

110TH CONGRESS
2D SESSION

S. 3362

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

IN THE SENATE OF THE UNITED STATES

JULY 29 (legislative day, JULY 28), 2008

Mr. KERRY (for himself and Ms. SNOWE) introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

A BILL

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

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “SBIR/STTR Reau-
5 thorization Act of 2008”.

6 **SEC. 2. TABLE OF CONTENTS.**

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

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

TITLE I—REAUTHORIZATION OF THE SBIR AND STTR PROGRAMS

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

TITLE II—OUTREACH AND COMMERCIALIZATION INITIATIVES

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

TITLE III—OVERSIGHT AND EVALUATION

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

TITLE IV—POLICY DIRECTIVES

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

1 **SEC. 3. DEFINITIONS.**

2 In this Act—

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

6 (2) the terms “extramural budget”, “Federal
7 agency”, “Small Business Innovation Research Pro-
8 gram”, “SBIR”, “Small Business Technology

1 Transfer Program”, and “STTR” have the mean-
2 ings given such terms in section 9 of the Small Busi-
3 ness Act (15 U.S.C. 638); and

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

7 **TITLE I—REAUTHORIZATION OF**
8 **THE SBIR AND STTR PROGRAMS**

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

10 (a) SBIR.—Section 9(m) of the Small Business Act
11 (15 U.S.C. 638(m)) is amended by striking “2008” and
12 inserting “2022”.

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

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

17 Section 9(b) of the Small Business Act (15 U.S.C.
18 638(b)) is amended—

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

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

23 (3) by redesignating paragraph (8) as para-
24 graph (9); and

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

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

2 “(A) to carry out its responsibilities under
3 this section, headed by the Assistant Adminis-
4 trator for Technology, who shall report directly
5 to the Administrator; and

6 “(B) which shall be independent from the
7 Office of Government Contracting and suffi-
8 ciently staffed and funded to comply with the
9 oversight, reporting, and public database re-
10 sponsibilities assigned to the Office of Tech-
11 nology by the Administrator.”.

12 **SEC. 103. SBIR CAP INCREASE.**

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

15 (1) in paragraph (1)—

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

18 (B) by striking subparagraph (C) and in-
19 serting the following:

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

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

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

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

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

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

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

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

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

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

15 “(M) not less than 3.5 percent of such
16 budget in fiscal year 2019 and each fiscal year
17 thereafter,”; and

18 (2) in paragraph (2)—

19 (A) by redesignating subparagraphs (A)
20 and (B) as clauses (i) and (ii), respectively, and
21 adjusting the margins accordingly;

22 (B) by striking “A Federal agency” and
23 inserting the following:

24 “(A) IN GENERAL.—A Federal agency”;
25 and

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

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

18 “(C) DEPARTMENT OF HEALTH AND
19 HUMAN SERVICES.—Subparagraphs (D)
20 through (M) of paragraph (1) shall not apply to
21 the Department of Health and Human Services.
22 For fiscal year 2009, and each fiscal year there-
23 after, the Department of Health and Human
24 Services shall expend with small business con-
25 cerns not less than 2.5 percent of the extra-

1 mural budget for research or research and de-
2 velopment of the department of Health and
3 Human Services.”.

4 **SEC. 104. STTR CAP INCREASE.**

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

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

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

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

11 “(iii) 0.4 percent for fiscal years 2010
12 and 2011;

13 “(iv) 0.5 percent for fiscal years 2012
14 and 2013; and

15 “(v) 0.6 percent for fiscal year 2014
16 and each fiscal year thereafter.”.

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

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

21 (1) by striking “\$100,000” and inserting
22 “\$150,000”; and

23 (2) by striking “\$750,000” and inserting
24 “\$1,000,000”.

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

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

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

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

10 (1) in subsection (j)(2)(D)—

11 (A) by striking “5 years” and inserting “3
12 years”; and

13 (B) by striking “and programmatic consid-
14 erations”; and

15 (2) in subsection (p)(2)(B)(ix) by striking
16 “greater or lesser amounts to be awarded at the dis-
17 cretion of the awarding agency,” and inserting “and
18 an adjustment for inflation of such amounts once
19 every 3 years,”.

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

23 “(aa) LIMITATION ON CERTAIN AWARDS.—No Fed-
24 eral agency may issue an award under the SBIR program
25 or the STTR program if the size of the award exceeds

1 the award guidelines established under this section by
2 more than 50 percent. Participating agencies shall main-
3 tain information on awards exceeding the guidelines, in-
4 cluding award amounts, justification for exceeding the
5 amount, identities and locations of recipients, whether a
6 recipient has received venture capital investment and, if
7 so, if the recipient is majority-owned and controlled by
8 multiple venture capital companies, and the Administra-
9 tion shall include such information in its annual report
10 to Congress.”.

