

111TH CONGRESS  
1ST SESSION

# H. R. 2965

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IN THE SENATE OF THE UNITED STATES

JULY 9, 2009

Received

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## AN ACT

To amend the Small Business Act with respect to 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,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the  
3 “Enhancing Small Business Research and Innovation Act  
4 of 2009”.

5 (b) TABLE OF CONTENTS.—The table of contents for  
6 this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—PROGRAM EXTENSION AND VENTURE CAPITAL  
OPERATING COMPANY INVOLVEMENT

Sec. 101. Extension of termination dates.

Sec. 102. Ensuring that innovative small businesses with substantial investment  
from venture capital operating companies are able to partici-  
pate in the SBIR and STTR programs.

TITLE II—COMMERCIALIZATION ACTIVITIES AND RESEARCH  
TOPICS DESERVING SPECIAL CONSIDERATION

Sec. 201. Focus on commercialization.

Sec. 202. Inclusion of renewable energy-related research topics and rare dis-  
ease-related research topics as deserving “special consider-  
ation” as SBIR research topics.

Sec. 203. Nanotechnology-related research topics.

Sec. 204. Clarifying the definition of “Phase Three”.

Sec. 205. Agency research goals.

Sec. 206. Commercialization programs.

TITLE III—RURAL DEVELOPMENT AND OUTREACH

Sec. 301. Outreach and support activities.

Sec. 302. Preferences.

Sec. 303. Obtaining SBIR applicant’s consent to release contact information to  
economic development organizations.

Sec. 304. Increased partnerships between SBIR awardees and prime contrac-  
tors, venture capital investment companies, and larger busi-  
nesses.

TITLE IV—SBIR AND STTR ENHANCEMENT

Sec. 401. Increased number of research topic solicitations annually and short-  
ened period for final decisions on applications.

Sec. 402. Agencies should fund vital R&D projects with the potential for com-  
mercialization.

Sec. 403. Federal agency engagement with SBIR awardees that have been  
awarded multiple Phase One awards but have not been award-  
ed Phase Two awards.

Sec. 404. Funding for administrative, oversight, and contract processing costs.

Sec. 405. Comptroller general audit of how Federal agencies calculate extra-  
mural research budgets.

- Sec. 406. Agency databases to support program evaluation.  
 Sec. 407. Agency databases to support technology utilization.  
 Sec. 408. Interagency Policy Committee.  
 Sec. 409. National Research Council SBIR Study.  
 Sec. 410. Express authority to “fast-track” Phase Two awards for promising Phase One research.  
 Sec. 411. Increased SBIR and STTR award levels.  
 Sec. 412. Express authority for an agency to award sequential Phase Two awards for SBIR-funded projects.  
 Sec. 413. First phase required.  
 Sec. 414. Involvement of Chief Counsel for Advocacy.  
 Sec. 415. Minority institution program.  
 Sec. 416. Areas that have lost a major source of employment.  
 Sec. 417. Enhancing veteran participation in SBIR.  
 Sec. 418. Veteran preference.  
 Sec. 419. Medical technology.

TITLE V—IMPROVING WATER USE AND TRANSMISSION  
TECHNOLOGY

- Sec. 501. Improving water use and transmission technology.

TITLE VI—GAO STUDY WITH RESPECT TO VENTURE CAPITAL  
OPERATING COMPANY INVOLVEMENT

- Sec. 601. GAO study with respect to venture capital operating company involvement.

1 **TITLE I—PROGRAM EXTENSION**  
 2 **AND VENTURE CAPITAL OP-**  
 3 **ERATING COMPANY INVOLVE-**  
 4 **MENT**

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

6 (a) SBIR.—Section 9(m) of the Small Business Act  
 7 (15 U.S.C. 638(m)) is amended by striking “2008” and  
 8 inserting “2011”.

9 (b) STTR.—Section 9(n)(1)(A) of the Small Busi-  
 10 ness Act (15 U.S.C. 638(n)(1)(A)) is amended by striking  
 11 “2009” and inserting “2011”.

1 **SEC. 102. ENSURING THAT INNOVATIVE SMALL BUSI-**  
2 **NESSES WITH SUBSTANTIAL INVESTMENT**  
3 **FROM VENTURE CAPITAL OPERATING COM-**  
4 **PANIES ARE ABLE TO PARTICIPATE IN THE**  
5 **SBIR AND STTR PROGRAMS.**

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

8 “(aa) VENTURE CAPITAL OPERATING COMPANIES.—  
9 Effective only for the SBIR and STTR programs the fol-  
10 lowing shall apply:

11 “(1) A business concern that has more than  
12 500 employees shall not qualify as a small business  
13 concern.

14 “(2) In determining whether a small business  
15 concern is independently owned and operated under  
16 section 3(a)(1) or meets the small business size  
17 standards instituted under section 3(a)(2), the Ad-  
18 ministrator shall not consider a business concern to  
19 be affiliated with a venture capital operating com-  
20 pany (or with any other business that the venture  
21 capital operating company has financed) if—

22 “(A) the venture capital operating com-  
23 pany does not own 50 percent or more of the  
24 business concern; and

1           “(B) employees of the venture capital oper-  
2           ating company do not constitute a majority of  
3           the board of directors of the business concern.

4           “(3) A business concern shall be deemed to be  
5           ‘independently owned and operated’ if—

6                   “(A) it is owned in majority part by one or  
7                   more natural persons or venture capital oper-  
8                   ating companies;

9                   “(B) there is no single venture capital op-  
10                  erating company that owns 50 percent or more  
11                  of the business concern; and

12                  “(C) there is no single venture capital op-  
13                  erating company the employees of which con-  
14                  stitute a majority of the board of directors of  
15                  the business concern.

16           “(4) If a venture capital operating company  
17           controlled by a business with more than 500 employ-  
18           ees (in this paragraph referred to as a ‘VCOC under  
19           large business control’) has an ownership interest in  
20           a small business concern that is owned in majority  
21           part by venture capital operating companies, the  
22           small business concern is eligible to receive an award  
23           under the SBIR or STTR program only if—

1           “(A) not more than two VCOCs under  
2 large business control have an ownership inter-  
3 est in the small business concern; and

4           “(B) the VCOCs under large business con-  
5 trol do not collectively own more than 20 per-  
6 cent of the small business concern.

