SBIR/STTR REAUTHORIZATION ACT OF 2010

SEC. 1. SHORT TITLE.
This Act may be cited as the “SBIR/STTR Reauthorization Act of 2010”.

SEC. 2. TABLE OF CONTENTS.
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.
(a) SBIR.—Section 9(m) of the Small Business Act (15 U.S.C. 638(m)) is amended—
(1) by striking “2009” and inserting “2018”; and
(2) by striking paragraph (2) and inserting the following:

(b) STTR.—Section 9(n)(1)(A) of the Small Business Act (15 U.S.C. 638(n)(1)(A)) is amended—
(1) by striking “IN GENERAL—” and all that follows through “the authorization” and inserting “IN GENERAL—”;
(2) by striking “2009” and inserting “2018”; and
(3) by striking clause (i).

SEC. 102. STATUS OF THE OFFICE OF TECHNOLOGY.
Section 9(b) of the Small Business Act (15 U.S.C. 638(b)) is amended—
(1) in paragraph (7), by striking “and” at the end;
(2) in paragraph (8), by striking the period at the end and inserting “and”;
(3) by redesignating paragraph (8) as paragraph (9); and
(4) by adding at the end the following:

(10) to maintain an Office of Technology to carry out the responsibilities of the Administration under this section, which shall be—

(A) headed by the Assistant Administrator for Technology, who shall report directly to the Administrator; and
(B) independent from the Office of Government Contracting of the Administration and sufficiently staffed and funded to comply with the oversight, reporting, and public database responsibilities assigned to the Office of Technology by the Administrator.

SEC. 103. SBIR ALLOCATION INCREASE.
Section 9(f) of the Small Business Act (15 U.S.C. 638(f)) is amended—
(1) in paragraph (1)—
(A) in the matter preceding subparagraph (A), by striking “Each” and inserting “Except as provided in paragraph (2)(B), each”;
(B) in subparagraph (B), by striking “and” at the end; and
(C) by striking subparagraph (C) and inserting the following:

(3) by striking paragraph (2).

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

(3) by striking clause (i).

IV—POLICY DIRECTIVES

TITLE IV—OTHER PROVISIONS

SEC. 501. Research topics and program diversification.
SEC. 502. Regular SBIR and STTR program goals.
SEC. 503. Competitive selection procedures for SBIR and STTR programs.

SEC. 3. DEFINITIONS.
In this Act—
(1) the terms “Administration” and “Administrator” mean the Small Business Administration and the Administrator thereof, respectively;
(2) the terms “extramural budget”, “Federal agency”, “Small Business Innovation Research Program”, “SBIR”, “Small Business Technology Transfer Program’, and “STTR” have the meanings given such terms in section 9 of the Small Business Act (15 U.S.C. 638); and
(3) the term “small business concern” has the meaning given that term under section 3 of the Small Business Act (15 U.S.C. 632).

TITLE II—OVERTURN AND COMMERZIALIZATION 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 Readiness Program at Department of Defense.
SEC. 205. Commercialization Readiness Pilot Program for civilian agencies.
SEC. 206. Accelerating cures.
SEC. 207. Federal agency engagement with SBIR and STTR awardees that have been awarded multiple Phase I awards but have not been awarded Phase II awards.
SEC. 208. Clarifying the definition of “Phase processing costs.
SEC. 209. Shortened period for final decisions on proposals and applications.

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.
SEC. 310. Obtaining consent from SBIR and STTR applicants to release contact information to economic development organizations.
SEC. 311. Pilot to allow funding for administrative, oversight, and contract processing costs.
SEC. 312. GAO study with respect to venture capital operating company involvement.
SEC. 313. Requiring accountability of SBIR and STTR programs to fraud, waste, and abuse.
SEC. 314. Intergency policy committee.

TITLE IV—OVERRIDE DIRECTIVES

SEC. 401. Conforming amendments to the SBIR and the STTR Policy Directives.

SEC. 503. Competitive selection procedures for SBIR and STTR programs.
“(B) DEPARTMENT OF DEFENSE AND DEPARTMENT OF ENERGY.—For the Department of Defense and the Department of Energy, to the greatest extent practicable, the percentage of the relevant budget in excess of 2.5 percent required to be expended with small business concerns under subparagraphs (D) and (E) of paragraph (1) may not be used for new Phase I or Phase II awards; and
“(ii) shall be used for activities that further the readiness levels of technologies developed through Phase II awards, including conducting testing and evaluation to promote the transition of such technologies into commercial products, or systems furthering the mission needs of the Department of Defense or the Department of Energy, as the case may be.”

SEC. 104. STRTR ALLOCATION "OWNERSHIP." Section 9(n)(1)(B) of the Small Business Act (15 U.S.C. 638b(n)(1)(B)) is amended—

“(1) in clause (i), by striking “and” at the end; and
“(2) in clause (ii), by striking “thereafter” and inserting “through fiscal year 2011”; and
“(3) by adding at the end the following:—

“(ii) 0.4 percent for fiscal years 2012 and 2013;
“(iv) 0.5 percent for fiscal years 2014 and 2015; and
“(v) 0.6 percent for fiscal year 2016 and each fiscal year thereafter.”.

SEC. 105. SBIR AND STTR AWARD LEVELS.—

(a) SBIR AND STTR AWARD LEVELS.—Section 9(q)(2)(D) of the Small Business Act (15 U.S.C. 638b(q)(2)(D)) is amended—

“(1) by striking “$100,000” and inserting “$150,000”; and
“(2) by striking “$750,000” and inserting “$1,000,000”.

(b) SBIR AWARD LEVELS.—Section 9(q)(2)(B)(ix) of the Small Business Act (15 U.S.C. 638b(q)(2)(B)(ix)) is amended—

“(1) by striking “$100,000” and inserting “$250,000”; and
“(2) by striking “$750,000” and inserting “$1,000,000”.

(c) ANNUAL REPORTS.—Section 9 of the Small Business Act (15 U.S.C. 638) is amended—

“(1) in subsection (j)(2)(D), by striking “once every 5 years to reflect economic adjustments and programmatic considerations” and inserting “every year for inflation”;
“(2) in subsection (p)(2)(B)(ix) by inserting “each of which the Administrator shall adjust on the inflation annually” after “$750,000,”.

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

“(aa) LIMITATION ON SIZE OF AWARDS.—
“(1) LIMITATION.—No Federal agency may issue an award under the SBIR program or the STTR program if the size of the award exceeds the award guidelines established under section 9(q)(2)(D) of the Small Business Act by more than 50 percent.
“(2) MAINTENANCE OF INFORMATION.—Participating agencies shall maintain information on awards exceeding the guidelines established under this section, including—

“(A) the amount of each award;
“(B) a justification for exceeding the award amount;
“(C) the identity and location of each award recipient; and
“(D) whether an award recipient has received any venture capital investment and, if so, the amount of such investment by majority-owned and controlled by multiple venture capital operating companies.

(3) REPORTS.—The Administrator shall include a report described in paragraph (2) in the annual report of the Administrator to Congress.

“(aa) VENTURE CAPITAL OPERATING COMPANY.—For purposes of this Act, the term ‘venture capital operating company’ means an entity described in clause (1), (v), or (vi) of section

“(‘B) the head of a Federal agency other than a Federal agency described in subparagraph (A) that participates in the SBIR program may award not more than 15 percent of the funds allocated for the SBIR program by the Federal agency to small business concerns that are owned in majority part by multiple venture capital operating companies through competitive, merit-based procedures that are open to all eligible small business concerns.

“(2) DETERMINATION.—A written determination described in this paragraph is a written determination by the head of a Federal agency that explains how the use of the authority under paragraph (1) will contribute to the mission of small business concerns.

“(3) REGISTRATION.—The head of a Federal agency that is majority-owned by multiple venture capital operating companies shall register with the Federal agency and make available to small business concerns the following:

“(A) the name and location of each venture capital operating company;
“(B) the amount of capital invested by such company; and
“(C) any other registration information that the Federal agency determines is necessary to ensure the integrity of the program.

“(4) COMPLIANCE.—

“(aa) IN GENERAL.—The head of a Federal agency that makes an award under this subsection during a fiscal year shall collect and submit to the Administrator data relating to the number and dollar amount of Phase I awards, Phase II awards, and any other category of awards by the Federal agency under the SBIR program during that fiscal year.

“(bb) ANNUAL REPORTING.—The Administrator shall include as part of each annual report by the Administrator under section (p)(2)(B)(ix) any data submitted under subsection (aa) and a description of each Federal agency that makes an award under this subsection during the fiscal year and the maximum percentages under paragraph (1).