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

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

15 “(bb) SUBSEQUENT PHASES.—

16 “(1) AGENCY COLLABORATION.—A small busi-
17 ness concern that received an award from a Federal
18 agency under this section shall be eligible to receive
19 an award for a subsequent phase from another Fed-
20 eral agency, if the head of each relevant Federal
21 agency or its component makes a written determina-
22 tion that the topics of the relevant awards are the
23 same and both agencies report the awards to the Ad-
24 ministration for inclusion in the public database
25 under subsection (k).

1 “(2) SBIR AND STTR COLLABORATION.—A
2 small business concern which received an award
3 under this section under the SBIR program or the
4 STTR program may receive an award under this
5 section for a subsequent phase in either the SBIR
6 program or the STTR program and the partici-
7 pating agency or agencies shall report the awards to
8 the Administration for inclusion in the public data-
9 base under subsection (k).”.

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

11 Section 9(e) of the Small Business Act (15 U.S.C.
12 638(e)) is amended—

13 (1) in paragraph (4)(B), by striking “to fur-
14 ther” and inserting: “not encumbered by any invita-
15 tion, pre-screening, pre-selection, or down-selection
16 process between the first phase and the second
17 phase that will further”; and

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

1 **SEC. 108. MAJORITY-VENTURE INVESTMENTS IN SBIR**
2 **FIRMS.**

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

6 “(cc) MAJORITY-VENTURE INVESTMENTS IN SBIR
7 FIRMS.—

8 “(1) AUTHORITY AND DETERMINATION.—

9 “(A) IN GENERAL.—Upon a written deter-
10 mination provided not later than 30 days in ad-
11 vance to the Administrator and to the Com-
12 mittee on Small Business and Entrepreneurship
13 of the Senate and the Committee on Small
14 Business of the House of Representatives—

15 “(i) the head of the SBIR program of
16 the National Institutes of Health may
17 award not more than 18 percent of the
18 SBIR funds of the National Institutes of
19 Health allocated in accordance with this
20 Act, in the first full fiscal year beginning
21 after the date of enactment of this sub-
22 section, and each fiscal year thereafter, to
23 small business concerns that are owned in
24 majority part by venture capital companies
25 and that satisfy the qualification require-
26 ments under paragraph (2) through com-

1 petitive, merit-based procedures that are
2 open to all eligible small business concerns;
3 and

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

18 “(B) DETERMINATION.—A written deter-
19 mination under subparagraph (A) shall dem-
20 onstrate that the use of the authority under
21 that subparagraph will induce additional ven-
22 ture capital funding of small business innova-
23 tions, substantially contribute to the mission of
24 the funding Federal agency, demonstrate a
25 need for public research, and otherwise fulfill

1 the capital needs of small business concerns for
2 additional financing for the SBIR project.

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

14 “(3) REGISTRATION.—Any small business con-
15 cern that is majority owned and controlled by mul-
16 tiple venture capital companies and qualified for
17 participation in the program authorized under para-
18 graph (1) shall—

19 “(A) register with the Administrator on
20 the date that the small business concern sub-
21 mits an application for an award under the
22 SBIR program; and

23 “(B) indicate whether the small business
24 concern is registered under subparagraph (A) in
25 any SBIR proposal.

1 “(4) COMPLIANCE.—A Federal agency de-
2 scribed in paragraph (1) shall collect data regarding
3 the number and dollar amounts of phase I, phase II,
4 and all other categories of awards under the SBIR
5 program, and the Administrator shall report on the
6 data and the compliance of each such Federal agen-
7 cy with the maximum amounts under paragraph (1)
8 as part of the annual report by the Administration
9 under subsection (b)(7).

10 “(5) ENFORCEMENT.—If a Federal agency
11 awards more than the amount authorized under
12 paragraph (1) for a purpose described in paragraph
13 (1), the amount awarded in excess of the amount
14 authorized under paragraph (1) shall be transferred
15 to the funds for general SBIR programs from the
16 non-SBIR research and development funds of the
17 Federal agency within 60 days of the date on which
18 the Federal agency awarded more than the amount
19 authorized under paragraph (1) for a purpose de-
20 scribed in paragraph (1).”.

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

24 “(t) VENTURE CAPITAL COMPANY.—In this Act, the
25 term ‘venture capital company’ means an entity described

1 in clause (i), (v), or (vi) of section 121.103(b) of title 13,
2 Code of Federal Regulations (or any successor thereto).”.