7           “(5) The term ‘venture capital operating com-  
8 pany’ means a business concern—

9           “(A) that—

10           “(i) is a Venture Capital Operating  
11 Company, as that term is defined in regu-  
12 lations promulgated by the Secretary of  
13 Labor; or

14           “(ii) is an entity that—

15           “(I) is registered under the In-  
16 vestment Company Act of 1940 (15  
17 U.S.C. 80a–51 et seq.); or

18           “(II) is an investment company,  
19 as defined in subsection (a)(1) of sec-  
20 tion 3 of such Act (15 U.S.C. 80a–3),  
21 which is not registered under such Act  
22 because of an exemption under sub-  
23 section (c)(1) or subsection (c)(7) of  
24 such section; and

1           “(B) that is itself organized or incor-  
 2           porated and domiciled in the United States, or  
 3           is controlled by a business concern that is incor-  
 4           porated and domiciled in the United States.”.

5 **TITLE II—COMMERCIALIZATION**  
 6 **ACTIVITIES AND RESEARCH**  
 7 **TOPICS DESERVING SPECIAL**  
 8 **CONSIDERATION**

9 **SEC. 201. FOCUS ON COMMERCIALIZATION.**

10       Section 9(a) of the Small Business Act (15 U.S.C.  
 11 638(a)) is amended by adding at the end the following:  
 12 “It is further the policy of Congress that the programs  
 13 established in this section should focus on promoting re-  
 14 search and development of projects governed by commer-  
 15 cial business plans, which have significant potential to  
 16 produce products or services for the marketplace or for  
 17 acquisition by Federal agencies.”.

18 **SEC. 202. INCLUSION OF RENEWABLE ENERGY-RELATED**  
 19 **RESEARCH TOPICS AND RARE DISEASE-RE-**  
 20 **LATED RESEARCH TOPICS AS DESERVING**  
 21 **“SPECIAL CONSIDERATION” AS SBIR RE-**  
 22 **SEARCH TOPICS.**

23       Section 9(g)(3) of the Small Business Act (15 U.S.C.  
 24 638(g)(3)) is amended—

1           (1) in the matter preceding subparagraph (A)  
2           by inserting after “critical technologies” the fol-  
3           lowing: “or pressing research priorities (including re-  
4           newable energy-related technologies)”;

5           (2) in subparagraph (A) by striking “or” at the  
6           end; and

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

8                   “(C) the National Academy of Sciences, in  
9                   the final report issued by the ‘America’s Energy  
10                  Future: Technology Opportunities, Risks, and  
11                  Tradeoffs’ project, and in subsequent reports  
12                  issued by the National Academy of Sciences on  
13                  sustainability, energy, and alternative fuels;

14                  “(D) the National Institutes of Health, in  
15                  the annual report on the rare diseases research  
16                  activities of the National Institutes of Health  
17                  for fiscal year 2005, and in subsequent reports  
18                  issued by the National Institutes of Health on  
19                  rare diseases research activities; or

20                  “(E) the National Academy of Sciences, in  
21                  the final report issued by the ‘Transit Research  
22                  and Development: Federal Role in the National  
23                  Program’ project and the ‘Transportation Re-  
24                  search, Development and Technology Strategic  
25                  Plan (2006–2010)’ issued by the United States



1 Department of Transportation Research and  
2 Innovative Technology Administration, and in  
3 subsequent reports issued by the National  
4 Academy of Sciences and United States Depart-  
5 ment of Transportation on transportation and  
6 infrastructure;”.

7 **SEC. 203. NANOTECHNOLOGY-RELATED RESEARCH TOPICS.**

8 (a) SBIR.—Section 9(g)(3) of the Small Business  
9 Act (15 U.S.C. 638(g)(3)), as amended, is further amend-  
10 ed—

11 (1) in subparagraph (D) by striking “or” at the  
12 end;

13 (2) in subparagraph (E) by adding “or” at the  
14 end; and

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

16 “(F) the national nanotechnology strategic  
17 plan required under section 2(c)(4) of the 21st  
18 Century Nanotechnology Research and Develop-  
19 ment Act (15 U.S.C. 7501(c)(4)) and in subse-  
20 quent reports issued by the National Science  
21 and Technology Council Committee on Tech-  
22 nology, focusing on areas of nanotechnology  
23 identified in such plan;”.

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

1 (1) in subparagraph (A) by striking “or” at the  
2 end;

3 (2) in subparagraph (B) by adding “or” at the  
4 end; and

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

6 “(C) by the national nanotechnology stra-  
7 tegic plan required under section 2(c)(4) of the  
8 21st Century Nanotechnology Research and De-  
9 velopment Act (15 U.S.C. 7501(c)(4)) and in  
10 subsequent reports issued by the National  
11 Science and Technology Council Committee on  
12 Technology, focusing on areas of nanotechnol-  
13 ogy identified in such plan;”.

14 **SEC. 204. CLARIFYING THE DEFINITION OF “PHASE**  
15 **THREE”.**

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

18 (1) in paragraph (4)(C) in the matter preceding  
19 clause (i) by inserting after “a third phase” the fol-  
20 lowing: “, which shall consist of work that derives  
21 from, extends, or logically concludes efforts per-  
22 formed under prior SBIR funding agreements  
23 (which may be referred to as ‘Phase III’)”;

24 (2) in paragraph (8) by striking “and” at the  
25 end;

1           (3) in paragraph (9) by striking the period at  
2 the end and inserting “; and”; and

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

4           “(10) the term ‘commercialization’ means the  
5 process of developing marketable products or serv-  
6 ices and producing and delivering products or serv-  
7 ices for sale (whether by the originating party or by  
8 others) to government or commercial markets.”.

9 **SEC. 205. AGENCY RESEARCH GOALS.**

10          Section 9 of the Small Business Act (15 U.S.C. 638),  
11 as amended, is further amended by striking subsection (h)  
12 and inserting the following:

13          “(h) AGENCY RESEARCH GOALS.—

14               “(1) IN GENERAL.—In addition to the require-  
15 ments of subsection (f), each Federal agency that is  
16 required by this section to have an SBIR program  
17 and that awards annually \$5,000,000,000 or more  
18 in procurement contracts shall, effective for fiscal  
19 year 2010 and each fiscal year thereafter, establish  
20 annual goals for commercialization of projects fund-  
21 ed by SBIR awards.

