

Union Calendar No. 128

107TH CONGRESS
1ST SESSION

H. R. 1860

[Report No. 107-213, Part I]

To reauthorize the Small Business Technology Transfer Program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MAY 16, 2001

Mr. EHLERS (for himself and Mr. BARCIA) introduced the following bill; which was referred to the Committee on Small Business, and in addition to the Committee on Science, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

SEPTEMBER 21, 2001

Additional sponsors: Mr. MANZULLO and Ms. VELÁZQUEZ

SEPTEMBER 21, 2001

Reported from the Committee on Small Business with an amendment

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

SEPTEMBER 21, 2001

Referral to the Committee on Science extended for a period ending not later than September 21, 2001

SEPTEMBER 21, 2001

The Committee on Science discharged; committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

To reauthorize the Small Business Technology Transfer Program, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
 2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SOLICITATIONS.**

4 **Section 9(o)(2) of the Small Business Act**
 5 **(15 U.S.C. 638(o)(2)) is amended by inserting**
 6 **“, which may be conjoined with SBIR solici-**
 7 **tions,” after “STTR solicitations”.**

8 **SEC. 2. DATABASE.**

9 **(a) COLLECTION.—**

10 **(1) AMENDMENT.—Section 9(o)(9) of the**
 11 **Small Business Act (15 U.S.C. 638(o)(9)) is**
 12 **amended to read as follows:**

13 **“(9) collect, and maintain in a com-**
 14 **mon format in accordance with sub-**
 15 **section (v), such information from award-**
 16 **ees as is necessary to assess the STTR**
 17 **program, including information nec-**
 18 **essary to maintain the database de-**
 19 **scribed in subsection (k);”.**

20 **(2) CONFORMING AMENDMENT.—Section**
 21 **9(v) of the Small Business Act (15 U.S.C.**
 22 **638(v)) is amended by inserting “or**

1 **STTR” after “SBIR” both places it ap-**
2 **pears.**

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

5 **(1) by inserting “or STTR” after**
6 **“SBIR” each place it appears in para-**
7 **graph (1);**

8 **(2) by inserting “or required to have**
9 **an STTR program pursuant to subsection**
10 **(n),” after “subsection (f)(1),” in para-**
11 **graph (2);**

12 **(3) by inserting “and STTR” after**
13 **“solely for SBIR” in paragraph (2); and**

14 **(4) by inserting “or STTR” after**
15 **“SBIR” in paragraph (2)(A)(iii) and (D).**

16 **(c) EFFECTIVE DATE.—The amendments**
17 **made by this section shall take effect 180 days**
18 **after the date of the enactment of this Act.**

19 **SEC. 3. REAUTHORIZATION.**

20 **Section 9(n)(1) of the Small Business Act**
21 **(15 U.S.C. 638(n)(1)) is amended by striking**
22 **“and 2001” and inserting “2001, 2002, 2003,**
23 **2004, 2005, 2006, 2007, and 2008”.**

1 **SECTION 1. SHORT TITLE.**

2 *This Act may be cited as the “Small Business Tech-*
3 *nology Transfer Program Reauthorization Act of 2001”.*

4 **SEC. 2. EXTENSION OF PROGRAM AND EXPENDITURE**
5 **AMOUNTS.**

6 *(a) IN GENERAL.—Section 9(n)(1) of the Small Busi-*
7 *ness Act (15 U.S.C. 638(n)(1)) is amended to read as fol-*
8 *lows:*

9 *“(1) REQUIRED EXPENDITURE AMOUNTS.—*

10 *“(A) IN GENERAL.—With respect to each*
11 *fiscal year through fiscal year 2009, each Federal*
12 *agency that has an extramural budget for re-*
13 *search, or research and development, in excess of*
14 *\$1,000,000,000 for that fiscal year, shall expend*
15 *with small business concerns not less than the*
16 *percentage of that extramural budget specified in*
17 *subparagraph (B), specifically in connection*
18 *with STTR programs that meet the requirements*
19 *of this section and any policy directives and reg-*
20 *ulations issued under this section.*

21 *“(B) EXPENDITURE AMOUNTS.—The per-*
22 *centage of the extramural budget required to be*
23 *expended by an agency in accordance with sub-*
24 *paragraph (A) shall be—*

25 *“(i) 0.15 percent for each fiscal year*
26 *through fiscal year 2003; and*

1 “(ii) 0.3 percent for fiscal year 2004
2 and each fiscal year thereafter.”.