3 (c) ASSISTANCE FOR DETERMINING AFFILIATES.—

4 Not later than 30 days after the date of enactment of this
5 Act, the Administrator shall post on the website of the
6 Administration (with a direct link displayed on the home-
7 page of the website of the Administration or the SBIR
8 website of the Administration)—

9 (1) a clear explanation of the SBIR affiliation
10 rules under part 121 of title 13, Code of Federal
11 Regulations; and

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

14 (A) upon request, shall review an issue re-
15 lating to the rules described in paragraph (1);
16 and

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

20 **SEC. 109. SBIR AND STTR SPECIAL ACQUISITION PREF-**
21 **ERENCE.**

22 Section 9(r) of the Small Business Act (15 U.S.C.
23 638(r)) is amended by adding at the end the following:

24 “(4) PHASE III AWARDS.—Congress intends
25 that, to the greatest extent practicable, Federal

1 agencies and Federal prime contractors shall issue
 2 Phase III awards, including sole source awards, to
 3 the SBIR and STTR award recipients that devel-
 4 oped the technology.”.

5 **SEC. 110. COLLABORATING WITH FEDERAL LABORATORIES**
 6 **AND RESEARCH AND DEVELOPMENT CEN-**
 7 **TERS.**

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

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

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

17 “(A) intends to enter into an agreement
 18 with a Federal laboratory or federally funded
 19 research and development center for portions of
 20 the activities to be performed under that award;
 21 or

22 “(B) has entered into a cooperative re-
 23 search and development agreement (as defined
 24 in section 12(d) of the Stevenson-Wydler Tech-

1 nology Innovation Act of 1980 (15 U.S.C.
2 3710a(d))) with a Federal laboratory.

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

4 “(A) condition a SBIR or STTR award
5 upon entering into agreement with any Federal
6 laboratory or any federally funded laboratory or
7 research and development center for any por-
8 tion of the activities to be performed under that
9 award;

10 “(B) approve an agreement between a
11 small business concern receiving a SBIR or
12 STTR award and a Federal laboratory or feder-
13 ally funded laboratory or research and develop-
14 ment center, if the small business concern per-
15 forms a lesser portion of the activities to be
16 performed under that award than required by
17 this section and by the SBIR and STTR Policy
18 Directives; or

19 “(C) approve an agreement that violates
20 any provision, including any data rights protec-
21 tions provision, of this section or the SBIR and
22 the STTR Policy Directives.

23 “(3) IMPLEMENTATION.—Not later than 180
24 days after the date of enactment of this subsection,
25 the Administrator shall modify the SBIR Policy Di-

1 rective and the STTR Policy Directive issued under
2 this section to ensure that small business concerns—

3 “(A) have the flexibility to use the re-
4 sources of the Federal laboratories and feder-
5 ally funded research and development centers;
6 and

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

11 **SEC. 111. NOTICE REQUIREMENT.**

12 The head of any Federal agency involved in a case
13 or controversy before any Federal judicial or administra-
14 tive tribunal concerning the SBIR program or the STTR
15 program shall provide timely notice, as determined by the
16 Administrator, of the case or controversy to the Adminis-
17 trator.

18 **TITLE II—OUTREACH AND COM-**
19 **MERCIALIZATION INITIA-**
20 **TIVES**

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

22 (a) OUTREACH.—Section 9 of the Small Business Act
23 (15 U.S.C. 638) is amended by inserting after subsection
24 (r) the following:

25 “(s) OUTREACH.—

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

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

7 “(B) that certifies to the Administration
8 described in paragraph (2) that the State will,
9 upon receipt of assistance under this sub-
10 section, provide matching funds from non-Fed-
11 eral sources in an amount that is not less than
12 50 percent of the amount provided under this
13 subsection.

14 “(2) PROGRAM AUTHORITY.—Of amounts made
15 available to carry out this section for each of the fis-
16 cal years 2000 through 2014, the Administrator
17 may expend with eligible States not more than
18 \$5,000,000 in each such fiscal year in order to in-
19 crease the participation of small business concerns
20 located in those States in the programs under this
21 section.

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

1 “(A) shall be equal to not more than 50
2 percent of the total amount of matching funds
3 from non-Federal sources provided by the
4 State; and

5 “(B) shall not exceed \$100,000.

6 “(4) USE OF ASSISTANCE.—Assistance provided
7 to an eligible State under this subsection shall be
8 used by the State, in consultation with State and
9 local departments and agencies, for programs and
10 activities to increase the participation of small busi-
11 ness concerns located in the State in the programs
12 under this section, including—

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

15 “(i) the number of program awards
16 under this section made to small business
17 concerns in the State; and

18 “(ii) the total amount of Federal re-
19 search and development contracts awarded
20 to small business concerns in the State;

21 “(B) the provision of competition outreach
22 support to small business concerns in the State
23 that are involved in research and development;

24 “(C) the development and dissemination of
25 educational and promotional information relat-

1 ing to the programs under this section to small
2 business concerns in the State; and

3 “(D) the establishment of initiatives to
4 reach out to women and minorities with the
5 goal of increasing their involvement in the
6 SBIR and STTR programs.”

