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(Original Signature of Member)

114TH CONGRESS
2D SESSION

H. R. _____

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

IN THE HOUSE OF REPRESENTATIVES

M____. _____ introduced the following bill; which was referred to the
Committee on _____

A BILL

To reauthorize and improve the Small Business Innovation
Research Program and 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. SHORT TITLE.**

4 This Act may be cited as the “Commercializing on
5 Small Business Innovation Act of 2016”.

1 **SEC. 2. EXTENSION OF TERMINATION DATES.**

2 (a) SBIR.—Section 9(m) of the Small Business Act
3 (15 U.S.C. 638(m)) is amended by striking “2017” and
4 inserting “2022”.

5 (b) STTR.—Section 9(n)(1)(A) of the Small Busi-
6 ness Act (15 U.S.C. 638(n)(1)(A)) is amended by striking
7 “2017” and inserting “2022”.

8 **SEC. 3. REQUIRED EXPENDITURE AMOUNTS.**

9 (a) SBIR.—Section 9(f)(1) of the Small Business Act
10 (15 U.S.C. 638(f)(1)) is amended—

11 (1) in subparagraph (H), by striking the “and”
12 at the end;

13 (2) in subparagraph (I), by striking “and each
14 fiscal year thereafter,” and inserting a semicolon;
15 and

16 (3) by inserting after subparagraph (I) the fol-
17 lowing new subparagraphs:

18 “(J) not less than 3.46 percent of such
19 budget in fiscal year 2018;

20 “(K) not less than 3.72 percent of such
21 budget in fiscal year 2019;

22 “(L) not less than 3.98 percent of such
23 budget in fiscal year 2020;

24 “(M) not less than 4.24 percent of such
25 budget in fiscal year 2021; and

1 “(N) not less than 4.50 percent of such
2 budget in fiscal year 2022 and each fiscal year
3 thereafter,”.

4 (b) STTR.—Section 9(n)(1)(B) of the Small Busi-
5 ness Act (15 U.S.C. 638(n)(1)(B)) is amended—

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

8 (2) in clause (v), by striking “for fiscal year
9 2016 and each fiscal year thereafter.” and inserting
10 “for each of fiscal years 2016 and 2017;” ; and

11 (3) by adding at the end the following new
12 clauses:

13 “(vi) 0.50 percent for each of fiscal
14 years 2018 and 2019;

15 “(vii) 0.55 percent for each of fiscal
16 years 2020 and 2021; and

17 “(viii) 0.60 percent for fiscal year
18 2022 and each fiscal year thereafter.”.

19 **SEC. 4. REPORTING REQUIREMENTS.**

20 (a) ANNUAL REPORT TO CONGRESS.—Section
21 9(b)(7) of the Small Business Act (15 U.S.C. 638(b)(7))
22 is amended by striking “to report not less than annually”
23 and inserting “to submit a report not later than December
24 31 of each year”.

1 (b) ANNUAL REPORTS TO THE ADMINISTRATOR RE-
2 QUIRED TO BE SUBMITTED NOT LATER THAN MARCH
3 30 OF EACH YEAR.—Section 9 of the Small Business Act
4 (15 U.S.C. 638) is amended—

5 (1) in subsection (g)(9), by striking “make an
6 annual report” and inserting “not later than March
7 30 of each year, submit a report”;

8 (2) in subsection (i)(1), by striking “shall re-
9 port annually to the Small Business Administration”
10 and inserting “shall, not later than March 30 of
11 each year, submit a report to the Small Business
12 Administration that includes”;

13 (3) in subsection (j)—

14 (A) in paragraph (1)(E), by striking “sim-
15 plified, standardized, and timely annual report”
16 and inserting “not later than March 30 of each
17 year, a simplified and standardized report”; and

18 (B) in paragraph (3)(C), by striking “to
19 require agencies to report to the Administra-
20 tion, not less frequently than annually, all in-
21 stances in which an” and inserting “to require
22 each agency, not later than March 30 of each
23 year, to submit a report to the Administration
24 on all instance in which the”;

1 (4) in subsection (o)(10), by striking “submit
2 an annual report” and inserting “not later than
3 March 30 of each year, submit a report”;

