data;”.

23 **SEC. 302. DATA COLLECTION FROM AGENCIES FOR SBIR.**

24 Section 9(g) of the Small Business Act (15 U.S.C.
25 638(g)) is amended—

1 (1) by striking paragraph (10);

2 (2) by redesignating paragraphs (8) and (9) as
3 paragraphs (9) and (10), respectively;

4 (3) by inserting after paragraph (7) the fol-
5 lowing:

6 “(8) collect, and maintain in a common format
7 in accordance with the simplified reporting require-
8 ments under subsection (v), such information from
9 awardees as is necessary to assess the SBIR pro-
10 gram, including information necessary to maintain
11 the database described in subsection (k), including—

12 “(A) whether an awardee—

13 “(i) has venture capital or is majority
14 owned and controlled by multiple venture
15 capital firms, and, if so—

16 “(I) the amount of venture cap-
17 ital that the awardee has received as
18 of the date of the award; and

19 “(II) the amount of additional
20 capital that the awardee has invested
21 in the SBIR technology, which shall
22 be collected on an annual basis;

23 “(ii) has an investor who—

24 “(I) is an individual who is not a
25 citizen of the United States or a law-

1 ful permanent resident of the United
2 States, and if so, the name of any
3 such individual; or

4 “(II) is a person that is not an
5 individual and is not organized under
6 the laws of a State or the United
7 States, and if so the name of any such
8 person;

9 “(iii) is owned by a woman or has a
10 woman as a principal investigator;

11 “(iv) is owned by a minority or has a
12 minority as a principal investigator;

13 “(v) received assistance under the
14 FAST program under section 34 or the
15 outreach program under subsection (s); or

16 “(vi) is university faculty or a univer-
17 sity student; and

18 “(B) a justification statement from the
19 agency, if an awardee receives an award in an
20 amount that is more than the award guidelines
21 under this section;”; and

22 (4) in paragraph (10), as so redesignated, by
23 adding “and” at the end.

1 **SEC. 303. DATA COLLECTION FROM AGENCIES FOR STTR.**

2 Section 9(o) of the Small Business Act (15 U.S.C.
3 638(o)) is amended—

4 (1) by striking paragraph (9) and inserting the
5 following:

6 “(9) collect, and maintain in a common format
7 in accordance with the simplified reporting require-
8 ments under subsection (v), such information from
9 applicants and awardees as is necessary to assess
10 the STTR program outputs and outcomes, including
11 information necessary to maintain the database de-
12 scribed in subsection (k), including—

13 “(A) whether an applicant or awardee—

14 “(i) has venture capital or is majority
15 owned and controlled by multiple venture
16 capital firms, and, if so—

17 “(I) the amount of venture cap-
18 ital that the applicant or awardee has
19 received as of the date of the applica-
20 tion or award, as applicable; and

21 “(II) the amount of additional
22 capital that the applicant or awardee
23 has invested in the SBIR technology,
24 which shall be collected on an annual
25 basis;

26 “(ii) has an investor who—

1 “(I) is an individual who is not a
2 citizen of the United States or a law-
3 ful permanent resident of the United
4 States, and if so, the name of any
5 such individual; or

6 “(II) is a person that is not an
7 individual and is not organized under
8 the laws of a State or the United
9 States, and if so the name of any such
10 person;

11 “(iii) is owned by a woman or has a
12 woman as a principal investigator;

13 “(iv) is owned by a minority or has a
14 minority as a principal investigator;

15 “(v) received assistance under the
16 FAST program under section 34 or the
17 outreach program under subsection (s); or

18 “(vi) is university faculty or a univer-
19 sity student; and

20 “(B) a justification statement from the
21 agency, if an awardee receives an award in an
22 amount that is more than the award guidelines
23 under this section;”;

24 (2) in paragraph (14), by adding “and” at the
25 end;

1 (3) by striking paragraph (15); and

2 (4) by redesignating paragraph (16) as para-
3 graph (15).

4 **SEC. 304. PUBLIC DATABASE.**

5 Section 9(k)(1) of the Small Business Act (15 U.S.C.
6 638(k)(1)) is amended—

7 (1) in subparagraph (D), by striking “and” at
8 the end;

9 (2) in subparagraph (E), by striking the period
10 at the end and inserting “; and”; and

11 (3) by adding at the end the following:

12 “(F) for each small business concern that
13 has received a Phase I or Phase II SBIR or
14 STTR award from a Federal agency, whether
15 the small business concern—

16 “(i) has venture capital and, if so,
17 whether the small business concern is reg-
18 istered as majority owned and controlled
19 by multiple venture capital companies as
20 required under subsection (cc)(3);

21 “(ii) is owned by a woman or has a
22 woman as a principal investigator;

23 “(iii) is owned by a minority or has a
24 minority as a principal investigator;

1 “(iv) received assistance under the
2 FAST program under section 34 or the
3 outreach program under subsection (s); or
4 “(v) is owned by university faculty or
5 a university student.”.