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

10 (1) in subsection (h), by striking “2001
11 through 2005” each place it appears and inserting
12 “2009 through 2014”; and

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

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

17 (1) by redesignating subparagraphs (C) and
18 (D) as subparagraphs (D) and (E), respectively; and

19 (2) by inserting after subparagraph (B) the fol-
20 lowing:

21 “(C) RURAL AREAS.—

22 “(i) IN GENERAL.—Except as pro-
23 vided in clause (ii), the non-Federal share
24 of the cost of the activity carried out using
25 an award or under a cooperative agree-

1 ment under this section shall be 50 cents
2 for each Federal dollar that will be directly
3 allocated by a recipient described in para-
4 graph (A) to serve small business concerns
5 located in a rural area.

6 “(ii) ENHANCED RURAL AWARDS.—
7 For a recipient located in a rural area that
8 is located in a State described in subpara-
9 graph (A)(i), the non-Federal share of the
10 cost of the activity carried out using an
11 award or under a cooperative agreement
12 under this section shall be 35 cents for
13 each Federal dollar that will be directly al-
14 located by a recipient described in para-
15 graph (A) to serve small business concerns
16 located in the rural area.

17 “(iii) DEFINITION OF RURAL AREA.—
18 In this subparagraph, the term ‘rural area’
19 has the meaning given that term in section
20 1393(a)(2)) of the Internal Revenue Code
21 of 1986.”.

22 **SEC. 202. SBIR-STEM WORKFORCE DEVELOPMENT GRANT**
23 **PILOT PROGRAM.**

24 (a) PILOT PROGRAM ESTABLISHED.—From amounts
25 made available to carry out this section, the Administrator

1 shall establish a SBIR–STEM Workforce Development
2 Grant Pilot Program to encourage the business commu-
3 nity to provide workforce development opportunities for
4 college students, in the fields of science, technology, engi-
5 neering, and math (in this section referred to as “STEM
6 college students”), by providing a SBIR bonus grant.

7 (b) ELIGIBLE ENTITIES DEFINED.—In this section
8 the term “eligible entity” means a grantee receiving a
9 grant under the SBIR Program on the date of the bonus
10 grant under subsection (a) that provides an internship
11 program for STEM college students.

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

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

20 (e) AUTHORIZATION OF APPROPRIATIONS.—There
21 are authorized to be appropriated to carry out this sec-
22 tion—

23 (1) \$1,000,000 for fiscal year 2010;

24 (2) \$1,000,000 for fiscal year 2011;

25 (3) \$1,000,000 for fiscal year 2012;

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

2 (5) \$1,000,000 for fiscal year 2014.

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

4 Section 9(q)(3) of the Small Business Act (15 U.S.C.
5 638(q)(3)) is amended—

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

8 (2) in subparagraph (B)—

9 (A) by striking “with funds available from
10 their SBIR awards” and inserting “which shall
11 be in addition to the amount of the recipient’s
12 award”;

13 (B) by striking “\$4,000” and inserting
14 “\$5,000”; and

15 (C) by striking the period at the end and
16 inserting a semicolon; and

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

18 “(C) FLEXIBILITY.—In carrying out sub-
19 paragraphs (A) and (B), each Federal agency
20 shall provide the allowable amounts to a recipi-
21 ent that meets the eligibility requirements
22 under the applicable subparagraph, if the re-
23 cipient requests to seek technical assistance
24 from an individual or entity other than the ven-

1 dor selected under paragraph (2) by the Fed-
2 eral agency.

3 “(D) LIMITATION.—A Federal agency may
4 not—

5 “(i) use the amounts authorized under
6 subparagraph (A) or (B) unless the vendor
7 selected under paragraph (2) provides the
8 technical assistance to the recipient; or

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

14 **SEC. 204. COMMERCIALIZATION PILOT PROGRAM AT DE-**
15 **PARTMENT OF DEFENSE.**

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

18 (1) in paragraph (1)—

19 (A) by inserting “or Small Business Tech-
20 nology Transfer Program” after “Small Busi-
21 ness Innovation Research Program”; and

22 (B) by adding at the end the following:
23 “The authority to create and administer a Com-
24 mercialization Pilot Program under this sub-
25 section may not be construed to eliminate or re-

1 place any other SBIR program or STTR pro-
2 gram that enhances the insertion or transition
3 of SBIR or STTR technologies, including any
4 such program in effect on the date of enact-
5 ment of the National Defense Authorization Act
6 for Fiscal Year 2006 (Public Law 109–163;
7 119 Stat. 3136).”;

8 (2) in paragraph (2), by inserting “or Small
9 Business Technology Transfer Program” after
10 “Small Business Innovation Research Program”;