“(5) ENFORCEMENT.—If a Federal agency makes an award under this subsection during a fiscal year that is not more than 15 percent of the funds allocated for the SBIR program during that fiscal year, the head of the Federal agency shall transfer an amount equal to the amount awarded in excess of the amount authorized under paragraph (1) to the funds for general SBIR program or STTR research and development funds of the Federal agency not later than 180 days after the date on which the Federal agency made the award that caused the total awarded under paragraph (1) to be more than the amount authorized under paragraph (1) for a purpose described in paragraph (1).

“(6) EVALUATION CRITERIA.—A Federal agency may not use the amount of venture capital as a criterion for the award of contracts under the SBIR program or STTR program.

“(aa) TECHNICAL AND CONFORMING AMENDMENTS.—Section 3 of the Small Business Act (15 U.S.C. 632) is amended by adding at the end the following:

“(aa) VENTURE CAPITAL OPERATING COMPANY.—For purposes of this Act, the term ‘venture capital operating company’ means an entity described in clause (1), (v), or (vi) of section

“(AB) VENTURE CAPITAL OPERATING COMPANY.—For purposes of this Act, the term ‘venture capital operating company’ means an entity described in clause (1), (v), or (vi) of section
under section 9(cc) of the Small Business Act, as added by this section.

(C) CRITERIA FOR DETERMINING FOREIGN OWNERSHIP.—The Administrator shall establish criteria for determining whether an applicant is—

(i) whether the applicant is at least 51 percent owned or controlled by citizens of the United States or domestic venture capital operating companies; (ii) whether the applicant is domiciled in the United States; and (iii) whether the applicant is a direct or indirect subsidiary of a foreign-owned firm, including whether the criteria should include that an applicant is a direct or indirect subsidiary of a foreign-owned entity if—

(I) any venture capital operating company that owns more than 20 percent of the applicant is a direct or indirect subsidiary of a foreign-owned entity; or

(II) in the aggregate, entities that are direct or indirect subsidiaries of foreign-owned entities own more than 49 percent of the applicant.

(D) CRITERIA FOR DETERMINING AFFILIATION.—The Administrator shall establish criteria, in accordance with paragraph (1), for determining whether an applicant is affiliated with a venture capital operating company or any other business that the venture capital operating company has financed and, in establishing the criteria, shall specify that—

(i) if a venture capital operating company that is determined to be affiliated with an applicant is a minority investor in the applicant, the portfolio companies of the venture capital operating company shall not be determined to be affiliated with the applicant, unless—

(I) the venture capital operating company owns a majority of the portfolio company; or

(II) the venture capital operating company holds a majority of the seats on the board of directors of the portfolio company; (ii) subject to clause (i), the Administrator retains the authority to determine whether a venture capital operating company is affiliated with an applicant, including establishing other criteria;

(iii) the Administrator may not determine that a portfolio company of a venture capital operating company is affiliated with an applicant based solely on one or more shared investors; and

(iv) subject to clauses (i), (ii), and (iii), the Administrator retains the authority to determine whether a portfolio company of a venture capital operating company is affiliated with an applicant based on factors independent of whether there is a shared investor, such as whether there are contractual obligations between the portfolio company and the applicant.

(E) ENVIRONMENT.—If the Administrator does not issue final or interim final regulations under this subsection on or before December 31, 2011, and after providing notice of and opportunity for comment on the proposed regulations issued under subparagraph (A), the Administrator shall issue final or interim final regulations under this subsection.

(4) CONTENTS.—In this subsection, the Administrator shall modify the SBIR and STTR affiliation rules under part 121 of title 13, Code of Federal Regulations, for firms that are majority-owned by multiple venture capital operating companies and participating in the SBIR program solely under the authority under section 9(cc) of the Small Business Act, as added by this section.

(b) SBIR and STTR Programs

(1) STATEMENT OF CONGRESSIONAL INTENT.—It is the stated intent of Congress that the Administration shall promulgate regulations to carry out the authority under section 9(cc) of the Small Business Act, as added by this section, that—

(A) provide specific guidance for small business concerns that are majority-owned by multiple venture capital operating companies to participate in the SBIR program in accordance with section 9(cc) of the Small Business Act; and

(B) provide specific guidance for small business concerns that are majority-owned by multiple venture capital operating companies with regard to eligibility, participation, and affiliation rules; and

(C) preserve and maintain the integrity of the SBIR program as a program for small business concerns in the United States, prohibiting large businesses or large entities or foreign-owned businesses or entities from participation in the program established under section 9(cc) of the Small Business Act.

(2) RULEMAKING REQUIRED.—

(A) PROPOSED REGULATIONS.—Not later than April 30, 2011, the Administrator shall issue proposed regulations, in accordance with section 121.103(b)(5) of title 13, Code of Federal Regulations, for firms that are majority-owned by multiple venture capital operating companies and participating in the SBIR program solely under the authority under section 9(cc) of the Small Business Act, as added by this section.

(B) FINAL REGULATIONS.—Not later than December 31, 2011, and after providing notice of and opportunity for comment on the proposed regulations issued under subparagraph (A), the Administrator shall issue final or interim final regulations under this subsection.

(3) CONTENTS.—In this subsection, the Administrator shall provide specific guidance for small business concerns that are majority-owned by multiple venture capital operating companies with regard to eligibility, participation, and affiliation rules, and

(A) in accordance with the size standards established under subparagraph (B), that the applicant is—

(i) a small business or large entity; or

(ii) majority-owned or controlled by a large business or large entity; or

(B) in accordance with the criteria established under subparagraph (C), that the applicant—

(i) is a foreign business or a foreign entity or is not a citizen of the United States or alien lawfully admitted for permanent residence; or

(ii) is majority-owned or controlled by a foreign business, foreign entity, or person who is a direct or indirect subsidiary of a foreign-owned entity; or

(C) SIZE STANDARDS.—Under the authority to establish criteria under paragraphs (2) and (3) of section 3(a) of the Small Business Act (15 U.S.C. 632(a)), the Administrator shall, in accordance with paragraph (1) of this subsection, establish size standards for applicants seeking to participate in the SBIR program solely under the authority under section 9(cc) of the Small Business Act, as added by this section.

(d) Assistance for Determining Affiliates.—

(1) CLEAR EXPLANATION REQUIRED.—Not later than 30 days after the date of enactment of this Act, the Administrator shall post on the website of the Administration (with a direct link displayed on the homepage of the website of the Administration or the SBIR and STTR websites of the Administration)—

(A) a clear explanation of the SBIR and STTR affiliation rules under part 121 of title 13, Code of Federal Regulations; (B) contact information for officers or employees of the Administration who—

(i) upon request, shall provide a summary of the rules described in subparagraph (A); and

(ii) shall respond to a request under clause (i) later than 20 business days after the date on which the request is received.

(2) INCLUSION OF AFFILIATION RULES FOR CERTAIN SMALL BUSINESS CONCERNS.—On and after the date on which the Administrator posts under subsection (c), the Administrator shall post on the website of the Administration information relating to the rules described in subparagraph (A) of section 121.103(b)(5) of title 13, Code of Federal Regulations, for firms that are majority-owned by multiple venture capital operating companies and participating in the SBIR program solely under section 9(cc) of the Small Business Act.

(e) Assistance for Determining Affiliates.—

(1) CLEAR EXPLANATION REQUIRED.—Not later than 30 days after the date of enactment of this Act, the Administrator shall post on the website of the Administration (with a direct link displayed on the homepage of the website of the Administration or the SBIR and STTR websites of the Administration)—

(A) a clear explanation of the SBIR and STTR affiliation rules under part 121 of title 13, Code of Federal Regulations; and

(B) contact information for officers or employees of the Administration who—

(i) upon request, shall provide a summary of the rules described in subparagraph (A); and

(ii) shall respond to a request under clause (i) later than 20 business days after the date on which the request is received.

(2) INCLUSION OF AFFILIATION RULES FOR CERTAIN SMALL BUSINESS CONCERNS.—On and after the date on which the Administrator posts under subsection (c), the Administrator shall post on the website of the Administration information relating to the rules described in subparagraph (A) of section 121.103(b)(5) of title 13, Code of Federal Regulations, for firms that are majority-owned by multiple venture capital operating companies and participating in the SBIR program solely under section 9(cc) of the Small Business Act.
SBIR Policy Directive and the STTR Policy Directive issued under this section to ensure that small business concerns—

(A) have the flexibility to use the resources of the Federal laboratories and federally funded research and development centers; and

(B) are not mandated to enter into agreements with a Federal laboratory or research center as a condition of an award.

SEC. 111. NOTICE REQUIREMENT.