22               “(2) SPECIFIC GOALS.—The goals required by  
23 paragraph (1) shall include specific goals for each of  
24 the following:

1           “(A) The percentage of SBIR projects that  
2 receive funding for the third phase (as defined  
3 in subsection (e)(4)(C)).

4           “(B) The percentage of SBIR projects that  
5 are successfully integrated into a program of  
6 record.

7           “(C) The amount of Federal dollars re-  
8 ceived by SBIR projects through Federal con-  
9 tracts, not including dollars received through  
10 the SBIR program.

11           “(3) SUBMISSION TO COMMITTEES.—For each  
12 fiscal year for which goals are required by paragraph  
13 (1), the agency shall submit to the Committee on  
14 Small Business and the Committee on Science and  
15 Technology of the House of Representatives and the  
16 Committee on Small Business and Entrepreneurship  
17 of the Senate—

18           “(A) not later than 60 days after the be-  
19 ginning of the fiscal year, the goals; and

20           “(B) not later than 90 days after the end  
21 of the fiscal year, data on the extent to which  
22 the goals were met, a description of the meth-  
23 odology used to collect such data, and a de-  
24 scription of the reasons why the goals were met  
25 or not met.”.

1 **SEC. 206. COMMERCIALIZATION PROGRAMS.**

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

5 “(bb) COMMERCIALIZATION PROGRAMS.—

6 “(1) IN GENERAL.—Each agency required by  
7 this section to conduct an SBIR program shall es-  
8 tablish a commercialization program that supports  
9 the progress of SBIR awardees to the third phase.  
10 The commercialization program may include activi-  
11 ties such as partnership databases, partnership con-  
12 ferences, multiple second phases, mentoring between  
13 prime contractors and SBIR awardees, multiple sec-  
14 ond phases with matching private investment re-  
15 quirements, jumbo awards, SBIR helpdesks, and  
16 transition assistance programs. The agency shall in-  
17 clude in its annual report an analysis of the various  
18 activities considered for inclusion in the commer-  
19 cialization program and a statement of the reasons  
20 why each activity considered was included or not in-  
21 cluded, as the case may be.

22 “(2) SPACE SHUTTLE PROGRAM.—Each agency  
23 required to establish a commercialization program  
24 under paragraph (1) and that carries out construc-  
25 tion, assembly, or research and development activi-  
26 ties with respect to the space shuttle program (also

1 known as the space transportation system) shall in-  
2 clude, as part of such commercialization program,  
3 activities to assist small business concerns affected  
4 by the termination of the space shuttle program to  
5 commercialize technologies through SBIR. Activities  
6 to assist such small business concerns may include  
7 activities described in paragraph (1) and other ac-  
8 tivities to assist small business concerns making the  
9 transition from work relating to the space shuttle  
10 program to work in related or unrelated industries.

11 “(3) FUNDING FOR COMMERCIALIZATION PRO-  
12 GRAMS.—

13 “(A) IN GENERAL.—From amounts made  
14 available to carry out this paragraph, the Ad-  
15 ministrator may, on petition by agencies re-  
16 quired by this section to conduct an SBIR pro-  
17 gram, transfer funds to such agencies to sup-  
18 port the commercialization programs of such  
19 agencies.

20 “(B) PETITIONS.—The Administrator shall  
21 establish rules for making transfers under sub-  
22 paragraph (A). The initial set of rules shall be  
23 promulgated not later than 90 days after the  
24 date of the enactment of this paragraph.

1           “(C) AUTHORIZATION OF APPROPRIA-  
 2           TIONS.—There is authorized to be appropriated  
 3           to the Administrator to carry out this para-  
 4           graph \$27,500,000 for fiscal year 2010 and  
 5           each fiscal year thereafter.

6           “(4) FUNDING LIMITATION.—For payment of  
 7           expenses incurred to administer the commercializa-  
 8           tion programs described in this subsection, the head  
 9           of an agency may use not more than an amount  
 10          equal to 1 percent of the funds set aside for the  
 11          agency’s Small Business Innovation Research pro-  
 12          gram. Such funds—

13                   “(A) shall not be subject to the limitations  
 14                   on the use of funds in subsection (f)(2); and

15                   “(B) shall not be used for the purpose of  
 16                   funding costs associated with salaries and ex-  
 17                   penses of employees of the Federal Govern-  
 18                   ment.”.

19                           **TITLE III—RURAL**  
 20           **DEVELOPMENT AND OUTREACH**

21   **SEC. 301. OUTREACH AND SUPPORT ACTIVITIES.**

22          Section 9 of the Small Business Act (15 U.S.C. 638),  
 23   as amended, is further amended by inserting after sub-  
 24   section (r) the following:

25          “(s) OUTREACH AND SUPPORT ACTIVITIES.—

1           “(1) IN GENERAL.—Subject to the other provi-  
2           sions of this subsection, the Administrator shall  
3           make grants on a competitive basis to organizations,  
4           to be used by the organizations to do one or both  
5           of the following:

6                   “(A) To conduct outreach efforts to in-  
7                   crease participation in the programs under this  
8                   section.

9                   “(B) To provide application support and  
10                  entrepreneurial and business skills support to  
11                  prospective participants in the programs under  
12                  this section.

13           “(2) AUTHORIZATION OF APPROPRIATIONS.—  
14           There is authorized to be appropriated to the Ad-  
15           ministrator \$10,000,000 to carry out paragraph (1)  
16           for each of fiscal years 2010 and 2011.

17           “(3) AMOUNT OF ASSISTANCE.—For each of  
18           subparagraphs (A) and (B) of paragraph (1), the  
19           amount of assistance provided to an organization  
20           under that subparagraph in any fiscal year—

21                   “(A) shall be equal to the total amount of  
22                   matching funds from non-Federal sources pro-  
23                   vided by the organization; and

24                   “(B) shall not exceed \$250,000.



1           “(4) DIRECTION.—An organization receiving  
2 funds under paragraph (1) shall, in using those  
3 funds, direct its activities at one or more of the fol-  
4 lowing:

5           “(A) Small business concerns located in  
6 geographic areas that are underrepresented in  
7 the programs under this section.