11 (3) by redesignating paragraphs (5) and (6) as
12 paragraphs (7) and (8), respectively;

13 (4) by inserting after paragraph (4) the fol-
14 lowing:

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

18 “(A) establish goals for transitioning
19 Phase III technologies in subcontracting plans;
20 and

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

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

3 “(A) set a goal to increase the number of
4 Phase II SBIR contracts and the number of
5 Phase II STTR contracts awarded by that Sec-
6 retary that lead to technology transition into
7 programs of record or fielded systems;

8 “(B) use incentives in effect on the date of
9 enactment of the SBIR/STTR Reauthorization
10 Act of 2008, or create new incentives, to en-
11 courage agency program managers and prime
12 contractors to meet the goal under subpara-
13 graph (A); and

14 “(C) include in the annual report to Con-
15 gress the percentage of contracts described in
16 subparagraph (A) awarded by that Secretary,
17 which shall include information on the ongoing
18 status of projects funded through the Commer-
19 cialization Pilot Program and efforts to transi-
20 tion these technologies into programs of record
21 or fielded systems.”; and

22 (5) in paragraph (8), as so redesignated, by
23 striking “fiscal year 2009” and inserting “fiscal year
24 2014”.

1 **SEC. 205. COMMERCIALIZATION PILOT PROGRAM FOR CI-**
2 **VILIAN AGENCIES.**

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

6 “(ee) PILOT PROGRAM.—

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

14 “(2) REQUIREMENTS.—

15 “(A) IN GENERAL.—A Federal agency may
16 not establish a pilot program unless such agen-
17 cy makes a written application to the Adminis-
18 trator, not less than 90 days prior to the begin-
19 ning of the fiscal year in which such pilot pro-
20 gram is to be established, based on a compelling
21 reason that additional investment in SBIR or
22 STTR technologies is required due to unusually
23 high regulatory, systems integration, or other
24 costs relating to development or manufacturing
25 of identifiable, highly promising small business
26 technologies or a class of such technologies ex-

1 pected to substantially advance the agency’s
2 mission.

3 “(B) DETERMINATION.—The Adminis-
4 trator shall—

5 “(i) make a determination regarding
6 an application submitted under subpara-
7 graph (A) not later than 30 days before
8 the beginning of the fiscal year for which
9 such application is submitted;

10 “(ii) publish such decision in the Fed-
11 eral Register; and

12 “(iii) make a copy of such decision,
13 and any related materials available to the
14 Committee on Small Business and Entre-
15 preneurship of the Senate and the Com-
16 mittee on Small Business of the House of
17 Representatives.

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

22 “(D) MATCHING.—No award may be made
23 under a pilot program unless new private, Fed-
24 eral non-SBIR, or Federal non-STTR funding
25 which at least matches the award from the Fed-

1 eral agency is dedicated towards SBIR or
2 STTR Phase II technology.

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

7 “(F) REGISTRATION.—Applicants receiving
8 awards under a pilot program shall register
9 with the Administrator in a publicly available
10 registry.

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

14 **SEC. 206. NANOTECHNOLOGY INITIATIVE.**

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

18 “(ff) NANOTECHNOLOGY INITIATIVE.—Each Federal
19 agency participating in the SBIR or STTR program shall
20 encourage the submission of applications for support of
21 nanotechnology related projects to such program.”.

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

1 **SEC. 207. ACCELERATING CURES.**

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

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

5 and

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

7 **“SEC. 44. SMALL BUSINESS INNOVATION RESEARCH PRO-**
8 **GRAM.**

9 “(a) NIH CURES PILOT.—

10 “(1) ESTABLISHMENT.—An independent advi-
11 sory board shall be established at the National Acad-
12 emy of Sciences to conduct periodic evaluations of
13 the SBIR program (as that term is defined in sec-
14 tion 9) of all the National Institutes of Health (re-
15 ferred to in this section as the ‘NIH’) institutes and
16 centers for the purpose of improving the manage-
17 ment of the SBIR program through data-driven as-
18 sessment.

19 “(2) MEMBERSHIP.—

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

22 “(i) the Director of the NIH, the Di-
23 rector of the SBIR program, senior NIH
24 agency managers, industry experts, and
25 other program stakeholders; and

1 “(ii) awardees under the SBIR pro-
2 gram of the NIH.

3 “(B) EQUAL REPRESENTATION.—The
4 number of members of the advisory board de-
5 scribed in clause (i) of subparagraph (A) shall
6 be equal to the number of members of the advi-
7 sory board described in clause (ii) of subpara-
8 graph (A) .