(a) SBIR PROGRAM.—Section 9(g) of the Small Business Act (15 U.S.C. 638(g)) is amended—

(1) in paragraph (10), by striking “and” at the end;

(2) in paragraph (11), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

“(12) provide timely notice to the Administrator of any case or controversy before any Federal judicial or administrative tribunal concerning the SBIR program of the Federal agency; and

(b) STTR PROGRAM.—Section 9(o) of the Small Business Act (15 U.S.C. 638(o)) is amended—

(1) by striking paragraph (15);

(2) in paragraph (16), by striking the period at the end and inserting “; and”;

(3) by redesignating paragraph (16) as paragraph (15); and

(4) by adding at the end the following:

“(16) provide timely notice to the Administrator of any case or controversy before any Federal judicial or administrative tribunal concerning the STTR program of the Federal agency.”

SEC. 112. EXPRESS AUTHORITY FOR AN AGENCY TO AWARD SEGMENTAL PHASE II AWARDS FOR SBIR OR STTR FUNDED PROJECTS.

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

“(e) ADDITIONAL PHASE II SBIR AND STTR AWARDS.—A small business concern that receives a Phase II SBIR award or a Phase II STTR award for a project remains eligible to receive an additional Phase II SBIR award or Phase II STTR award for that project.”

TITLE II—OUTREACH AND COMMERCIALIZATION INITIATIVES

SEC. 201. RURAL AND STATE OUTREACH.

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

“(d) FEDERAL AND STATE TECHNOLOGY PARTNERSHIPS.—

“(1) DEFINITIONS.—In this subsection, the following definitions apply:

“(A) APPLICANT.—The term ‘applicant’ means an entity, organization, or individual that submits a proposal for an award or a cooperative agreement under this subsection.

“(B) FAST PROGRAM.—The term ‘FAST program’ means a program established under section 34(e).”

(b) SUBMISSION OF PROPOSAL.—The Administrator shall establish a program to be known as the Federal and State Technology Partnership Program, the purpose of which shall be to strengthen the technological competitiveness of small business concerns in the States.

(2) GRANTS AND COOPERATIVE AGREEMENTS.—

(3) JOINT REVIEW.—In carrying out the FAST program, the Administrator and the Director of the National Science Foundation shall jointly review proposals submitted by applicants and make awards or enter into cooperative agreements under this subsection based on the factors for consideration set forth in subsection (b), in order to enhance or develop in a State—

(i) technology research and development by small business concerns;

(ii) technology transfer from universities to technology-based small business concerns;

(iii) technology deployment and diffusion benefiting small business concerns; and

(iv) the technological capabilities of small business concerns through the establishment or operation of consortia comprised of entities, organizations, or individuals, including—

(I) State and local development agencies and entities;

(II) representatives of technology-based small business concerns;

(III) industries and emerging companies;

(IV) universities and academic institutions; and

(V) small business development centers; and

(v) outreach, financial support, and technical assistance to technology-based small business concerns participating in or interested in participating in an SBIR program or STTR program, including initiatives—

(I) to make grants or loans to companies to pay a portion or all of the cost of developing SBIR or STTR proposals;

(II) to establish or operate a Mentoring Network within the FAST program to provide business advice and counseling that will assist small business concerns that have been identified by FAST program participants, program participants of participating SBIR agencies, the Administration, or other entities that are knowledgeable about the SBIR and STTR programs as good candidates for the SBIR and STTR programs, and that would benefit from mentoring, in accordance with section 34;

(III) to create or participate in a training program for individuals providing SBIR or STTR outreach and assistance at the State and local levels; and

(IV) to encourage the commercialization of technology and the use of federal funding under the SBIR program or the STTR program.

(b) SELECTION CONSIDERATIONS.—In making grants or awards or entering into cooperative agreements under this subsection, the Administrator and the program managers referred to in subparagraph (a)—

(i) may consider proposals by applicants that intend to use a portion of the Federal assistance provided under this subsection to provide outreach, financial support, technical assistance to technology-based small business concerns participating in or interested in participating in the SBIR program or STTR program; and

(ii) shall consider the following—

(I) whether the applicant has demonstrated that the assistance to be provided would address unmet needs of small business concerns in the region to which the proposal pertains; and

(II) except as provided in clause (iii), 35 cents for each Federal dollar, in the case of

(III) whether the proposal addresses the needs of small business concerns—

(aa) owned and controlled by women;

(bb) that are socially and economically disadvantaged small business concerns (as defined in section 8(a)(4)(A));

(cc) that are HUBZone small business concerns;

(dd) located in areas that have historically not participated in the SBIR and STTR programs;

(ee) owned and controlled by service-disabled veterans;

(ff) owned and controlled by Native Americans; and

(gg) located in geographic areas with an unemployment rate that exceeds the national unemployment rate based on the most recently available monthly publications of the Bureau of Labor Statistics of the Department of Labor.

(c) PROPOSAL LIMIT.—Not more than 1 proposal may be submitted for inclusion in the FAST program under this subsection to provide services in any one State in any 1 fiscal year.

(d) PROCESS.—Proposals and applications for assistance under this subsection shall be in such form and subject to such procedures as the Administrator shall establish. The Administrator shall promulgate regulations establishing standards for the consideration of proposals under subparagraph (B), including standards regarding each of the considerations identified in subparagraph (B)(ii).

(e) COOPERATION AND COORDINATION.—In carrying out the FAST program, the Administrator shall cooperate and coordinate with—

(A) Federal agencies required by this section to make an SBIR or STTR award; and

(B) entities, organizations, and individuals actively engaged in enhancing or developing the technological capabilities of small business concerns, including—

(i) State and local development agencies and entities;

(ii) State committees established under the Experimental Program to Stimulate Competitive Research of the National Science Foundation (as established under section 113 of the National Science Foundation Authorization Act of 1988 (42 U.S.C. 1862));

(iii) State science and technology councils; and

(iv) representatives of technology-based small business concerns.

(f) ADMINISTRATIVE REQUIREMENTS.—

(A) COMPETITIVE BASIS.—Awards and cooperative agreements under this subsection shall be made or entered into, as applicable, on a competitive basis.

(B) MATCHING REQUIREMENTS.—

(1) IN GENERAL.—The non-Federal share of the cost of an activity (other than a planning activity) carried out using an award or under a cooperative agreement under this subsection shall be—

(I) except as provided in clause (iii), 35 cents for each Federal dollar, in the case of

(II) whether the applicant has demonstrated that the number or success of small high-technology businesses in the State or an area of the State measured by Phase I and Phase II SBIR awards that have historically been received by small business concerns in the State or area of the State; and

(III) whether the number or success of the proposed activities are reasonable;

(IV) whether the proposal integrates and coordinates the proposed activities with other State and local programs assisting small high-technology firms in the State;

(V) the manner in which the applicant will measure the results of the activities to be conducted; and

(VI) whether the proposal addresses the needs of small business concerns—

(aa) owned and controlled by women;

(bb) that are socially and economically disadvantaged small business concerns (as defined in section 8(a)(4)(A));

(cc) that are HUBZone small business concerns;

(dd) located in areas that have historically not participated in the SBIR and STTR programs;

(ee) owned and controlled by service-disabled veterans;

(ff) owned and controlled by Native Americans; and

(gg) located in geographic areas with an unemployment rate that exceeds the national unemployment rate based on the most recently available monthly publications of the Bureau of Labor Statistics of the Department of Labor.
II. RURAL AREAS.—
(I) IN GENERAL.—Except as provided in subclause (II), the non-Federal share of the cost of the activity carried out using an award or under a cooperative agreement under this subsection shall be 35 cents for each Federal dollar that will be directly allocated by a recipient described in clause (i) to serve small business concerns located in a qualified census tract, as that term is defined in section 42(d)(6)(B)(i)(I) of the Internal Revenue Code of 1986. Federal dollars not so allocated by that recipient shall be subject to the matching requirements of statute.

(III) DEFINITION OF RURAL AREA.—In this clause, the term ‘rural area’ has the meaning given that term in section 1901(a)(2) of the Internal Revenue Code of 1986.

(IV) TYPES OF FUNDING.—The non-Federal share of the cost of an activity carried out by a recipient described in subclause (II) shall be comprised of not less than 50 percent cash and not more than 50 percent of indirect costs and in-kind contributions. In no such costs or contributions may be derived from funds from any other Federal program.

(V) RANKINGS.—For the first full fiscal year of enactment of the SBIR/STTR Reauthorization Act of 2010, and each fiscal year thereafter, based on the statistics for the most recent full fiscal year for which the Administrator has compiled statistics, the Administrator shall reevaluate the ranking of each State for purposes of clause (I).

(C) DURATION.—Awardees under subsection (a) that provide a SBIR bonus grant.