8           “(B) Small business concerns owned and  
9 controlled by women, small business concerns  
10 owned and controlled by service-disabled vet-  
11 erans, and small business concerns owned and  
12 controlled by minorities.

13           “(C) Small business concerns owned and  
14 controlled by Native Americans.

15           “(D) Small business concerns located in  
16 geographic areas with an unemployment rate  
17 that exceeds the national unemployment rate.

18           “(5) ADVISORY BOARD.—

19           “(A) ESTABLISHMENT.—Not later than 90  
20 days after the date of the enactment of this  
21 subsection, the Administrator shall establish an  
22 advisory board for the activities carried out  
23 under this subsection.

1           “(B) NON-APPLICABILITY OF FACA.—The  
2 Federal Advisory Committee Act (5 U.S.C.  
3 App.) shall not apply to the advisory board.

4           “(C) MEMBERS.—The members of the ad-  
5 visory board shall include the following:

6                   “(i) The Administrator (or the Ad-  
7 ministrator’s designee).

8                   “(ii) For each Federal agency re-  
9 quired by this section to conduct an SBIR  
10 program, the head of the agency (or the  
11 designee of the head of the agency).

12                   “(iii) Representatives of small busi-  
13 ness concerns that are current or former  
14 recipients of SBIR awards, or representa-  
15 tives of organizations of such concerns.

16                   “(iv) Representatives of service pro-  
17 viders of SBIR outreach and assistance, or  
18 representatives of organizations of such  
19 service providers.

20           “(D) DUTIES.—The advisory board shall  
21 have the following duties:

22                   “(i) To develop guidelines for awards  
23 under paragraph (1), including guidelines  
24 relating to award sizes, proposal require-  
25 ments, measures for monitoring awardee

1 performance, and measures for deter-  
2 mining the overall value of the activities  
3 carried out by the awardees.

4 “(ii) To identify opportunities for co-  
5 ordinated outreach, technical assistance,  
6 and commercialization activities among  
7 Federal agencies, the recipients of the  
8 awards under paragraph (1), and appli-  
9 cants and recipients of SBIR awards, in-  
10 cluding opportunities such as—

11 “(I) podcasting or webcasting for  
12 conferences, training workshops, and  
13 other events;

14 “(II) shared online resources to  
15 match prospective applicants with the  
16 network of paragraph (1) recipients;  
17 and

18 “(III) venture capital conferences  
19 tied to technologies and sectors that  
20 cross agencies.

21 “(iii) To review and recommend revi-  
22 sions to activities under paragraph (1).

23 “(iv) To submit to the Committee on  
24 Small Business and Entrepreneurship of  
25 the Senate and the Committee on Small

1 Business and the Committee on Science  
2 and Technology of the House of Represent-  
3 atives an annual report on the activities  
4 carried out under paragraph (1) and the  
5 effectiveness and impact of those activities.

6 “(6) SELECTION CRITERIA.—In awarding  
7 grants under this subsection, the Administrator shall  
8 use selection criteria developed by the advisory board  
9 established under paragraph (5). The criteria shall  
10 include—

11 “(A) criteria designed to give preference to  
12 applicants who propose to carry out activities  
13 that will reach either an underperforming geo-  
14 graphic area (including geographic areas with  
15 an unemployment rate that exceeds the national  
16 unemployment rate) or an underrepresented  
17 population group (as measured by the number  
18 of SBIR applicants);

19 “(B) criteria designed to give preference:  
20 (i) to applicants serving underrepresented  
21 States and regions; and (ii) to applicants who  
22 are women-, service-disabled veterans-, or mi-  
23 nority-owned.

24 “(C) criteria designed to give preference to  
25 applicants who propose to carry out activities

1 that complement, and are integrated into, the  
2 existing public-private innovation support sys-  
3 tem for the targeted region or population;

4 “(D) criteria designed to give preference to  
5 applicants who propose to measure the effec-  
6 tiveness of the proposed activities; and

7 “(E) criteria designed to give preference to  
8 applicants who include a Small Business Devel-  
9 opment Center program that is accredited for  
10 its technology services.

11 “(7) PEER REVIEW.—In awarding grants under  
12 this subsection, the Administrator shall use a peer  
13 review process. Reviewers shall include—

14 “(A) SBIR program managers for agencies  
15 required by this section to conduct SBIR pro-  
16 grams; and

17 “(B) private individuals and organizations  
18 that are knowledgeable about SBIR, the innova-  
19 tion process, technology commercialization, and  
20 State and regional technology-based economic  
21 development programs.

22 “(8) PER-STATE LIMITATIONS.—

23 “(A) IN GENERAL.—To be eligible to re-  
24 ceive a grant under this subsection, the appli-  
25 cant must have the written endorsement of the

1 Governor of the State where the targeted re-  
2 gions or populations are located (if the regions  
3 or populations are located in more than one  
4 State, the applicant must have the written en-  
5 dorsement of the Governor of each such State).  
6 Such an endorsement must indicate that the  
7 Governor will ensure that the activities to be  
8 carried out under the grant will be integrated  
9 with the balance of the State’s portfolio of in-  
10 vestments to help small business concerns com-  
11 mercialize technology.

12 “(B) LIMITATION.—Each fiscal year, a  
13 Governor may have in effect not more than one  
14 written endorsement for a grant under para-  
15 graph (1)(A), and not more than one written  
16 endorsement for a grant under paragraph  
17 (1)(B).

18 “(9) SPECIFIC REQUIREMENTS FOR AWARDS.—  
19 In making awards under paragraph (1) the Adminis-  
20 trator shall ensure that each award shall be for a pe-  
21 riod of 2 fiscal years. The Administrator shall estab-  
22 lish rules and performance goals for the disburse-  
23 ment of funds for the second fiscal year, and funds  
24 shall not be disbursed to a recipient for such a fiscal  
25 year until after the advisory board established under

1       this subsection has determined that the recipient is  
2       in compliance with the rules and performance  
3       goals.”.

