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(Original Signature of Member)

119TH CONGRESS
1ST SESSION

H. R. _____

To improve commercialization activities in the SBIR and STTR programs,
and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

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

A BILL

To improve commercialization activities in 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 “Research Advancing
5 to Market Production for Innovators Act”.

6 **SEC. 2. IMPROVEMENTS TO COMMERCIALIZATION SELEC-**
7 **TION.**

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

1 (1) in subsection (g)—

2 (A) in paragraph (4)(B)(i), by striking “1
3 year” and inserting “180 days”;

4 (B) in paragraph (16), by striking “and”
5 at the end;

6 (C) in paragraph (17), by striking the pe-
7 riod at the end and inserting “; and”; and

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

9 “(18) with respect to peer review carried out
10 under the SBIR program, to the extent practicable,
11 include in the peer review—

12 “(A) the likelihood of commercialization in
13 addition to scientific and technical merit and
14 feasibility; and

15 “(B) not less than 1 reviewer with com-
16 mercialization expertise who is capable of as-
17 sessing the likelihood of commercialization.”;
18 and

19 (2) in subsection (o)—

20 (A) in paragraph (4)(B)(i), by striking “1
21 year” and inserting “180 days”;

22 (B) in paragraph (20), by striking “and”
23 at the end;

24 (C) in paragraph (21), by striking the pe-
25 riod at the end and inserting “; and”; and

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

2 “(22) with respect to peer review carried out
3 under the STTR program, to the extent practicable,
4 include in the peer review—

5 “(A) the likelihood of commercialization in
6 addition to scientific and technical merit and
7 feasibility; and

8 “(B) not less than 1 reviewer with com-
9 mercialization expertise who is capable of as-
10 sessing the likelihood of commercialization.”.

11 **SEC. 3. IMPROVEMENTS TO PHASE FLEXIBILITY.**

12 (a) IN GENERAL.—Section 9(cc) of the Small Busi-
13 ness Act (15 U.S.C. 638(cc)) is amended—

14 (1) by striking “During fiscal years 2012
15 through 2025, the National Institutes of Health, the
16 Department of Defense, and the Department of
17 Education may each” and inserting the following:

18 “(1) IN GENERAL.—During fiscal years 2025,
19 2026, and 2027, each Federal agency with an SBIR
20 or STTR program may”; and

21 (2) by adding at the end the following:

22 “(2) LIMITATION.—The total value of awards
23 provided by a Federal agency under this subsection
24 in a fiscal year shall be—

1 “(A) except as provided in subparagraph
2 (B) and (C), not more than 10 percent of the
3 total funds allocated to the SBIR and STTR
4 programs of the Federal agency during that fis-
5 cal year;

6 “(B) with respect to the National Insti-
7 tutes of Health, not more than 30 percent of
8 the total funds allocated to the SBIR and
9 STTR programs of the National Institutes of
10 Health during that fiscal year; and

11 “(C) The limitation under subparagraph
12 (A) shall not apply with respect to the Depart-
13 ment of Defense.”.

14 (b) REPORT.—Not later than 1 year after the date
15 of enactment of this Act, the Administrator of the Small
16 Business Administration shall provide a briefing to the
17 Committee on Small Business and Entrepreneurship of
18 the Senate and the Committee on Small Business of the
19 House of Representatives regarding the authority provided
20 under section 9(cc) of the Small Business Act (15 U.S.C.
21 638(cc)), as amended by paragraph (1).

22 **SEC. 4. TECHNOLOGY COMMERCIALIZATION OFFICIAL.**

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

1 “(aaa) TECHNOLOGY COMMERCIALIZATION OFFI-
2 CIAL.—Each Federal agency participating in the SBIR or
3 STTR program shall—

4 “(1) designate an existing official within the
5 Federal agency as the Technology Commercialization
6 Official of the Federal agency, who shall—

7 “(A) have sufficient commercialization ex-
8 perience;

9 “(B) provide guidance to SBIR and STTR
10 program awardees in commercializing and
11 transitioning technologies;

12 “(C) identify and advocate for SBIR and
13 STTR program technologies with sufficient
14 technology and commercialization readiness to
15 advance to Phase III awards or other non-
16 SBIR or STTR program contracts;

17 “(D) coordinate with the Administration
18 and Technology Commercialization Officials of
19 other Federal agencies to identify additional
20 markets and commercialization pathways for
21 promising SBIR and STTR program tech-
22 nologies;

23 “(E) submit to the Administration an an-
24 nual report on the number of technologies from
25 the SBIR or STTR program that have ad-

1 vanced commercialization activities, including
2 information required in the commercialization
3 impact assessment under subsection (ccc);

4 “(F) submit to the Administration an an-
5 nual report on actions taken by the Federal
6 agency, and the results of those actions, to sim-
7 plify, standardize, and expedite the application
8 process and requirements, procedures, and con-
9 tracts as required under subsection (hh); and

10 “(G) carry out such other duties as the
11 Federal agency determines necessary; or

12 “(2) identify an official carrying out substan-
13 tially similar responsibilities as those described in
14 paragraph (1).”.