9 “(b) ADDRESSING DATA GAPS.—In order to enhance
10 the evidence-base guiding SBIR program decisions and
11 changes, the Director of the SBIR program of the NIH
12 shall address the gaps and deficiencies in the data collec-
13 tion concerns identified in the 2007 National Academies
14 of Science’s report entitled ‘An Assessment of the Small
15 Business Innovation Research Program at the NIH’.

16 “(c) PILOT PROGRAM.—

17 “(1) IN GENERAL.—The Director of the SBIR
18 program of the NIH may initiate a pilot program,
19 under a formal mechanism for designing, imple-
20 menting, and evaluating pilot programs, to spur in-
21 novation and to test new strategies that may en-
22 hance the development of cures and therapies.

23 “(2) CONSIDERATIONS.—The Director of the
24 SBIR program of the NIH may consider conducting
25 a pilot program to include individuals with success-

1 ful SBIR program experience in study sections, hir-
2 ing individuals with small business development ex-
3 perience for staff positions, separating the commer-
4 cial and scientific review processes, and examining
5 the impact of the trend toward larger awards on the
6 overall program.

7 “(d) REPORT TO CONGRESS.—The Director of the
8 NIH shall submit an annual report to Congress and the
9 independent advisory board described in subsection (a) on
10 the activities of the SBIR program of the NIH under this
11 section.

12 “(e) SBIR GRANTS AND CONTRACTS.—

13 “(1) IN GENERAL.—In awarding grants and
14 contracts under the SBIR program of the NIH each
15 SBIR program manager shall place an emphasis on
16 applications that identify from the onset products
17 and services that may enhance the development of
18 cures and therapies.

19 “(2) EXAMINATION OF COMMERCIALIZATION
20 AND OTHER METRICS.—The independent advisory
21 board described in subsection (a) shall evaluate the
22 implementation of the requirement under paragraph
23 (1) by examining increased commercialization and
24 other metrics, to be determined and collected by the
25 SBIR program of the NIH.

1 “(3) PHASE I AND II.—To the greatest extent
2 practicable, the Director of the SBIR program of
3 the NIH shall reduce the time period between Phase
4 I and Phase II funding of grants and contracts
5 under the SBIR program of the NIH to 6 months.

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

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

15 **TITLE III—OVERSIGHT AND** 16 **EVALUATION**

17 **SEC. 301. STREAMLINING ANNUAL EVALUATION REQUIRE-** 18 **MENTS.**

19 Section 9(b) of the Small Business Act (15 U.S.C.
20 638(b)), as amended by section 103 of this Act, is amend-
21 ed—

22 (1) in paragraph (7)—

23 (A) by striking “STTR programs, includ-
24 ing the data” and inserting the following:

25 “STTR programs, including—

1 “(A) the data”;

2 (B) by striking “(g)(10), (o)(9), and
3 (o)(15), the number” and all that follows
4 through “under each of the SBIR and STTR
5 programs, and a description” and inserting the
6 following: “(g)(8) and (o)(9); and

7 “(B) the number of proposals received
8 from, and the number and total amount of
9 awards to, HUBZone small business concerns
10 and firms with venture capital investment (in-
11 cluding those majority owned and controlled by
12 multiple venture capital firms) under each of
13 the SBIR and STTR programs;

14 “(C) a description of the extent to which
15 each Federal agency is increasing outreach and
16 awards to firms owned and controlled by women
17 and minorities under each of the SBIR and
18 STTR programs;

19 “(D) general information about the imple-
20 mentation and compliance with the allocation of
21 funds for firms majority owned and controlled
22 by multiple venture capital firms under each of
23 the SBIR and STTR programs;

24 “(E) a detailed description of appeals of
25 Phase III awards and notices of noncompliance

1 with the SBIR and the STTR Policy Directives
2 filed by the Administrator with Federal agen-
3 cies; and

4 “(F) a description”; and

5 (2) by inserting after paragraph (7) the fol-
6 lowing:

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

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

12 Section 9(g) of the Small Business Act (15 U.S.C.
13 638(g)) is amended—

14 (1) by striking paragraph (10);

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

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

19 “(8) collect, and maintain in a common format
20 in accordance with the simplified reporting require-
21 ments under subsection (v), such information from
22 awardees as is necessary to assess the SBIR pro-
23 gram, including information necessary to maintain
24 the database described in subsection (k), including—

25 “(A) whether an awardee—

1 “(i) has venture capital or is majority
2 owned and controlled by multiple venture
3 capital firms, and, if so—

4 “(I) the amount of venture cap-
5 ital that the awardee has received as
6 of the date of the award; and

7 “(II) the amount of additional
8 capital that the awardee has invested
9 in the SBIR technology, which shall
10 be collected on an annual basis;

11 “(ii) has an investor who—

12 “(I) is an individual who is not a
13 citizen of the United States or a law-
14 ful permanent resident of the United
15 States, and if so, the name of any
16 such individual; or