SEC. 202. SBIR–STEM WORKFORCE DEVELOPMENT GRANT PILOT PROGRAM.

(a) PILOT PROGRAM ESTABLISHED.—From amounts made available to carry out this section, the Administrator shall establish a SBIR–STEM Workforce Development Grant Pilot Program to encourage the business community to provide workforce development opportunities for STEM college students, in the fields of science, technology, engineering, and math (in this section referred to as ‘‘STEM college students’’), particularly those that are socially and economically disadvantaged, from rural areas, or from areas with high unemployment, as determined by the Administrator, for a SBIR bonus grant.

(b) ELIGIBLE ENTITIES DEFINED.—In this section the term ‘‘eligible entity’’ means a recipient receiving a grant under the SBIR Program on the date of the bonus grant subsection (a) that provides an internship program for STEM college students.

(c) AWARDS.—An eligible entity shall receive a bonus grant equal to 10 percent of either a Phase I or Phase II grant, as applicable, with a total award maximum of not more than $10,000 per year.

(d) EVALUATION.—Beginning the fourth year of funding under this section, the Administrator shall submit to Congress as part of the report required under section 9(b)(7) of the SBIR Act (15 U.S.C. 638(b)(7)) the results of the SBIR–STEM Workforce Development Grant Pilot Program.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

(1) $1,000,000 for fiscal year 2011;
(2) $1,000,000 for fiscal year 2012;
(3) $2,000,000 for fiscal year 2013;
(4) $1,000,000 for fiscal year 2014; and
(5) $1,000,000 for fiscal year 2015.

SEC. 203. TECHNICAL ASSISTANCE FOR AWARD-RECIPIENTS.

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

(1) in paragraph (1)—
(A) by inserting ‘‘or STTR program’’ after ‘‘SBIR program’’;
(B) by striking ‘‘SBIR projects’’ and inserting ‘‘or STTR projects’’;
(C) by adding at the end the following:

‘‘(3) in section 40(b) (15 U.S.C. 657m(b)), as so redesignated—
(i) $1,000,000 for fiscal year 2013;
(ii) $1,000,000 for fiscal year 2015;
(iii) $1,000,000 for fiscal year 2016; and
(iv) $1,000,000 for fiscal year 2017.

(D) by striking ‘‘$4,000’’ and inserting ‘‘$8,000’’;
(E) by striking ‘‘2 years’’ and inserting ‘‘3 years’’;
(F) by striking paragraphs (2), (3), and (4) and inserting the following:

‘‘(2) the Mentoring Networks and the mentoring database, as provided for under section 34, including—
(i) the status of the inclusion of mentoring information in the database required by subsection (k); and
(ii) the status of the implementation and description of the usage of the Mentoring Networks.

(7) PROGRAM LEVELS.—
(A) IN GENERAL.—There is authorized to be appropriated to carry out the FAST Program, including Mentoring Networks, under this subsection, $15,000,000 for each of fiscal years 2010 through 2014.

(B) MENTORING DATABASE.—Of the total amount made available under subparagraph (A) for fiscal years 2010 through 2014, a reasonable amount, not to exceed a total of $500,000, may be used by the Administration to carry out section 34(d), means providing advice and assistance to carry out the FAST Program under this subsection shall terminate on September 30, 2014.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—The Small Business Act (15 U.S.C. 631 et seq.) is amended—

(2) FAST PROGRAM.—The term ‘‘FAST program’’ means the Federal and State Technology Partnership Program established under section 9(e).

(C) MENTOR.—The term ‘‘mentor’’ means an individual described in subsection (c)(2).
“(1) use the amounts authorized under subparagraph (A) or (B) unless the vendor selected under paragraph (2) provides the technical assistance to the recipient; or

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

SEC. 204. COMMERCIALIZATION READINESS PROGRAM AT DEPARTMENT OF DEFENSE.

(a) In General.—Section 9(y) of the Small Business Act (15 U.S.C. 638(y)) is amended—

“(1) in the subsection heading, by striking ‘‘PILOT’’ and inserting ‘‘READINESS’’;

“(2) by striking each place that term appears and inserting ‘‘Readiness’’;

“(3) in paragraph (1)—

“(A) by inserting ‘‘or Small Business Technology Transfer Program’’ after ‘‘Small Business Innovation Research Program’’;

“(B) by striking paragraphs (5) and (6); and

“(C) inserting after paragraph (4) the following:

“(5) INSPECTION INCENTIVES.—For any contract with a value of not less than $500,000, the Secretary of Defense is authorized to—

“(A) establish goals for the transition of Phase III technologies in subcontracting planes; and

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

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

“(A) for awards for technology development of Phase II SBIR contracts and the number of Phase II STTR contracts awarded by that Secretary that enhance the insertion or transition of SBIR or STTR technologies, including any such program in effect on the date of enactment of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109-163; 119 Stat. 3136).”; and

(b) in paragraph (2), by inserting ‘‘or Small Business Technology Transfer Program’’ after ‘‘Small Business Innovation Research Program’’;

(c) by striking paragraphs (5) and (6); and

(d) by inserting after paragraph (4) the following:

“(5) INSPECTION INCENTIVES.—For any contract with a value of not less than $500,000, the Secretary of Defense is authorized to—

“(A) establish goals for the transition of Phase III technologies in subcontracting planes; and

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

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

“(A) for awards for technology development of Phase II SBIR contracts and the number of Phase II STTR contracts awarded by that Secretary that enhance the insertion or transition of SBIR or STTR technologies, including any such program in effect on the date of enactment of the National Defense Authorization Act for Fiscal Year 2006 (Public Law 109-163; 119 Stat. 3136).”; and

(e) in paragraph (2), by inserting ‘‘or Small Business Technology Transfer Program’’ after ‘‘Small Business Innovation Research Program’’;

(3) in paragraph (1)—

“(A) the term ‘covered Federal agency’—

“(i) means a Federal agency participating in the SBIR program or the STTR program; and

“(ii) does not include the Department of Defense; and

“(B) the term ‘prime program’ means the program established under paragraph (1).’’.

SEC. 205. COMMERCIALIZATION READINESS PILOT PROGRAM FOR CIVILIAN AGENCIES.

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

“(1) AUTHORIZATION.—The head of each covered Federal agency may allocate not more than 10 percent of the funds allocated to the SBIR program and the STTR program of the covered Federal agency—

“(A) for awards for technology development or evaluation of SBIR and STTR Phase II technologies; or

“(B) to support the progress of research or research and development conducted under the SBIR or STTR programs to Phase III.

“(2) APPLICATION BY FEDERAL AGENCY.—

“(A) IN GENERAL.—A covered Federal agency may not establish a pilot program unless the covered Federal agency makes a written application to the Administrator, not later than 90 days before to the first day of the fiscal year in which the pilot program is to be established, compelling reason that additional investment in SBIR or STTR technologies is necessary, including unusually high regulatory, systems integration, or other costs relating to development or manufacturing of identifiable, highly promising small business technologies or a class of such technologies expected to substantially advance the mission of the agency.

“(B) DETERMINATION.—The Administrator shall—

“(i) make a determining regarding an application submitted under subparagraph (A) not later than 30 days before the first day of the fiscal year for which the application is submitted;

“(ii) publish the determination in the Federal Register; and

“(iii) make a copy of the determination and any related materials available to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives.

“(3) MAXIMUM AMOUNT OF AWARD.—The head of a covered Federal agency may not make an award under a pilot program in excess of 3 times the dollar amounts generally established for Phase II awards under subparagraph (D) or (E)(ii).

“(4) REGISTRATION.—Any applicant that receives an award under a pilot program shall register with the Administrator in a registry that is available to the public.

“(5) REPORT.—The head of each covered Federal agency shall include in the annual report of the covered Federal agency to the Administrator an analysis of the various activities conducted as part of the pilot program of the covered Federal agency and a statement of the reasons why each activity considered was included or not included, as the case may be.

“(6) TERMINATION.—The authority to establish a pilot program under this section expires at the end of fiscal year 2014.

“(7) DEFINITIONS.—In this subsection—

“(A) the term ‘covered Federal agency’—

“(i) means a Federal agency participating in the SBIR program or the STTR program; and

“(ii) does not include the Department of Defense; and

“(B) the term ‘prime program’ means the program established under paragraph (1).’’.

SEC. 206. ACCELERATING CURES.

(a) IN GENERAL.—The Small Business Act (15 U.S.C. 631 et seq.) is amended by inserting after section 42, as redesignated by section 201 of this Act, the following:

“SEC. 43. SMALL BUSINESS INNOVATION RESEARCH PROGRAM.