6 **SEC. 305. GOVERNMENT DATABASE.**

7 Section 9(k)(2) of the Small Business Act (15 U.S.C.
8 638(k)(2)) is amended—

9 (1) by redesignating subparagraphs (C), (D),
10 and (E) as subparagraphs (D), (E), and (F), respec-
11 tively;

12 (2) by inserting after subparagraph (B) the fol-
13 lowing:

14 “(C) includes, for each awardee—

15 “(i) the name, size, location, and any
16 identifying number assigned by the Admin-
17 istration;

18 “(ii) whether the awardee has venture
19 capital, and, if so—

20 “(I) the amount of venture cap-
21 ital as of the date of the award;

22 “(II) the percentage of ownership
23 of the awardee held by a venture cap-
24 ital firm, including whether the
25 awardee is majority owned and con-

1 trolled by multiple venture capital
2 firms; and

3 “(III) the amount of additional
4 capital that the awardee has invested
5 in the SBIR technology, which shall
6 be collected on an annual basis;

7 “(iii) the names and locations of any
8 affiliates of the awardee;

9 “(iv) the number of employees of the
10 awardee;

11 “(v) the number of employees of the
12 affiliates of the awardee; and

13 “(vi) the names and percentage of
14 ownership of the awardee held by—

15 “(I) an individual who is not a
16 citizen of the United States or a law-
17 ful permanent resident of the United
18 States; or

19 “(II) a person that is not an in-
20 dividual and is not organized under
21 the laws of a State or the United
22 States;” and

23 (3) in subparagraph (D), as so redesignated—

24 (A) in clause (ii), by striking “and” at the
25 end; and

1 (B) by adding at the end, the following:

2 “(iv) whether the applicant was ma-
3 jority owned and controlled by multiple
4 venture capital firms; and

5 “(v) the number of employees of the
6 applicant;”.

7 **SEC. 306. ACCURACY IN FUNDING BASE CALCULATIONS.**

8 (a) IN GENERAL.—Not later than 1 year after the
9 date of enactment of this Act, and every 3 years there-
10 after, the Comptroller General of the United States
11 shall—

12 (1) conduct a fiscal and management audit of
13 the SBIR program and the STTR program for the
14 applicable period to determine whether Federal
15 agencies are complying with the allocation require-
16 ments of this title and the amendments made by this
17 title;

18 (2) assess the extent of compliance with the re-
19 quirements of subparagraphs (A) and (B) of section
20 9(i)(2) of the Small Business Act (15 U.S.C.
21 638(i)(2)) by participating agencies and the Admin-
22 istration;

23 (3) assess whether it would be more consistent
24 and effective to base the amount of the allocations
25 under the SBIR program and the STTR program on

1 a percentage of the research and development budg-
2 et of a Federal agency, rather than the extramural
3 budget of the Federal agency;

4 (4) determine the portion of the extramural re-
5 search or research and development budget of a
6 Federal agency that each Federal agency is spending
7 for administrative purposes relating to the SBIR
8 program or STTR program, and for what specific
9 purposes, including whether and, if so, the portion
10 of such budget the Federal agency is spending for
11 salaries and expenses, travel to visit applicants, out-
12 reach events, marketing, and technical assistance;
13 and

14 (5) submit a report to the Committee on Small
15 Business and Entrepreneurship of the Senate and
16 the Committee on Small Business of the House of
17 Representatives regarding the audit conducted under
18 paragraph (1), the assessments required under para-
19 graphs (2) and (3), and the determination made
20 under paragraph (4).

21 (b) DEFINITION OF APPLICABLE PERIOD.—In this
22 section, the term “applicable period” means—

23 (1) for the first report submitted under this
24 section, the period beginning on October 1, 2000,
25 and ending on September 30 of the last full fiscal

1 year before the date of enactment of this Act for
2 which information is available; and

3 (2) for the second and each subsequent report
4 submitted under this section, the period—

5 (A) beginning on October 1 of the first fis-
6 cal year after the end of the most recent full
7 fiscal year relating to which a report under this
8 section was submitted; and

9 (B) ending on September 30 of the last
10 full fiscal year before the date of the report.