17 “(II) is a person that is not an
18 individual and is not organized under
19 the laws of a State or the United
20 States, and if so the name of any such
21 person;

22 “(iii) is owned by a woman or has a
23 woman as a principal investigator;

24 “(iv) is owned by a minority or has a
25 minority as a principal investigator;

1 “(v) received assistance under the
2 FAST program under section 34 or the
3 outreach program under subsection (s); or

4 “(vi) is university faculty or a univer-
5 sity student; and

6 “(B) a justification statement from the
7 agency, if an awardee receives an award in an
8 amount that is more than the award guidelines
9 under this section;”; and

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

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

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

15 (1) by striking paragraph (9) and inserting the
16 following:

17 “(9) collect, and maintain in a common format
18 in accordance with the simplified reporting require-
19 ments under subsection (v), such information from
20 applicants and awardees as is necessary to assess
21 the STTR program outputs and outcomes, including
22 information necessary to maintain the database de-
23 scribed in subsection (k), including—

24 “(A) whether an applicant or awardee—

1 “(i) has venture capital or is majority
2 owned and controlled by multiple venture
3 capital firms, and, if so—

4 “(I) the amount of venture cap-
5 ital that the applicant or awardee has
6 received as of the date of the applica-
7 tion or award, as applicable; and

8 “(II) the amount of additional
9 capital that the applicant or awardee
10 has invested in the SBIR technology,
11 which shall be collected on an annual
12 basis;

13 “(ii) has an investor who—

14 “(I) is an individual who is not a
15 citizen of the United States or a law-
16 ful permanent resident of the United
17 States, and if so, the name of any
18 such individual; or

19 “(II) is a person that is not an
20 individual and is not organized under
21 the laws of a State or the United
22 States, and if so the name of any such
23 person;

24 “(iii) is owned by a woman or has a
25 woman as a principal investigator;

1 “(iv) is owned by a minority or has a
2 minority as a principal investigator;

3 “(v) received assistance under the
4 FAST program under section 34 or the
5 outreach program under subsection (s); or

6 “(vi) is university faculty or a univer-
7 sity student; and

8 “(B) a justification statement from the
9 agency, if an awardee receives an award in an
10 amount that is more than the award guidelines
11 under this section;”;

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

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

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

17 **SEC. 304. PUBLIC DATABASE.**

18 Section 9(k)(1) of the Small Business Act (15 U.S.C.
19 638(k)(1)) is amended—

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

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

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

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

5 “(i) has venture capital and, if so,
6 whether the small business concern is reg-
7 istered as majority owned and controlled
8 by multiple venture capital companies as
9 required under subsection (cc)(3);

10 “(ii) is owned by a woman or has a
11 woman as a principal investigator;

12 “(iii) is owned by a minority or has a
13 minority as a principal investigator;

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

17 “(v) is owned by university faculty or
18 a university student.”.

19 **SEC. 305. GOVERNMENT DATABASE.**

20 Section 9(k)(2) of the Small Business Act (15 U.S.C.
21 638(k)(2)) is amended—

22 (1) by redesignating subparagraphs (C), (D),
23 and (E) as subparagraphs (D), (E), and (F), respec-
24 tively;

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

3 “(C) includes, for each awardee—

4 “(i) the name, size, location, and any
5 identifying number assigned by the Admin-
6 istration;

7 “(ii) whether the awardee has venture
8 capital, and, if so—

9 “(I) the amount of venture cap-
10 ital as of the date of the award;

11 “(II) the percentage of ownership
12 of the awardee held by a venture cap-
13 ital firm, including whether the
14 awardee is majority owned and con-
15 trolled by multiple venture capital
16 firms; and

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

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

23 “(iv) the number of employees of the
24 awardee;

1 “(v) the number of employees of the
2 affiliates of the awardee; and

3 “(vi) the names and percentage of
4 ownership of the awardee held by—

5 “(I) an individual who is not a
6 citizen of the United States or a law-
7 ful permanent resident of the United
8 States; or

9 “(II) a person that is not an in-
10 dividual and is not organized under
11 the laws of a State or the United
12 States;”; and

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

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

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

17 “(iv) whether the applicant was ma-
18 jority owned and controlled by multiple
19 venture capital firms; and

20 “(v) the number of employees of the
21 applicant;”.