4       **SEC. 302. PREFERENCES.**

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

8       “(cc) PREFERENCES.—In making awards under this  
9       section, Federal agencies shall give priority to applications  
10      so as to increase the number of SBIR and STTR award  
11      recipients that are from areas with an unemployment rate  
12      that exceeds the national unemployment rate, that are  
13      from rural areas, or that are small business concerns  
14      owned and controlled by Native Americans. The Adminis-  
15      trator shall submit an annual report to Congress setting  
16      forth how many small business concerns owned and con-  
17      trolled by Native Americans were recipients of assistance  
18      under this section.”.

19      **SEC. 303. OBTAINING SBIR APPLICANT’S CONSENT TO RE-**  
20                              **LEASE CONTACT INFORMATION TO ECO-**  
21                              **NOMIC DEVELOPMENT ORGANIZATIONS.**

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

1 “(dd) CONSENT TO RELEASE CONTACT INFORMA-  
2 TION TO ORGANIZATIONS.—

3 “(1) ENABLING CONCERN TO GIVE CONSENT.—

4 Each Federal agency required by this section to con-  
5 duct an SBIR program shall enable a small business  
6 concern that is an SBIR applicant to indicate to the  
7 agency whether the agency has its consent to—

8 “(A) identify the concern to appropriate  
9 local and State-level economic development or-  
10 ganizations as an SBIR applicant; and

11 “(B) release the concern’s contact informa-  
12 tion to such organizations.

13 “(2) RULES.—The Administrator shall estab-  
14 lish rules to implement this subsection. The rules  
15 shall include a requirement that the agency include  
16 in its SBIR application forms a provision through  
17 which the applicant can indicate consent for pur-  
18 poses of paragraph (1).”.

19 **SEC. 304. INCREASED PARTNERSHIPS BETWEEN SBIR**  
20 **AWARDEES AND PRIME CONTRACTORS, VEN-**  
21 **TURE CAPITAL INVESTMENT COMPANIES,**  
22 **AND LARGER BUSINESSES.**

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



1 “(ee) INCREASED PARTNERSHIPS.—

2 “(1) IN GENERAL.—Each agency required by  
3 this section to conduct an SBIR program shall es-  
4 tablish initiatives by which the agency encourages  
5 partnerships between SBIR awardees and prime  
6 contractors, venture capital investment companies,  
7 business incubators, and larger businesses, for the  
8 purpose of facilitating the progress of the SBIR  
9 awardees to the third phase.

10 “(2) DEFINITION.—In this subsection, the term  
11 ‘business incubator’ means an entity that provides  
12 coordinated and specialized services to entrepre-  
13 neurial businesses which meet selected criteria dur-  
14 ing the businesses’ startup phases, including pro-  
15 viding services such as shared office space and office  
16 services, access to equipment, access to telecommuni-  
17 cations and technology services, flexible leases, spe-  
18 cialized management assistance, access to financing,  
19 mentoring and training services, or other coordi-  
20 nated business or technical support services designed  
21 to provide business development assistance to entre-  
22 preneurial businesses during these businesses’ start-  
23 up phases.”.

1           **TITLE IV—SBIR AND STTR**  
2                           **ENHANCEMENT**

3   **SEC. 401. INCREASED NUMBER OF RESEARCH TOPIC SO-**  
4                           **LICITATIONS ANNUALLY AND SHORTENED**  
5                           **PERIOD FOR FINAL DECISIONS ON APPLICA-**  
6                           **TIONS.**

7           (a) INCREASED NUMBER OF RESEARCH TOPIC SO-  
8   LICITATIONS ANNUALLY.—Section 9(g)(2) of the Small  
9   Business Act (15 U.S.C. 638(g)(2)) is amended by insert-  
10   ing before the semicolon at the end the following: “, but  
11   not less often than twice per year”.

12           (b) SHORTENED PERIOD FOR FINAL DECISIONS ON  
13   APPLICATIONS.—Section 9(g)(4) of the Small Business  
14   Act (15 U.S.C. 638(g)(4)) is amended by inserting before  
15   the semicolon at the end the following: “, but a final deci-  
16   sion on each proposal shall be rendered not later than 90  
17   days after the date on which the solicitation closes unless  
18   the Administrator determines, on a case by case basis,  
19   that a decision may be extended from 90 days to 180  
20   days”.

1 **SEC. 402. AGENCIES SHOULD FUND VITAL R&D PROJECTS**  
2 **WITH THE POTENTIAL FOR COMMERCIALIZA-**  
3 **TION.**

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

7 “(ff) **MULTIPLE FIRST PHASE SBIR AWARDS RE-**  
8 **PORT.**—The Administrator shall, on an annual basis, sub-  
9 mit to the Committee on Small Business and the Com-  
10 mittee on Science and Technology of the House of Rep-  
11 resentatives and the Committee on Small Business and  
12 Entrepreneurship of the Senate a list identifying each  
13 small business concern that, for the period covered by the  
14 preceding 5 fiscal years, received 15 or more first phase  
15 SBIR awards and no second phase SBIR awards.”.

16 **SEC. 403. FEDERAL AGENCY ENGAGEMENT WITH SBIR**  
17 **AWARDEES THAT HAVE BEEN AWARDED MUL-**  
18 **TIPLE PHASE ONE AWARDS BUT HAVE NOT**  
19 **BEEN AWARDED PHASE TWO AWARDS.**

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

23 “(gg) **REQUIREMENTS RELATING TO FEDERAL**  
24 **AGENCY ENGAGEMENT WITH CERTAIN FIRST PHASE**  
25 **SBIR AWARDEES.**—Each Federal agency required by this  
26 section to conduct an SBIR program shall engage with

1 SBIR awardees that have been awarded multiple first  
2 phase SBIR awards but have not been awarded any sec-  
3 ond phase SBIR awards and shall develop performance  
4 measures with respect to awardee progression in the SBIR  
5 program.”.

6 **SEC. 404. FUNDING FOR ADMINISTRATIVE, OVERSIGHT,**  
7 **AND CONTRACT PROCESSING COSTS.**

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

11 “(hh) ASSISTANCE FOR ADMINISTRATIVE, OVER-  
12 SIGHT, AND CONTRACT PROCESSING COSTS.—

13 “(1) IN GENERAL.—From amounts made avail-  
14 able to carry out this subsection, the Administrator  
15 may, on petition by Federal agencies required by  
16 this section to conduct an SBIR program, transfer  
17 funds to such agencies to assist with the administra-  
18 tive, oversight, and contract processing costs relating  
19 to such program.