“(a) NIH CURATES PILOT.—

“(1) ESTABLISHMENT.—An independent advisory board shall be established at the National Academy of Sciences (in this section referred to as the ‘advisory board’) to conduct periodic reviews of the SBIR program (as that term is defined in section 9) of each of the National Institutes of Health (referred to in this section as the ‘NIH’) institutes and centers for the purpose of improving the management of the SBIR program through data-driven assessment.

“(2) MEMBERSHIP.—

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

“(i) the Director of the NIH;

“(ii) the Director of the SBIR program of the NIH;

“(iii) senior NIH agency managers, selected by the Director of NIH;

“(iv) industry experts, selected by the Council of the National Academy of Sciences in consultation with the Associate Administrator for Technology of the Administration and the Office of Science and Technology Policy; and

“(v) owners or operators of small business concerns that have received an award under the SBIR program of the NIH, selected by the Associate Administrator for Technology of the Administration.

“(B) NUMBER OF MEMBERS.—The total number of members selected under clauses (i), (ii), (iv), and (v) of subparagraph (A) shall not exceed 10.

“(3) EQUAL REPRESENTATION.—The total number of members of the advisory board selected under clauses (i), (ii), (iv), and (v) of subparagraph (A) shall be equal to the number of members of the advisory board selected under paragraph (A).

“(4) ADDRESSING DATA GAPS.—In order to enhance the evidence-base guiding SBIR program evaluations and choices, the Administrator of the SBIR program of the NIH shall address the gaps and deficiencies in the data collection concerns identified in the 2007 report of the National Academies of Sciences entitled ‘‘An Assessment of the Small Business Innovation Research Program at the NIH’’.

“(c) PILOT PROGRAM.—

“(1) IN GENERAL.—The Director of the SBIR program of the NIH may initiate a pilot program, under a formal mechanism for design, implementing, and evaluating pilot programs, to spur innovation and to test new strategies that may enhance the development of cures and therapies.

“(2) CONSIDERATIONS.—The Director of the SBIR program of the NIH may consider conducting a pilot program to include individuals with successful SBIR program experience in studying scientific individuals with small business development experience for staff positions, separating the commercial and scientific review processes, and examining the impact of such programs, to spur innovation and to test new strategies that may enhance the development of cures and therapies.

“(3) EXAMINATION OF COMMERCIALIZATION AND OTHER METRICS.—The advisory board shall evaluate the implementation of the requirement under paragraph (1) by examining increased commercialization and other metrics, to be determined and collected by the SBIR program of the NIH.

“(4) PHASE I AND II.—To the greatest extent practicable, the advisory board of the pilot program of the NIH shall reduce the time period between Phase I and Phase II funding of grants and contracts under the SBIR program of the NIH to 90 days.

“(5) LIMIT.—Not more than a total of 1 percent of the extramural budget (as defined in...
section 9 of the Small Business Act (15 U.S.C. 638(b)) of the NIH for research or research and development may be used for the pilot program under subsection (c) and to carry out subsection (e).

(b) PROSPECTIVE REPEAL.—Effective 5 years after the date of enactment of this Act, the Small Business Act (15 U.S.C. 631 et seq.) is amended—

(1) by striking section 43, as added by subsection (a); and

(2) by redesignating sections 44 and 45 as sections 43 and 44, respectively.

SEC. 207. FEDERAL AGENCY ENGAGEMENT WITH SBIR AND STTR AwarDEEs THAT HAVE RECEIVED AWARDS BUT HAVE NOT BEEN AWARDED PHASE II AWARDS.

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

'(gg) REQUIREMENTS RELATING TO FEDERAL AGENCY ENGAGEMENT WITH CERTAIN PHASE I SBIR AND STTR AwarDEEs.—

'(1) DEFINITION.—In this subsection, the term ‘covered awardee’ means a small business concern that—

'(A) has received multiple Phase I awards over multiple years, as determined by the head of a Federal agency, under the SBIR program or the STTR program of the Federal agency; and

'(B) has not received a Phase II award—

'(i) under the SBIR program or STTR program, as the case may be, of the Federal agency described in subparagraph (A); or

'(ii) relating to a Phase I award described in subparagraph (A) under the SBIR program or the STTR program of another Federal agency.

'(2) PERFORMANCE MEASURES.—The head of each Federal agency that participates in the SBIR program or the STTR program shall develop performance measures for any covered awardee relating to commercializing research or development activities under the SBIR program or the STTR program of the Federal agency.

SEC. 208. CLARIFYING THE DEFINITION OF ‘PHASE III’.

(a) PHASE III AWARDS.—Section 9(e) of the Small Business Act (15 U.S.C. 638e) is amended—

(1) in paragraph (4)(C), in the matter preceding clause (i), by inserting ‘‘for work that derives from, extends, or completes efforts made under prior funding agreements under the SBIR program or the STTR program’’; and

(2) in paragraph (6)(C), in the matter preceding clause (i), by inserting ‘‘for work that derives from, extends, or completes efforts made under prior funding agreements under the STTR program’’ after ‘‘Phase’’;

(b) in paragraph (8), by striking ‘‘and’’ at the end;

(4) in paragraph (9), by striking the period at the end and inserting a semicolon; and

(5) by adding at the end the following:

'(10) the term ‘commercialization’ means—

'(A) the process of developing products, processes, technologies, or services; and

'(B) the production and delivery of products, processes, technologies, or services for sale (whether by the originating party or by others) to or used by the Federal Government or commercial markets.’’.

SEC. 209. SHORTENED PERIOD FOR FINAL DECISIONS ON PROPOSALS AND APPLICATIONS.

(a) In General.—Section 9 of the Small Business Act (15 U.S.C. 638) is amended—

(1) in subsection (g)(4)—

'(A) by inserting ‘‘(A)’’ after ‘‘(4)’’;

'(B) by adding ‘‘and’’ after the semicolon at the end;

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

'(B) make a final decision on each proposal submitted under the SBIR program—

'(i) not later than 90 days after the date on which the solicitation closes; or

'(ii) if the Administrator authorizes an extension for a solicitation, not later than 180 days after the date on which the solicitation closes;’’;

and

(2) in subsection (o)(4)—

'(A) by inserting ‘‘(A)’’ after ‘‘(4)’’;

'(B) by adding ‘‘and’’ after the semicolon at the end;

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

'(B) make a final decision on each proposal submitted under the SBIR program—

'(i) not later than 90 days after the date on which the solicitation closes; or

'(ii) if the Administrator authorizes an extension for a solicitation, not later than 180 days after the date on which the solicitation closes;’’.

(b) NIH PEER REVIEW PROCESS.—

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

'(hh) NIH PEER REVIEW PROCESS.—The Director of the National Institutes of Health shall—

'(A) in an award under the SBIR program or the STTR program of the National Institutes of Health if the application for the
award has undergone technical and scientific peer review under section 402 of the Public Health Service Act (42 U.S.C. 282a).”.

(2) TECHNICAL AND CONFORMING AMENDMENTS.-(A) The Small Business Act (15 U.S.C. 638) is amended—

(ii) in section 8(a)(3)—

(1) by adding paragraph (5), and inserting—

(5) the names of key individuals that will contribute to the project; and

(ii) in section 8(b)—

(1) in subparagraph (A)—

(IV) is located in a State described in clause (iv) will contribute to the project; and

(C) by redesignating subparagraphs (A) and (B) as subparagraphs (B) and (C), respectively;

(ii) by inserting after paragraph (7) the following:

(VIII) is a person that is not an individual and is not organized under the laws of a State or the United States, and if so, the name of such person;

(ii) in section 9(b)—

(1) in subparagraph (D)—

(1) in section 9(g)—

(2) by redesignating paragraphs (8) and (9) as paragraphs (9) and (10), respectively, and (3) by inserting after paragraph (7) the following:

(ii) by inserting after paragraph (6) the following:

(II) contains, for each small business concern that applies for, submits a proposal for, or receives an award under Phase I or Phase II of the STTR program or the STTR Reauthorization Act of 2010—

(ii) the number of key individuals that will contribute to the project.

SEC. 305. GOVERNMENT DATABASE.