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

23 (a) IN GENERAL.—Not later than 1 year after the
24 date of enactment of this Act, and every 3 years there-

1 after, the Comptroller General of the United States
2 shall—

3 (1) conduct a fiscal and management audit of
4 the SBIR program and the STTR program for the
5 applicable period to determine whether Federal
6 agencies are complying with the allocation require-
7 ments of this title and the amendments made by this
8 title;

9 (2) assess the extent of compliance with the re-
10 quirements of subparagraphs (A) and (B) of section
11 9(i)(2) of the Small Business Act (15 U.S.C.
12 638(i)(2)) by participating agencies and the Admin-
13 istration;

14 (3) assess whether it would be more consistent
15 and effective to base the amount of the allocations
16 under the SBIR program and the STTR program on
17 a percentage of the research and development budg-
18 et of a Federal agency, rather than the extramural
19 budget of the Federal agency;

20 (4) determine the portion of the extramural re-
21 search or research and development budget of a
22 Federal agency that each Federal agency is spending
23 for administrative purposes relating to the SBIR
24 program or STTR program, and for what specific
25 purposes, including whether and, if so, the portion

1 of such budget the Federal agency is spending for
2 salaries and expenses, travel to visit applicants, out-
3 reach events, marketing, and technical assistance;
4 and

5 (5) submit a report to the Committee on Small
6 Business and Entrepreneurship of the Senate and
7 the Committee on Small Business of the House of
8 Representatives regarding the audit conducted under
9 paragraph (1), the assessments required under para-
10 graphs (2) and (3), and the determination made
11 under paragraph (4).

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

14 (1) for the first report submitted under this
15 section, the period beginning on October 1, 2000,
16 and ending on September 30 of the last full fiscal
17 year before the date of enactment of this Act for
18 which information is available; and

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

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

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

3 **SEC. 307. CONTINUED EVALUATION BY THE NATIONAL**
4 **ACADEMY OF SCIENCES.**

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

8 “(e) EXTENSIONS AND ENHANCEMENTS OF AUTHOR-
9 ITY.—

10 “(1) IN GENERAL.—Not later than 6 months
11 after the date of enactment of the SBIR/STTR Re-
12 authorization Act of 2008, the head of each agency
13 described in subsection (a), in consultation with the
14 Small Business Administration, shall cooperatively
15 enter into an agreement with the National Academy
16 of Sciences for the National Research Council to
17 conduct a study described in subsection (a)(1) and
18 make recommendations described in subsection
19 (a)(2) not later than 4 years after the date of enact-
20 ment of the SBIR/STTR Reauthorization Act of
21 2008, and every 4 years thereafter.

22 “(2) REPORTING.—An agreement under para-
23 graph (1) shall require that not later than 4 years
24 after the date of enactment of the SBIR/STTR Re-
25 authorization Act of 2008, and every 4 years there-

1 after, the National Research Council shall submit to
2 the head of the agency entering into the agreement,
3 the Committee on Small Business and Entrepre-
4 neurship of the Senate, and the Committee on Small
5 Business of the House of Representatives a report
6 regarding the study conducted under paragraph (1)
7 and containing the recommendations described in
8 paragraph (1).”.

9 **SEC. 308. TECHNOLOGY INSERTION REPORTING REQUIRE-**
10 **MENTS.**

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

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

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

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

21 “(3) the identity of the company or individual
22 receiving the Phase III award;

23 “(4) the dollar amount of the Phase III award;

24 and

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

3 **SEC. 309. INTELLECTUAL PROPERTY PROTECTIONS.**

4 (a) IN GENERAL.—The Comptroller General of the
5 United States shall conduct a study of the SBIR program
6 to assess whether—

7 (1) Federal agencies are adhering to the data
8 rights protections for SBIR awardees and the tech-
9 nologies of SBIR awardees;

10 (2) the laws and policy directives intended to
11 clarify the scope of data rights, including in proto-
12 types and mentor-protégé relationships and agree-
13 ments with Federal laboratories, are sufficient to
14 protect SBIR awardees; and

15 (3) there is an effective grievance tracking proc-
16 ess for SBIR awardees who have grievances against
17 a Federal agency regarding data rights and a proc-
18 ess for resolving those grievances.

19 (b) REPORT.—Not later than 18 months after the
20 date of enactment of this Act, the Comptroller General
21 shall submit to the Committee on Small Business and En-
22 trepreneurship of the Senate and the Committee on Small
23 Business of the House of Representatives a report regard-
24 ing the study conducted under subsection (a).

1 **TITLE IV—POLICY DIRECTIVES**

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

4 (a) IN GENERAL.—Not later than 180 days after the
5 date of enactment of this Act, the Administrator shall pro-
6 mulgate amendments to the SBIR Policy Directive and
7 the STTR Policy Directive to conform such directives to
8 this Act and the amendments made by this Act.

9 (b) PUBLISHING SBIR POLICY DIRECTIVE AND THE
10 STTR POLICY DIRECTIVE IN THE FEDERAL REGISTER.—
11 The Administration shall publish the amended SBIR Pol-
12 icy Directive and the amended STTR Policy Directive in
13 the Federal Register.

○