20 “(2) PETITIONS.—The Administrator shall es-  
21 tablish rules for making transfers under paragraph  
22 (1). The initial set of rules shall be promulgated not  
23 later than 180 days after the date of the enactment  
24 of this subsection.

1           “(3) LIMIT ON TRANSFER.—A Federal agency  
2           may not receive under this subsection in a fiscal  
3           year an amount greater than 3 percent of the SBIR  
4           budget of such agency for such fiscal year.

5           “(4) AUTHORIZATION OF APPROPRIATIONS.—  
6           There is authorized to be appropriated to the Ad-  
7           ministrator to carry out this subsection \$27,500,000  
8           for each of fiscal years 2010 and 2011.”.

9   **SEC. 405. COMPTROLLER GENERAL AUDIT OF HOW FED-**  
10                   **ERAL AGENCIES CALCULATE EXTRAMURAL**  
11                   **RESEARCH BUDGETS.**

12           The Comptroller General of the United States shall  
13           carry out a detailed audit of how Federal agencies cal-  
14           culate extramural research budgets for purposes of calcu-  
15           lating the size of the agencies’ Small Business Innovation  
16           Research Program and Small Business Technology Trans-  
17           fer Program budgets. Not later than 1 year after the date  
18           of the enactment of this Act, the Comptroller General shall  
19           submit to the Committee on Small Business and the Com-  
20           mittee on Science and Technology of the House of Rep-  
21           resentatives and the Committee on Small Business and  
22           Entrepreneurship of the Senate a report on the results  
23           of the audit.

1 **SEC. 406. AGENCY DATABASES TO SUPPORT PROGRAM**  
2 **EVALUATION.**

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

5 (1) in paragraph (2)(A)—

6 (A) by striking “and” at the end of clause

7 (ii);

8 (B) by inserting “and” at the end of clause

9 (iii); and

10 (C) by adding at the end the following new  
11 clause:

12 “(iv) information on the ownership  
13 structure of award recipients, both at the  
14 time of receipt of the award and upon com-  
15 pletion of the award period;”;

16 (2) by amending paragraph (3) to read as fol-  
17 lows:

18 “(3) UPDATING INFORMATION FOR DATA-  
19 BASE.—

20 “(A) IN GENERAL.—A Federal agency  
21 shall not make a Phase I or Phase II payment  
22 to a small business concern under this section  
23 unless the small business concern has provided  
24 all information required under this subsection  
25 and available at the time with respect to the  
26 award under which the payment is made, and

1 with respect to any other award under this sec-  
2 tion previously received by the small business  
3 concern or a predecessor in interest to the small  
4 business concern.

5 “(B) APPORTIONMENT.—In complying  
6 with this paragraph, a small business concern  
7 may apportion sales or additional investment  
8 information relating to more than one second  
9 phase award among those awards, if it notes  
10 the apportionment for each award.

11 “(C) ANNUAL UPDATES UPON TERMI-  
12 NATION.—A small business concern receiving an  
13 award under this section shall—

14 “(i) in the case of a second phase  
15 award, update information in the data-  
16 bases required under paragraphs (2) and  
17 (6) concerning that award at the termi-  
18 nation of the award period;

19 “(ii) in the case of award recipients  
20 not described in clause (iii), be requested  
21 to voluntarily update such information an-  
22 nually thereafter for a period of 5 years;  
23 and

24 “(iii) in the case of a small business  
25 concern applying for a subsequent first

1 phase or second phase award, be required  
2 to update such information annually there-  
3 after for a period of 5 years.”; and

4 (3) by adding at the end the following new  
5 paragraph:

6 “(6) AGENCY PROGRAM EVALUATION DATA-  
7 BASES.—Each Federal agency required to establish  
8 an SBIR or STTR program under this section shall  
9 develop and maintain, for the purpose of evaluating  
10 such programs, a database containing information  
11 required to be contained in the database under para-  
12 graph (2). Each such database shall be designed to  
13 be accessible to other agencies that are required to  
14 maintain a database under this paragraph. Each  
15 such database shall be developed and operated in a  
16 manner to ensure that each such database is rel-  
17 evant to and contributes to the agency’s oversight  
18 and evaluation of the SBIR and STTR programs.  
19 Paragraphs (4) and (5) apply to each database  
20 under this paragraph.”.

21 **SEC. 407. AGENCY DATABASES TO SUPPORT TECHNOLOGY**  
22 **UTILIZATION.**

23 Section 9(k) of the Small Business Act (15 U.S.C.  
24 638(k)), as amended, is further amended by adding at the  
25 end the following new paragraph:



1           “(7) AGENCY DATABASES TO SUPPORT TECH-  
2           NOLOGY UTILIZATION.—Each Federal agency with  
3           an SBIR or STTR program shall create and main-  
4           tain a technology utilization database, which shall be  
5           available to the public and shall contain data sup-  
6           plied by the award recipients specifically to help  
7           them attract customers for the products and services  
8           generated under the SBIR or STTR project, and to  
9           attract additional investors and business partners.  
10          Each database created under this paragraph shall  
11          include information on the other databases created  
12          under this paragraph by other Federal agencies.  
13          Participation in a database under this paragraph  
14          shall be voluntary, except that such participation is  
15          required of all award recipients who received supple-  
16          mental payments from SBIR and STTR program  
17          funds above their initial Phase II award. Each data-  
18          base created under this paragraph shall be developed  
19          and operated in a manner to ensure that each such  
20          database is relevant to and contributes to the agen-  
21          cy’s oversight and evaluation of the SBIR and  
22          STTR programs.”.

23 **SEC. 408. INTERAGENCY POLICY COMMITTEE.**

24          (a) ESTABLISHMENT.—The Director of the Office of  
25          Science and Technology Policy shall establish an Inter-

1 agency SBIR/STTR Policy Committee comprised of one  
2 representative from each Federal agency with an SBIR  
3 program and the Office of Management and Budget.

4 (b) COCHAIRS.—The Director of the Office of Science  
5 and Technology Policy and the Director of the National  
6 Institute of Standards and Technology shall jointly chair  
7 the Interagency SBIR/STTR Policy Committee.