3 (b) *CONFORMING AMENDMENT.*—Section 9 of the
4 *Small Business Act (15 U.S.C. 638)* is amended in sub-
5 sections (b)(4) and (e)(6), by striking “pilot” each place it
6 appears.

7 **SEC. 3. INCREASE IN AUTHORIZED PHASE II AWARDS.**

8 (a) *IN GENERAL.*—Section 9(p)(2)(B)(ix) of the *Small*
9 *Business Act (15 U.S.C. 638(p)(2)(B)(ix))* is amended—

10 (1) by striking “\$500,000” and inserting
11 “\$750,000”; and

12 (2) by inserting before the semicolon at the end
13 the following: “, and shorter or longer periods of time
14 to be approved at the discretion of the awarding agen-
15 cy where appropriate for a particular project”.

16 (b) *EFFECTIVE DATE.*—The amendments made by sub-
17 section (a) shall be effective beginning in fiscal year 2004.

18 **SEC. 4. AGENCY OUTREACH.**

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

21 (1) in paragraph (12), by striking “and” at the
22 end;

23 (2) in paragraph (13), by striking the period at
24 the end and inserting a semicolon; and

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

1 “(14) implement an outreach program to re-
2 search institutions and small business concerns for the
3 purpose of enhancing its STTR program, in conjunc-
4 tion with any such outreach done for purposes of the
5 SBIR program; and”.

6 **SEC. 5. POLICY DIRECTIVE MODIFICATIONS.**

7 Section 9(p) of the Small Business Act (15 U.S.C.
8 638(p)) is amended by adding at the end the following:

9 “(3) **MODIFICATIONS.**—Not later than 120 days
10 after the date of enactment of this paragraph, the Ad-
11 ministrator shall modify the policy directive issued
12 pursuant to this subsection to clarify that the rights
13 provided for under paragraph (2)(B)(v) apply to all
14 Federal funding awards under this section, including
15 the first phase (as described in subsection (e)(6)(A)),
16 the second phase (as described in subsection
17 (e)(6)(B)), and the third phase (as described in sub-
18 section (e)(6)(C)).”.

19 **SEC. 6. STTR PROGRAM DATA COLLECTION.**

20 (a) **IN GENERAL.**—Section 9(o) of the Small Business
21 Act (15 U.S.C. 638(o)), as amended by section 4 of this
22 Act, is amended by adding at the end the following:

23 “(15) collect, and maintain in a common for-
24 mat, in accordance with subsection (v), such informa-
25 tion from awardees as is necessary to assess the

1 *STTR* program, including information necessary to
2 maintain the database described in subsection (k).”.

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

5 (1) in paragraph (1)—

6 (A) by inserting “or *STTR*” after “*SBIR*”
7 each place it appears;

8 (B) in subparagraph (C), by striking “and”
9 at the end;

10 (C) in subparagraph (D), by striking the
11 period at the end and inserting “; and”; and

12 (D) by adding at the end the following:

13 “(E) with respect to assistance under the
14 *STTR* program only—

15 “(i) whether the small business concern
16 or the research institution initiated their
17 collaboration on each assisted *STTR*
18 project;

19 “(ii) whether the small business con-
20 cern or the research institution originated
21 any technology relating to the assisted
22 *STTR* project;

23 “(iii) the length of time it took to nego-
24 tiate any licensing agreement between the
25 small business concern and the research in-

1 *stitution under each assisted STTR project;*
 2 *and*

3 *“(iv) how the proceeds from the com-*
 4 *mercialization, marketing, or sale of tech-*
 5 *nology resulting from each assisted STTR*
 6 *project were allocated (by percentage) be-*
 7 *tween the small business concern and the re-*
 8 *search institution.”; and*