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

(1) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by striking “Not later” and all that follows through “Administrative” and inserting “Not later than 90 days after the date any such individual as a principal investigator; and

(B) by striking subparagraph (B), by redesignating paragraphs (A) and (B) as subparagraphs (B) and (C), respectively;

(ii) by inserting before subparagraph (B), as so redesignated, the following:

(II) is a person that is not an individual and is not organized under the laws of a State or the United States, and if so, the name of such person;

(III) the name, size, and location, and an identifying number assigned by the Administration of the small business concern;

(IV) is located in a State described in clause (iv) will contribute to the project; and

(V) the names of employees of the small business concern;

(A) contains, for each small business concern that applies for, submits a proposal for, or receives an award under Phase I or Phase II of the STTR program or the STTR Reauthorization Act of 2010—

(1) in paragraph (3)—

(A) by striking “and” and inserting “; and”;

(2) by striking the proviso in section 402 of such Act and all that follows through “biennial fiscal year, beginning with the fiscal year 2008”;

(3) by inserting at the end the following:

(III) the number of employees of the small business concern;

(V) whether the small business concern is owned or controlled by multiple venture capital operating companies; and

(VI) whether the small business concern is owned or controlled by multiple venture capital operating companies.

SEC. 306. PUBLIC DATABASE.

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

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

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

(3) by adding at the end the following:

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

(1) has venture capital and, if so, whether the small business concern is registered as a socially or economically disadvantaged individual or has a socially or economically disadvantaged individual as a principal investigator;

(2) has venture capital operating companies, and, if so—

(1) a justification statement from the agency, if an awardee receives an award in an amount that is more than the award amounts described in subsection (s); and

(2) by inserting after paragraph (7) the following:

(2) a statement from the agency that justifies the award

SEC. 307. STREAMLINING ANNUAL EVALUATION REQUIREMENTS.

Section 9(b) of the Small Business Act (15 U.S.C. 638(b)), as amended by section 102 of this Act, is amended—

(i) by striking “STTR programs, including the following: ‘STTR programs, including—

(i) the number of key individuals that will contribute to the project; and

(ii) by striking “section 402(k)” and inserting the following:

(iii) the number of key individuals that will contribute to the project;

(2) by redesignating paragraphs (8) and (9) as paragraphs (9) and (10), respectively, and (3) by inserting after paragraph (7) the following:

(II) contains, for each small business concern that applies for, submits a proposal for, or receives an award under Phase I or Phase II of the STTR program or the STTR Reauthorization Act of 2010—

(3) by inserting at the end the following:

(II) contains, for each small business concern that applies for, submits a proposal for, or receives an award under Phase I or Phase II of the STTR program or the STTR Reauthorization Act of 2010—

(1) in paragraph (3)—

(A) by striking “and” and inserting “; and”;

(2) by striking the proviso in section 402 of such Act and all that follows through “biennial fiscal year, beginning with the fiscal year 2008”;

(3) by inserting at the end the following:

(III) the number of employees of the small business concern;

(V) whether the small business concern is owned or controlled by multiple venture capital operating companies; and

(VI) whether the small business concern is owned or controlled by multiple venture capital operating companies.

SEC. 308. DATA COLLECTION FROM AGENCIES FOR SBIR.

Section 9(o) of the Small Business Act (15 U.S.C. 638(o)) is amended by striking paragraph (9) and inserting the following:

(9) collect annually, and maintain in a common format in accordance with the simplified reporting requirements under subsection (v), such information from awardees as is necessary to assess the SBIR program, including information necessary to maintain the database described in subsection (k), including—

(1) in subparagraph (D), by striking “and” and inserting “; and”;

(2) by inserting at the end the following:

(III) the number of key individuals that will contribute to the project;

(II) contains, for each small business concern that applies for, submits a proposal for, or receives an award under Phase I or Phase II of the STTR program or the STTR Reauthorization Act of 2010—

(1) in paragraph (3)—

(A) by striking “and” and inserting “; and”;

(2) by striking the proviso in section 402 of such Act and all that follows through “biennial fiscal year, beginning with the fiscal year 2008”;

(3) by inserting at the end the following:

(III) the number of employees of the small business concern;

(V) whether the small business concern is owned or controlled by multiple venture capital operating companies; and

(VI) whether the small business concern is owned or controlled by multiple venture capital operating companies.

SEC. 309. DATA COLLECTION FROM AGENCIES FOR STTR.

Section 9(o) of the Small Business Act (15 U.S.C. 638(o)) is amended by striking paragraph (9) and inserting the following:

(9) collect annually, and maintain in a common format in accordance with the simplified reporting requirements under subsection (v), such information from awardees as is necessary to assess the STTR program, including information necessary to maintain the database described in subsection (k), including—

(1) in subparagraph (D), by striking “and” and inserting “; and”;

(2) by inserting after paragraph (7) the following:

(8) to coordinate the implementation of electronic sharing by each of the Federal agencies participating in the SBIR program or the STTR program, including the technical ability of the participating agencies to electronically share data;”.

SEC. 310. STREAMLINING ANNUAL EVALUATION REQUIREMENTS.

Section 9(b) of the Small Business Act (15 U.S.C. 638(b)), as amended by section 102 of this Act, is amended—

(i) the number of key individuals that will contribute to the project; and

(ii) the number of key individuals that will contribute to the project.

(1) by striking paragraph (10);

(2) by redesignating paragraphs (8) and (9) as paragraphs (9) and (10), respectively, and (3) by inserting after paragraph (7) the following:

(8) to coordinate the implementation of electronic sharing by each of the Federal agencies participating in the SBIR program or the STTR program, including the technical ability of the participating agencies to electronically share data;”.
(viii) the Federal agency to which the application is made, and contact information for the person or office within the Federal agency that is responsible for reviewing applications and awarding the SBIR program or the STTR program;

(E) by redesignating subparagraphs (D), and (E) as subparagraphs (E) and (F), respectively

(F) by inserting after subparagraph (C), as so redesignated, the following:—

"(D) includes, for each awardee—

(1) the names and any identifying number assigned to the awardee by the Administrator;

(ii) the start date of the awardee's venture capital program; and, if so,—

(i) the amount of venture capital as of the date of the award;

(ii) the percentage of ownership of the awardee held by a venture capital operating company, including whether the awardee is majority-owned and controlled by multiple venture capital operating companies; and

(iii) the amount of additional capital that the awardee has invested in the SBIR technology, which information shall be collected on an annual basis;

(iv) the names and locations of any affiliates of the awardee;

(v) the number of employees of the awardee;

(vi) the number of employees of the affiliates of the awardee; and

(vii) the total revenue and the percentage of ownership of the awardee held by—

(I) any individual who is not a citizen of the United States or a lawful permanent resident of the United States; or

(II) any person that is not an individual and is not organized under the laws of a State or the United States; or

(III) majority-owned and controlled by multiple venture capital operating companies; and

(G) in subparagraph (E), as so redesignated, by striking "and" at the end; and

(H) in subparagraph (F), as so redesignated, by striking the period at the end and inserting:—

"; and

(I) by adding at the end the following:

"(G) includes a timely and accurate list of information in proposals; and

(ii) the effectiveness of the government and public databases described in section (b).

SEC. 305. QUARTERLY EVALUATION BY THE NA-TIONAL ACADEMY OF SCIENCES.

Section 108 of the Small Business Reau-thorization Act of 2000 (15 U.S.C. 638 note) is amended by adding at the end the following:

"(I) the amount of venture capital as of the date of the award;

(ii) whether the awardee has venture capital operating companies; and

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

(iv) the dollar amount of the Phase III award; and

"SEC. 306. ACCURACY IN FUNDING BASE CALCULATIONS.

(a) In General.—Not later than 1 year after enactment of this Act, and every year thereafter until the date that is 4 years after the date of enactment of this Act, the Comptroller General of the United States shall—

(1) conduct a fiscal and management audit of the SBIR program and the STTR program for the applicable period to—

(A) determine whether Federal agencies comply with the expenditure amount requirements under subsections (f)(1) and (n)(1) of section 9 of the Small Business Act (15 U.S.C. 638k(1)) and 2 years thereafter under this Act by the Federal agencies participating in the SBIR program or the STTR program and the Administration;

(B) assess the extent of compliance with the requirements of section 9(n)(2) of the Small Business Act (15 U.S.C. 638k(2)) by Federal agencies participating in the SBIR program or the STTR program and the Administration;

(C) assess whether it would be more consistent and effective to base the amount of the allocations under the SBIR program and the STTR program on a percentage of the reported amount of Federal agency, rather than the extramural budget of the Federal agency; and

(D) determine the portion of the extramural research and development budget of a Federal agency that each Federal agency spends for administrative purposes relating to the SBIR program or STTR program, and any identifying number assigned to the awardee by the Administrator; and

(2) submit a report to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives regarding the audit conducted under paragraph (1), including the assessments required under subparagraphs (B) and (C), and the determination made under subparagraph (D) of paragraph (1).

(b) DEFINITION OF APPLICABLE PERIOD.—In this section, the term "applicable period" means—

"(1) for the first report submitted under this section, the period beginning on October 1, 2004, and ending on September 30 of the last full fiscal year before the date of enactment of this Act for which information is available; and

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

(A) beginning on November 1 of the first fiscal year after the end of the most recent full fiscal year relating to which a report under this section is required; and

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

SEC. 307. CONTINUED EVALUATION BY THE NA-TIONAL ACADEMY OF SCIENCES.