8 (c) DUTIES.—The Interagency SBIR/STTR Policy  
9 Committee shall review the following issues and make pol-  
10 icy recommendations on ways to improve program effec-  
11 tiveness and efficiency:

12 (1) The public and government databases de-  
13 scribed in section 9(k) (1) and (2) of the Small  
14 Business Act (15 U.S.C. 638(k) (1) and (2)).

15 (2) Federal agency flexibility in establishing  
16 Phase I and II award sizes, and appropriate criteria  
17 to exercise such flexibility.

18 (3) Commercialization assistance best practices  
19 in Federal agencies with significant potential to be  
20 employed by other agencies, and the appropriate  
21 steps to achieve that leverage, as well as proposals  
22 for new initiatives to address funding gaps business  
23 concerns face after Phase II but before commer-  
24 cialization.

1           (4) Development and incorporation of a stand-  
2           ard evaluation framework to enable systematic as-  
3           sessment of SBIR and STTR, including through im-  
4           proved tracking of awards and outcomes and devel-  
5           opment of performance measures for individual  
6           agency programs.

7           (d) REPORTS.—The Interagency SBIR/STTR Policy  
8           Committee shall transmit to the Committee on Science  
9           and Technology and the Committee on Small Business of  
10          the House of Representatives, and to the Committee on  
11          Small Business and Entrepreneurship of the Senate—

12           (1) a report on its review and recommendations  
13           under subsections (c)(1) and (c)(4) not later than 1  
14           year after the date of enactment of this Act;

15           (2) a report on its review and recommendations  
16           under subsection (c)(2) not later than 18 months  
17           after the date of enactment of this Act; and

18           (3) a report on its review and recommendations  
19           under subsection (c)(3) not later than 2 years after  
20           the date of enactment of this Act.

21          **SEC. 409. NATIONAL RESEARCH COUNCIL SBIR STUDY.**

22          Section 108(d) of the Small Business Reauthoriza-  
23          tion Act of 2000 (15 U.S.C. 638 note), enacted into law  
24          by reference under section 1(a)(9) of the Consolidated Ap-

1 appropriations Act, 2001 (Public Law 106–554), is amend-  
2 ed—

3 (1) by striking “of the Senate” and all that fol-  
4 lows through “not later than 3” and inserting “of  
5 the Senate, not later than 3”; and

6 (2) by striking “; and” and all that follows  
7 through “update of such report”.

8 **SEC. 410. EXPRESS AUTHORITY TO “FAST-TRACK” PHASE**  
9 **TWO AWARDS FOR PROMISING PHASE ONE**  
10 **RESEARCH.**

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

14 “(ii) **AUTHORITY TO ‘FAST-TRACK’ PHASE TWO**  
15 **AWARDS FOR PROMISING PHASE ONE RESEARCH.**—To  
16 address the delay between an award for the first phase  
17 of an SBIR program and the application for and extension  
18 of an award for the second phase of such program, each  
19 Federal agency with an SBIR program may develop ‘fast-  
20 track’ programs to eliminate such delay by issuing second  
21 phase SBIR awards as soon as practicable, including in  
22 appropriate cases simultaneously with the issuance of the  
23 first phase SBIR award. The Administrator shall encour-  
24 age the development of such ‘fast-track’ programs.”.

1 **SEC. 411. INCREASED SBIR AND STTR AWARD LEVELS.**

2 (a) SBIR AWARD LEVEL AND ANNUAL ADJUST-  
3 MENTS.—Section 9(j) of the Small Business Act (15  
4 U.S.C. 638(j)) is amended by adding at the end the fol-  
5 lowing:

6 “(4) FURTHER ADDITIONAL MODIFICATIONS.—Not  
7 later than 180 days after the date of enactment of this  
8 paragraph and notwithstanding paragraph (2)(D), the Ad-  
9 ministrator shall modify the policy directives issued pursu-  
10 ant to this subsection to provide for an increase to  
11 \$250,000 in the amount of funds which an agency may  
12 award in the first phase of an SBIR program, and to  
13 \$2,000,000 in the second phase of an SBIR program, and  
14 a mandatory annual adjustment of such amounts to reflect  
15 economic adjustments and programmatic considerations.”.

16 (b) STTR AWARD LEVEL AND ANNUAL ADJUST-  
17 MENTS.—Section 9(p)(2)(B)(ix) of the Small Business Act  
18 (15 U.S.C. 638(p)(2)(B)(ix)) is amended—

19 (1) by striking “\$100,000” and “\$750,000”  
20 and inserting “\$250,000” and “\$2,000,000”, re-  
21 spectively; and

22 (2) by striking “greater or lesser amounts” and  
23 inserting “with a mandatory annual adjustment of  
24 such amounts to reflect economic adjustments and  
25 programmatic considerations, and with lesser  
26 amounts”.

1 (c) LIMITATION ON CERTAIN AWARDS.—Section 9 of  
2 the Small Business Act (15 U.S.C. 638), as amended, is  
3 further amended by adding at the end the following:

4 “(jj) LIMITATION ON PHASE I AND II AWARDS.—No  
5 Federal agency shall issue an award under the SBIR pro-  
6 gram or the STTR program if the size of the award ex-  
7 ceeds the amounts established under subsections (j)(4)  
8 and (p)(2)(B)(ix).”.

9 **SEC. 412. EXPRESS AUTHORITY FOR AN AGENCY TO AWARD**  
10 **SEQUENTIAL PHASE TWO AWARDS FOR SBIR-**  
11 **FUNDED PROJECTS.**

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

15 “(kk) REQUIREMENTS RELATING TO ADDITIONAL  
16 SECOND PHASE SBIR AWARDS.—

17 “(1) IN GENERAL.—A small business concern  
18 that receives a second phase SBIR award for a  
19 project remains eligible to receive additional second  
20 phase SBIR awards for such project.

21 “(2) TECHNICAL OR WEAPONS SYSTEMS.—  
22 Agencies are expressly authorized to provide addi-  
23 tional second phase SBIR awards for testing and  
24 evaluation assistance for the insertion of SBIR tech-  
25 nologies into technical or weapons systems.”.