4 (5) in subsection (y)(6)(C), by striking “sub-
5 mit” and inserting “not later than March 30 of each
6 year, submit”;

7 (6) in subsection (dd)(4)(A), by striking “and
8 submit” inserting “and, not later than March 30 of
9 each year, submit”;

10 (7) in subsection (gg)(6), by striking “include
11 in the annual” and inserting “include, not later than
12 March 30 of each year, a”;

13 (8) in subsection (ii) by inserting “, not later
14 than March 30 of each year,” after “shall”;

15 (9) in subsection (nn)(3)(A)—

16 (A) by striking “an annual” and inserting
17 “a” ; and

18 (B) by inserting “, not later than March
19 30 of each year,” after “shall”; and

20 (10) in subsection (ss), by striking “October 1,
21 2013, and annually thereafter,” and inserting
22 “March 30 of each year,”.

23 **SEC. 5. INDEXING AWARDS FOR INFLATION.**

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

1 (1) in subsection (j)(2)—

2 (A) by striking subparagraph (D);

3 (B) by redesignating subparagraphs (E)

4 through (I) as subparagraphs (D) through (H);

5 and

6 (C) in subparagraph (H), as so redesign-

7 nated, by striking “subparagraph (H)” and in-

8 serting “subparagraph (G)”;

9 (2) in subsection (p)(2)(B)—

10 (A) in clause (vii), by adding “and” at the

11 end;

12 (B) in clause (viii), by striking the “and”

13 at the end; and

14 (C) by striking clause (ix);

15 (3) in subsection (gg)(3), by striking “awards

16 under subsection (j)(2)(D) or (p)(2)(B)(ix).” and in-

17 serting “awards under subsection (tt)(2).”; and

18 (4) by adding at the end the following new sub-

19 section:

20 “(tt) AWARDS UNDER PHASE I AND PHASE II AD-

21 JUSTED FOR INFLATION.—

22 “(1) PHASE I AWARDS.—An award for Phase I

23 of an SBIR or STTR program may not exceed

24 \$150,000.

1 “(2) PHASE II AWARDS.—An award for Phase
2 II of an SBIR or STTR program may not exceed
3 \$1,000,000.

4 “(3) ADJUSTMENT FOR INFLATION.—The Ad-
5 ministrator shall adjust the dollar amounts under
6 paragraphs (1) and (2) for inflation in accordance
7 with section 1908 of title 41, United States Code.”.

8 **SEC. 6. REQUIREMENTS FOR INSERTION INCENTIVES.**

9 Section 9(y)(5) of the Small Business Act (15 U.S.C.
10 638(y)(5)) is amended by striking “is authorized to” and
11 inserting “shall”.

12 **SEC. 7. CLARIFICATION OF ELIGIBILITY OF CERTAIN**
13 **SMALL BUSINESSES.**

14 (a) SBIR.—Section 9(j) of the Small Business Act
15 (15 U.S.C. 638(j)) is amended by adding at the end the
16 following new paragraph:

17 “(4) MODIFICATION TO CLARIFY ELIGIBILITY
18 OF CERTAIN SMALL BUSINESSES.—Not later than
19 180 days after the date of the enactment of the
20 Commercializing on Small Business Innovation Act
21 of 2016, the Administrator shall modify the policy
22 directives issued pursuant to this subsection to clar-
23 ify that the small business concerns described in
24 subparagraphs (B), (C), and (D) of section 3(p)(3)

1 are eligible to receive awards under the SBIR pro-
2 gram.”.

3 (b) STTR.—Section 9(p) of the Small Business Act
4 (15 U.S.C. 638(p)) is amended by adding at the end the
5 following new paragraph:

6 “(4) MODIFICATION TO CLARIFY ELIGIBILITY
7 OF CERTAIN SMALL BUSINESSES.—Not later than
8 180 days after the date of the enactment of the
9 Commercializing on Small Business Innovation Act
10 of 2016, the Administrator shall modify the policy
11 directives issued pursuant to this subsection to clar-
12 ify that the small business concerns described in
13 subparagraphs (B), (C), and (D) of section 3(p)(3)
14 are eligible to receive awards under the STTR pro-
15 gram.”.