Section 108 of the Small Business Reau-thorization Act of 2000 (15 U.S.C. 638 note) is amended by adding at the end the following:

"(C) whether the Federal agency has the consent to clarify the scope of data rights, including in prototypes and models agreements with Federal laboratories, are sufficient to protect SBIR awardees; and

"(D) there is an effective grievance tracking process for SBIR awardees who have grievances against a Federal agency regarding data rights and a process for resolving those grievances.

"SEC. 308. TECHNOLOGY INSERTION REPORTING REQUIRMENTS.

(a) In General.—The Comptroller General of the United States shall conduct a study of the SBIR program to assess whether—

(1) Federal agencies comply with the data rights protections for SBIR awardees and the technologies of SBIR awardees under section 9 of the Small Business Act (15 U.S.C. 638); and

(2) the laws and policy directives intended to clarify the scope of data rights, including in prototypes and models agreements with Federal laboratories, are sufficient to protect SBIR awardees; and

(b) REPORT.—Not later than 18 months after the date of enactment of this Act, the Comptroller General shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the study conducted under subsection (a).
STTR application a provision through which the applicant can indicate consent for purposes of paragraph (1).".  

SEC. 311. PILOT TO ALLOW FUNDING FOR ADMINISTRATION, DEVELOPMENT, AND CONTRACT PROCESSING COSTS.  

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

"(kk) Assistance for Administrative, Oversight, and Contract Processing Costs.—  

"(1) in General.—Subject to paragraph (3), the Administrator shall allow each Federal agency required to conduct an SBIR program to use not more than 3 percent of the funds allocated to the SBIR program of the Federal agency for—  

(A) for the first fiscal year beginning after the date of enactment of this subsection, and each fiscal year thereafter through fiscal year 2018, for costs relating to administrative, oversight, and contract processing activities for the SBIR program that the Federal agency was not carrying out during the last full fiscal year before the date of enactment of this subsection, including activities described in paragraph (2); and  

(B) for the first 3 fiscal years beginning after the date of enactment of this subsection, for—  

(i) administration of the SBIR program or the STTR program;  

(ii) implementation of commercialization and outreach initiatives that were not in effect on the date of enactment of this subsection;  

(iii) carrying out the program under subsection (y);  

(iv) activities relating to oversight and congressional reporting, including the waste, fraud, and abuse prevention activities described in section 313(a)(1)(B)(ii) of the SBIR/STTR Reauthorization Act of 2010;  

(v) carrying out subsection (cc);  

(vi) SBIR funding described in section 628(b);  

(vii) contract processing costs relating to the SBIR program; and  

(viii) funding for additional personnel and assistance with application reviews.  

"(2) Activities.—The activities described in this paragraph include—  

(A) the administration of the SBIR program or the STTR program of a Federal agency;  

(B) the provision of outreach and technical assistance relating to the SBIR program or an STTR program, including technical assistance site visits and personnel interviews;  

(C) contract processing;  

(D) the implementation of oversight and quality control measures, including verification of reports and invoices and cost reviews; and  

(E) targeted reviews of recipients of awards under the SBIR program that the head of a Federal agency determines are at high risk for fraud, waste, or abuse, to ensure compliance with requirements of the SBIR program.  

"(3) PERFORMANCE CRITERIA.—A Federal agency shall only be authorized to use funds as authorized under paragraph (1) until after the effective date of performance criteria, which the Administrator shall establish, to measure any benefits of using funds as authorized under paragraph (1) and to assess continuation of the authority under paragraph (1).  

"(4) RULES.—Not later than 180 days after the date of enactment of this subsection, the Administrator shall issue rules to carry out this subsection.".  

(b) TECHNICAL AND CONFORMING AMENDMENTS.—  

(1) In General.—Section 9 of the Small Business Act (15 U.S.C. 638) is amended—  

(A) in subsection (i)(2)(A), as so redesignated by section 103(2) of this Act, by striking "shall not" and all that follows through "and an SBIR project" and inserting "shall not make available for the purpose"; and  

(B) in subsection (y), as amended by section 204—  

(1) by striking paragraph (4);  

(2) by redesigning paragraphs (5) and (6) as paragraphs (4) and (5), respectively.  

(b) Transitional Rule.—Notwithstanding the amendments made by paragraph (1), subsection (i)(2)(A) and (y)(4) of section 9 of the Small Business Act (15 U.S.C. 638), as in effect on the day before the date of enactment of this Act, shall continue to apply until a Federal agency until the effective date of the performance criteria established by the Administrator under subsection (kk)(3) of section 9 of the Small Business Act, as added by subsection (a).  

SEC. 312. GAO STUDY WITH RESPECT TO VENTURE CAPITAL OPERATING COMPANY INVOLVEMENT.  

Not later than 3 years after the date of enactment of this Act, and every 3 years thereafter, the Comptroller General of the United States shall—  

(1) conduct a study of the impact of requirements relating to venture capital operating company involvement under section 9(c)(1) of the Small Business Act, as added by section 108 of this Act; and  

(2) submit to Congress a report regarding the study conducted under paragraph (1).  

SEC. 313. REDUCING VULNERABILITY OF SBIR AND STTR PROGRAMS TO FRAUD, WASTE, AND ABUSE.  

(a) FRAUD, WASTE, AND ABUSE PREVENTION.—  

(1) GUIDELINES FOR FRAUD, WASTE, AND ABUSE PREVENTION.—  

(A) Amendments Required.—Not later than 90 days after the date of enactment of this Act, the Administrator shall amend the SBIR Policy Directive and the STTR Policy Directive to include measures to prevent fraud, waste, and abuse in the SBIR program and the STTR program.  

(B) CONTENT OF AMENDMENTS.—The amendments required under subparagraph (A) shall include—  

(i) definitions or descriptions of fraud, waste, and abuse;  

(ii) a requirement that the Inspectors General of Federal agencies participating in the SBIR program or the STTR program cooperate to—  

(I) establish fraud detection indicators;  

(II) review and update operating procedures of the Federal agencies;  

(III) coordinate information sharing between the Federal agencies; and  

(IV) improve the education and training of, and outreach to—  

(aa) administrators of the SBIR program and the STTR program of each Federal agency;  

(bb) applicants to the SBIR program or the STTR program; and  

(cc) recipients of awards under the SBIR program or the STTR program;  

(iii) guidelines for the monitoring and oversight of applicants to and recipients of awards under the SBIR program or the STTR program; and  

(iv) a requirement that each Federal agency that participates in the SBIR program or STTR program develop a hotline established under paragraph (2)—  

(I) on the website of the Federal agency; and  

(II) in any solicitation or notice of funding opportunity issued by the Federal agency for the SBIR program or the STTR program.  

(b) FRAUD, WASTE, AND ABUSE PREVENTION HOTLINE.—  

(A) HOTLINE ESTABLISHED.—The Administrator shall establish a telephone hotline to report fraud, waste, and abuse in the SBIR program or STTR program.  

(B) PUBLICATION.—The Administrator shall include a telephone hotline for the hotline established under subparagraph (A) on the website of the Administration.  

(b) STUDY AND REPORT.—  

(1) STUDY.—Not later than 1 year after the date of enactment of this Act, and every 3 years thereafter, the Comptroller General of the United States shall—  

(A) conduct a study that evaluates—  

(i) the implementation by each Federal agency that participates in the SBIR program or the STTR program of the amendments to the SBIR Policy Directive and the STTR Policy Directive made pursuant to subsection (a);  

(ii) the effectiveness of the management information system of each Federal agency that participates in the SBIR program or STTR program in identifying duplicative SBIR and STTR projects;  

(iii) the effectiveness of the risk management strategies of each Federal agency that participates in the SBIR program or STTR program in identifying areas of the SBIR program or the STTR program that are at high risk for fraud;  

(iv) technological tools that may be used to detect patterns of behavior that may indicate fraud by applicants to the SBIR program or the STTR program;  

(v) the success of each Federal agency that participates in the SBIR program or STTR program in reducing fraud, waste, and abuse in the SBIR program or the STTR program of the Federal agency; and  

(vi) the extent to which the Inspector General of each Federal agency that participates in the SBIR program or STTR program effectively conducts investigations of individuals alleged to have submitted false claims or violated Federal law relating to fraud, conflicts of interest, bribery, gratuity, or other misconduct; and  

(B) submit to the Committee on Small Business and Entrepreneurship of the Senate, the Committee on Small Business of the House of Representatives, and the head of each Federal agency participating in the SBIR program or STTR program a report on the results of the study conducted under subparagraph (A).  