1 **SEC. 413. FIRST PHASE REQUIRED.**

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

5 “(ll) **FIRST PHASE REQUIRED.**—Under this section,  
6 a Federal agency shall provide to a small business concern  
7 an award for the second phase of an SBIR program with  
8 respect to a project only if such agency finds that the  
9 small business concern has been provided an award for  
10 the first phase of an SBIR program with respect to such  
11 project or has completed the determinations described in  
12 subsection (e)(4)(A) with respect to such project despite  
13 not having been provided an award for the first phase.”.

14 **SEC. 414. INVOLVEMENT OF CHIEF COUNSEL FOR ADVOCACY.**

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

19 “(mm) **INVOLVEMENT OF CHIEF COUNSEL FOR AD-**  
20 **VOCACY.**—The Chief Counsel for Advocacy, as described  
21 in section 201 of Public Law 94–305 (15 U.S.C. 634a),  
22 and any individual reporting to the Chief Counsel for Ad-  
23 vocacy, without regard to whether such individual was  
24 hired under section 204 of Public Law 94–305 (15 U.S.C.  
25 634d), may not provide to the Administrator, to any indi-  
26 vidual who reports directly or indirectly to the Adminis-

1 trator, or to any Federal agency any advice, guidance,  
2 oversight, or review with respect to the programs author-  
3 ized under this section.”.

4 **SEC. 415. MINORITY INSTITUTION PROGRAM.**

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

8 “(nn) MINORITY INSTITUTION PROGRAM.—

9 “(1) ESTABLISHMENT.—From amounts made  
10 available to carry out this subsection, the Adminis-  
11 trator shall establish and carry out a program to  
12 make grants to minority institutions that partner  
13 with nonprofit organizations that have experience  
14 developing relationships between industry, minority  
15 institutions, and other entities, for the purpose of in-  
16 creasing the number of SBIR and STTR program  
17 applications by minority-owned small businesses.

18 “(2) APPLICATION.—To be eligible to receive a  
19 grant under paragraph (1), a minority institution  
20 shall submit an application to the Administrator at  
21 such time, in such manner, and containing such in-  
22 formation and assurances as the Administrator may  
23 require.

24 “(3) MATCHING REQUIREMENT.—As a condi-  
25 tion of a grant under paragraph (1), the Adminis-



1       trator shall require that a minority institution pro-  
2       vide a matching amount from a source other than  
3       the Federal Government that is equal to the amount  
4       of the grant.

5           “(4) MINORITY INSTITUTION DEFINED.—In  
6       this subsection, the term ‘minority institution’ has  
7       the meaning given that term in section 365(3) of the  
8       Higher Education Act of 1965 (20 U.S.C.  
9       1067k(3)).

10           “(5) AUTHORIZATION OF APPROPRIATIONS.—  
11       There is authorized to be appropriated to carry out  
12       this subsection \$4,000,000 for each of fiscal years  
13       2010 and 2011.”.

14       **SEC. 416. AREAS THAT HAVE LOST A MAJOR SOURCE OF**  
15           **EMPLOYMENT.**

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

19           “(oo) AREAS THAT HAVE LOST A MAJOR SOURCE  
20       OF EMPLOYMENT.—In making awards under this section,  
21       Federal agencies shall give priority to applications so as  
22       to increase the number of SBIR and STTR award recipi-  
23       ents from geographic areas determined by the Adminis-  
24       trator to have lost a major source of employment.”.

1 **SEC. 417. ENHANCING VETERAN PARTICIPATION IN SBIR.**

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

5 “(pp) ENHANCING VETERAN PARTICIPATION IN  
6 SBIR.—Notwithstanding any other provision of this sec-  
7 tion, a small business concern owned and controlled by  
8 veterans may—

9 “(1) receive an award in the amount of  
10 \$300,000 in the first phase of an SBIR program  
11 and in the amount of \$2,250,000 in the second  
12 phase of an SBIR program, with such amounts able  
13 to be exceeded if the Federal agency making the  
14 award notifies the Administrator of such excess; and

15 “(2) receive an award for the second phase of  
16 an SBIR program with respect to a project without  
17 having received a first phase award with respect to  
18 such project.”.

19 **SEC. 418. VETERAN PREFERENCE.**

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

23 “(qq) VETERAN PREFERENCE.—In making awards  
24 under this section, Federal agencies shall give priority to  
25 applications so as to increase the number of SBIR and

1 STTR award recipients that are small business concerns  
2 owned and controlled by veterans.”.

3 **SEC. 419. MEDICAL TECHNOLOGY.**

4 Section 9(g)(3) of the Small Business Act (15 U.S.C.  
5 638(g)(3)), as amended, is further amended in the matter  
6 preceding subparagraph (A) by inserting after “broad re-  
7 search topics” the following: “and research topics relating  
8 to medical technology”.

9 **TITLE V—IMPROVING WATER**  
10 **USE AND TRANSMISSION**  
11 **TECHNOLOGY**

12 **SEC. 501. IMPROVING WATER USE AND TRANSMISSION**  
13 **TECHNOLOGY.**

14 Not later than 1 year after the date of the enactment  
15 of this Act, Federal agencies with an SBIR program, as  
16 appropriate, shall jointly develop and issue a small busi-  
17 ness innovation research solicitation that requests re-  
18 search proposals with respect to improving the efficiency  
19 of water delivery systems and usage patterns in the United  
20 States and its territories through the use of technology.

1 **TITLE VI—GAO STUDY WITH RE-**  
2 **SPECT TO VENTURE CAPITAL**  
3 **OPERATING COMPANY IN-**  
4 **VOVEMENT**

5 **SEC. 601. GAO STUDY WITH RESPECT TO VENTURE CAPITAL**  
6 **OPERATING COMPANY INVOLVEMENT.**

7 The Comptroller General of the United States shall  
8 carry out a study of the impact of requirements relating  
9 to venture capital operating company involvement under  
10 section 9(aa) of the Small Business Act, as added by sec-  
11 tion 102 of this Act. Not later than 1 year after the date  
12 of the enactment of this Act, the Comptroller General shall  
13 submit to Congress a report on the results of the study.

Passed the House of Representatives July 8, 2009.

Attest: LORRAINE C. MILLER,  
*Clerk.*