9 *(2) in paragraph (2)—*

10 *(A) by inserting “or an STTR program*
 11 *pursuant to subsection (n)(1)” after “(f)(1)”;*

12 *(B) by inserting “and STTR” after “solely*
 13 *for SBIR”;*

14 *(C) in subparagraph (A)(iii), by inserting*
 15 *“and STTR” after “SBIR”; and*

16 *(D) in subparagraph (D), by inserting “or*
 17 *STTR” after “SBIR”.*

18 *(c) SIMPLIFIED REPORTING REQUIREMENTS.—Section*
 19 *9(v) of the Small Business Act (15 U.S.C. 638(v)) is amend-*
 20 *ed by inserting “or STTR” after “SBIR” each place it ap-*
 21 *pears.*

22 *(d) REPORTS TO CONGRESS.—Section 9(b)(7) of the*
 23 *Small Business Act (15 U.S.C. 638(b)(7)) is amended by*
 24 *striking “and (o)(9),” and inserting “, (o)(9), and (o)(15),*
 25 *the number of proposals received from, and the number and*

1 *total amount of awards to, HUBZone small business con-*
2 *cerns under each of the SBIR and STTR programs,”.*

3 **SEC. 7. STTR PROGRAM-WIDE MODEL AGREEMENT FOR IN-**
4 **TELLECTUAL PROPERTY RIGHTS.**

5 *(a) DEVELOPMENT OF MODEL AGREEMENT.—Section*
6 *9 of the Small Business Act (15 U.S.C. 638) is amended*
7 *by adding at the end the following new subsection:*

8 *“(w) STTR MODEL AGREEMENT FOR INTELLECTUAL*
9 *PROPERTY RIGHTS.—*

10 *“(1) IN GENERAL.—The Administrator shall pro-*
11 *mulgate regulations establishing a single model agree-*
12 *ment for use in the STTR program that allocates be-*
13 *tween small business concerns and research institu-*
14 *tions intellectual property rights and rights, if any,*
15 *to carry out follow-on research, development, or com-*
16 *mercialization.*

17 *“(2) OPPORTUNITY FOR COMMENT.—In promul-*
18 *gating regulations under paragraph (1), the Adminis-*
19 *trator shall provide affected agencies, small business*
20 *concerns, research institutions, and other interested*
21 *parties the opportunity to submit written com-*
22 *ments.”.*

23 *(b) ADOPTION OF MODEL AGREEMENT BY FEDERAL*
24 *AGENCIES.—Section 9(o)(11) of the Small Business Act (15*
25 *U.S.C. 638(o)(11)) is amended by striking “develop a model*

1 *agreement not later than July 31, 1993, to be approved by*
 2 *the Administration,” and inserting “adopt the agreement*
 3 *developed by the Administrator under subsection (w) as the*
 4 *agency’s model agreement”.*

5 **SEC. 8. FAST PROGRAM ASSISTANCE TO LOW-INCOME**
 6 **AREAS.**

7 *(a) SELECTION CONSIDERATION.—Section 34(c)(2)(B)*
 8 *of the Small Business Act (15 U.S.C. 657d(c)(2)(B)) is*
 9 *amended—*

10 *(1) in clause (iv) by striking “and” at the end;*

11 *(2) in clause (v) by striking the period and in-*
 12 *serting “; and”; and*

13 *(3) by adding at the end the following new*
 14 *clause:*

15 *“(vi) whether the proposal addresses*
 16 *the needs of small business concerns located*
 17 *in 1 or more qualified census tracts, as that*
 18 *term is defined in section 42(d)(5)(C)(vi) of*
 19 *the Internal Revenue Code of 1986.”.*

20 *(b) REGULATIONS.—Section 34(c)(4) of the Small*
 21 *Business Act (15 U.S.C. 657d(c)(4)) is amended by adding*
 22 *at the end the following: “The Administrator shall promul-*
 23 *gate regulations establishing standards for the consideration*
 24 *of proposals under paragraph (2), including standards re-*

- 1 *garding each of the considerations identified in paragraph*
- 2 *(2)(B).”*.

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