11 **SEC. 307. CONTINUED EVALUATION BY THE NATIONAL**
12 **ACADEMY OF SCIENCES.**

13 Section 108 of the Small Business Reauthorization
14 Act of 2000 (Public Law 106–554; 114 Stat. 2763A–671)
15 is amended by adding at the end the following:

16 “(e) EXTENSIONS AND ENHANCEMENTS OF AUTHOR-
17 ITY.—

18 “(1) IN GENERAL.—Not later than 6 months
19 after the date of enactment of the SBIR/STTR Re-
20 authorization Act of 2008, the head of each agency
21 described in subsection (a), in consultation with the
22 Small Business Administration, shall cooperatively
23 enter into an agreement with the National Academy
24 of Sciences for the National Research Council to
25 conduct a study described in subsection (a)(1) and

1 make recommendations described in subsection
2 (a)(2) not later than 4 years after the date of enact-
3 ment of the SBIR/STTR Reauthorization Act of
4 2008, and every 4 years thereafter.

5 “(2) REPORTING.—An agreement under para-
6 graph (1) shall require that not later than 4 years
7 after the date of enactment of the SBIR/STTR Re-
8 authorization Act of 2008, and every 4 years there-
9 after, the National Research Council shall submit to
10 the head of the agency entering into the agreement,
11 the Committee on Small Business and Entrepre-
12 neurship of the Senate, and the Committee on Small
13 Business of the House of Representatives a report
14 regarding the study conducted under paragraph (1)
15 and containing the recommendations described in
16 paragraph (1).”.

17 **SEC. 308. TECHNOLOGY INSERTION REPORTING REQUIRE-**
18 **MENTS.**

19 Section 9 of the Small Business Act (15 U.S.C. 638),
20 as amended by this Act, is amended by adding at the end
21 the following:

22 “(gg) PHASE III REPORTING.—The annual SBIR or
23 STTR report to Congress by the Administration under
24 subsection (b)(7) shall include, for each Phase III award
25 by the Federal agency—

1 “(1) the name of the contracting agency;

2 “(2) the identity of the agency or company
3 making the Phase III award;

4 “(3) the identity of the company or individual
5 receiving the Phase III award;

6 “(4) the dollar amount of the Phase III award;
7 and

8 “(5) the Federal agency, or component of a
9 Federal agency, making the Phase III award.”.

10 **SEC. 309. INTELLECTUAL PROPERTY PROTECTIONS.**

11 (a) IN GENERAL.—The Comptroller General of the
12 United States shall conduct a study of the SBIR program
13 to assess whether—

14 (1) Federal agencies are adhering to the data
15 rights protections for SBIR awardees and the tech-
16 nologies of SBIR awardees;

17 (2) the laws and policy directives intended to
18 clarify the scope of data rights, including in proto-
19 types and mentor-protégé relationships and agree-
20 ments with Federal laboratories, are sufficient to
21 protect SBIR awardees; and

22 (3) there is an effective grievance tracking proc-
23 ess for SBIR awardees who have grievances against
24 a Federal agency regarding data rights and a proc-
25 ess for resolving those grievances.

1 (b) REPORT.—Not later than 18 months after the
2 date of enactment of this Act, the Comptroller General
3 shall submit to the Committee on Small Business and En-
4 trepreneurship of the Senate and the Committee on Small
5 Business of the House of Representatives a report regard-
6 ing the study conducted under subsection (a).

7 **TITLE IV—POLICY DIRECTIVES**

8 **SEC. 401. CONFORMING AMENDMENTS TO THE SBIR AND** 9 **THE STTR POLICY DIRECTIVES.**

10 (a) IN GENERAL.—Not later than 180 days after the
11 date of enactment of this Act, the Administrator shall pro-
12 mulgate amendments to the SBIR Policy Directive and
13 the STTR Policy Directive to conform such directives to
14 this Act and the amendments made by this Act.

15 (b) PUBLISHING SBIR POLICY DIRECTIVE AND THE
16 STTR POLICY DIRECTIVE IN THE FEDERAL REGISTER.—
17 The Administration shall publish the amended SBIR Pol-
18 icy Directive and the amended STTR Policy Directive in
19 the Federal Register.

Calendar No. 943

110TH CONGRESS
2^D SESSION

S. 3362

[Report No. 110-447]

A BILL

To reauthorize and improve the SBIR and STTR programs, and for other purposes.

AUGUST 22 (legislative day, AUGUST 1), 2008
Reported without amendment