SEC. 314. INTERAGENCY POLICY COMMITTEE.  

(a) ESTABLISHMENT.—The Director of the Office of Science and Technology Policy (in this section referred to as the "Director"), in conjunction with the Administrator, shall establish an Interagency SBIR/STTR Policy Committee (in this section referred to as the "Committee") comprised of 1 representative from each Federal agency with an SBIR program or an STTR program and 1 representative of the Office of Management and Budget.  

(b) COCHAIRPERSONS.—The Director and the Administrator shall serve as cochairpersons of the Committee.  

(c) DUTIES.—The Committee shall review, and make policy recommendations on ways to improve the effectiveness and efficiency of the SBIR program and the STTR program, including—  

(1) reviewing the effectiveness of the public and government databases described in section 9(c)(1) of the Small Business Act (15 U.S.C. 638(k));  

(2) identifying—  

(A) best practices for commercialization assistance by Federal agencies that have significant potential to be employed by other Federal agencies; and  

(3) other matters the Committee considers appropriate.
(B) proposals by Federal agencies for initiatives to address challenges for small business concerns in obtaining funding after a Phase II award ends and before commercialization;
(3) developing and incorporating a standard evaluation framework to enable systematic assessment of the SBIR program and STTR program through appropriate tracking of awards and outcomes and development of performance measures for the SBIR program and STTR program of each Federal agency;
(d) REPORTS.—The Committee shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Transportation and Infrastructure of the House of Representatives—
(1) a report on the review by and recommendations of the Committee under subsection (c)(1) not later than 1 year after the date of enactment of this Act;
(2) a report on the review by and recommendations of the Committee under subsection (c)(2) not later than 18 months after the date of enactment of this Act; and
(3) a report on the review by and recommendations of the Committee under subsection (c)(3) not later than 2 years after the date of enactment of this Act.

TITLE IV—POLICY DIRECTIVES

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

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Administrator shall promulgate amendments to the SBIR Policy Directive and the STTR Policy Directive to conform such directives to this Act and the amendments made by this Act.
(b) PUBLISHING SBIR POLICY DIRECTIVE AND THE STTR POLICY DIRECTIVE IN THE FEDERAL REGISTER.—Not later than 180 days after the date of enactment of this Act, the Administrator shall publish the amended SBIR Policy Directive and the amended STTR Policy Directive in the Federal Register.

TITLE V—OTHER PROVISIONS

SEC. 501. RESEARCH TOPICS AND PROGRAM DIVERSIFICATION.

(a) SBIR PROGRAM.—Section 9(g) of the Small Business Act (15 U.S.C. 638(g)) is amended—
(1) in paragraph (3),
(A) in subparagraph (A), by striking "or research priorities"; and
(B) in subparagraph (B), by striking "or research priorities";
(2) in paragraph (12), by striking section 1393(a)(2) of the Internal Revenue Code of 1986;
(3) in paragraph (16), by striking the period at the end and inserting a semicolon.

(b) STTR PROGRAM.—Section 9(o) of the Small Business Act (15 U.S.C. 638(o)) is amended—
(1) in paragraph (3)—
(A) in the matter preceding subparagraph (A), by striking "broad research topics and to topics that further 1 or more critical technologies and inserting "applications to the Federal agency for support of projects relating to nanotechnology, rare diseases, security, energy, transportation, or improving the security and quality of the water supply of the United States, and the efficiency of water delivery systems and usage patterns in the United States (including the territories of the United States) through the use of technologies that are germane to the mission of the Federal agency), broad research topics, and topics that further 1 or more critical technologies or research priorities";
(B) in subparagraph (A), by striking "or" at the end; and
(C) by adding at the end following—
"(C) the National Academy of Sciences, in the final report issued by the 'America's Energy Future: Technology Opportunities, Risks, and Tradeoffs' project, and in any subsequent report by the National Academy of Sciences on sustainability, energy, or alternative fuels;
(D) the National Institutes of Health, in the annual report on the rare diseases research activities of the National Institutes of Health for fiscal year 2005, and in any subsequent report by the National Institutes of Health on rare diseases research activities;
(E) the National Academy of Sciences, in the final report issued by the 'National Program' project and the report entitled 'Transportation Research, Development and Deployment: Federal Role in the National Program' project and the report entitled 'Transportation Research, Development and Deployment: Federal Role in the National Program' project and the report entitled 'Transportation Research, Development and Deployment: Federal Role in the National Program' project and the report entitled 'Transportation Research, Development and Deployment: Federal Role in the National Program' project and the report entitled 'Transportation Research, Development and Deployment: Federal Role in the National Program' project and the report entitled 'Transportation Research, Development and Deployment: Federal Role in the National Program' project and the report entitled 'Transportation Research, Development and Deployment: Federal Role in the National Program' project and the report entitled 'Transportation Research, Development and Deployment: Federal Role in the National Program' project and the report entitled 'Transportation Research, Development and Deployment: Federal Role in the National Program' project and the report entitled 'Transportation Research, Development and Deployment: Federal Role in the National Program' project and the report entitled ""
OMNIBUS TRADE ACT OF 2010

Mr. BROWN of Ohio. Mr. President, I thank the Republican leader for his willingness to let us move on this UC.

I ask unanimous consent the Senate proceed to consider the reconsideration of H.R. 6517, which was received from the House and is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 6517) to extend trade adjustment assistance and certain trade preference programs, to amend the Harmonized Tariff Schedule of the United States to modify temporarily certain rates of duty, and for other purposes.

Mr. CASEY. Mr. President, I thank the leaders for their generosity.

I will yield to Senator CASEY for a moment. I thank the leaders for their generosity.

Mr. CASEY. Mr. President, I thank Senator BROWN, as well as Senators MCCAIN and KYL, for entering into this agreement. It extends this for a short period of time. It is important as it relates to manufacturing jobs in a State such as ours, where we have lost over 200,000 in less than a decade. I am sure that number corresponds to other States’ losses. We are grateful for this extension. We have more work to do.

The PRESIDING OFFICER. The Republican leader is recognized.

TRIBUTE TO BILLY PIPER

Mr. McCONNELL. Mr. President, over the course of the last two decades I have had the honor of watching a very smart, but very green young man from Louisville grow into one of the finest people you could ever work with or call a friend.

There is almost no hat that Billy Piper has not worn in the 19 years he has worked in my office—from driver, to mailroom staffer, to legislative aide, to campaign worker, all the way up to chief of staff.

He’s done it all. And in the course of doing it all, he became indispensable to me. And that’s why it is so hard to say goodbye. But Billy has simply given too much of himself to leave without a proper send-off.

One of Billy’s defining traits is that he deflects praise. This morning I would like to deny him the chance.

A native of Louisville, Billy attended the Kentucky Country Day school and then moved to Virginia to attend the University of Richmond. He spent a semester here in Washington studying public policy and politics and did an internship with Senator LUGAR’s office, which he liked so much he decided to look for a permanent job on the Hill. And I would like to thank Senator LUGAR today for inspiring Billy to public service.

Billy was so eager to take a job in my office, in fact, that he agreed to be a driver even after he learned I had a stick-shift—which he didn’t know how to drive. His knowledge of Washington, D.C., streets wasn’t that much better. But he decided the best way to learn both was by driving around a U.S. Senator. Our first day on the road was a little rough. But ever since he mastered the clutch, Billy hasn’t made a misstep since. When he wasn’t driving, Billy sorted the mail that came into the office. And it didn’t take long for me to see this young man had a lot of potential, so I gave him more and more responsibility.

He became a legislative correspondent, handling military and foreign affairs. And in 1996 I asked him to be the finance director for my reelection campaign. Without hesitation, Billy left a secure position and his home for an extremely hard campaign job on the road. It wasn’t an easy job. And in any campaign, there’s no guarantee of victory. But Billy excelled at it, as usual, and at every task I’ve given him since.

Ask other members of my staff to describe Billy and they will tell you he’s not only a friend, but a mentor.

Lots of people come to Capitol Hill with good intentions and wanting to do the right thing—but not all of them learn how to get things done. In my office, the road to mastery of any job usually ran through Billy Piper. First of all, Billy puts everyone at ease, from the college student applying for an internship to heads of state. He treats everyone the same, regardless of their station. He also refuses to take praise, and even if he does, he’s usually eager to deflect it onto the rest of the team. He’s also got a wicked sense of humor. It’s a regular part of the day to hear laughter pealing from Billy’s office.

Billy became the chief of staff in my personal office toward the end of 2002. And for the last 8 years, he has shown first-class leadership as the steady...