15 **SEC. 5. IMPROVEMENTS TO TECHNICAL AND BUSINESS AS-**
16 **SISTANCE.**

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

19 (1) in paragraph (1), in the matter preceding
20 subparagraph (A)—

21 (A) by striking “may enter into an agree-
22 ment with 1 or more vendors selected under
23 paragraph (2)(A) to provide small business con-
24 cerns engaged in SBIR or STTR projects with
25 technical and business assistance services” and

1 inserting “shall authorize recipients of awards
2 under the SBIR or STTR program to select, if
3 desired, technical and business assistance pro-
4 vided under subparagraph (A), (B), or (C) of
5 paragraph (2) with respect to SBIR or STTR
6 projects”;

7 (B) by inserting “cybersecurity assist-
8 ance,” after “intellectual property protections,”;
9 and

10 (C) by striking “such concerns” and in-
11 serting “such recipients”;

12 (2) in paragraph (2), by adding at the end the
13 following:

14 “(C) STAFF.—A small business concern
15 may, by contract or otherwise, use funding pro-
16 vided under this section to hire new staff, aug-
17 ment staff, or direct staff to conduct or partici-
18 pate in training activities consistent with the
19 goals listed in paragraph (1).”;

20 (3) in paragraph (3), by striking subparagraphs
21 (A) and (B) and inserting the following:

22 “(A) PHASE I.—A Federal agency de-
23 scribed in paragraph (1) shall authorize a re-
24 cipient of a Phase I SBIR or STTR award to
25 utilize not more than \$6,500 per project, in-

1 cluded as part of the award of the recipient or
2 in addition to the amount of the award of the
3 recipient as determined appropriate by the head
4 of the Federal agency, for the services described
5 in paragraph (1)—

6 “(i) provided through a vendor se-
7 lected under paragraph (2)(A);

8 “(ii) provided through a vendor other
9 than a vendor selected under paragraph
10 (2)(A);

11 “(iii) achieved through the activities
12 described in paragraph (2)(C); or

13 “(iv) provided or achieved through
14 any combination of clauses (i), (ii), and
15 (iii).

16 “(B) PHASE II.—A Federal agency de-
17 scribed in paragraph (1) shall authorize a re-
18 cipient of a Phase II SBIR or STTR award to
19 utilize not more than \$50,000 per project, in-
20 cluded as part of the award of the recipient or
21 in addition to the amount of the award of the
22 recipient as determined appropriate by the head
23 of the Federal agency, for the services described
24 in paragraph (1)—

1 “(i) provided through a vendor se-
2 lected under paragraph (2)(A);

3 “(ii) provided through a vendor other
4 than a vendor selected under paragraph
5 (2)(A);

6 “(iii) achieved through the activities
7 described in paragraph (2)(C); or

8 “(iv) provided or achieved through
9 any combination of clauses (i), (ii), and
10 (iii).”; and

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

12 “(5) TARGETED REVIEW.—A Federal agency
13 may perform targeted reviews of technical and busi-
14 ness assistance funding as described in subsection
15 (mm)(1)(F).”.

16 **SEC. 6. I-CORPS PARTICIPATION.**

17 Section 9 of the Small Business Act (15 U.S.C. 638),
18 as amended by section 4, is amended by adding at the
19 end the following:

20 “(bbb) I-CORPS PARTICIPATION.—

21 “(1) IN GENERAL.—Each Federal agency that
22 is required to conduct an SBIR or STTR program
23 with an Innovation Corps (commonly known as ‘I-
24 Corps’) program shall—

1 “(A) provide an option for participation in
2 an I-Corps teams course by recipients of an
3 award under the SBIR or STTR program; and

4 “(B) authorize the recipients described in
5 subparagraph (A) to use an award provided
6 under subsection (q) to provide additional tech-
7 nical assistance for participation in the I-Corps
8 teams course.

9 “(2) COST OF PARTICIPATION.—The cost of
10 participation by a recipient described in paragraph
11 (1)(A) in an I-Corps course may be provided by—

12 “(A) an I-Corps team grant;

13 “(B) funds awarded to the recipient under
14 subsection (q);

15 “(C) the participating teams or other
16 sources as appropriate; or

17 “(D) any combination of sources described
18 in subparagraphs (A), (B), and (C).”.

19 **SEC. 7. COMMERCIALIZATION IMPACT ASSESSMENT.**

20 Section 9 of the Small Business Act (15 U.S.C. 638),
21 as amended by sections 4 and 6, is amended by adding
22 at the end the following:

23 “(ccc) COMMERCIALIZATION IMPACT ASSESSMENT.—

24 “(1) IN GENERAL.—The Administrator shall co-
25 ordinate with each Federal agency with an SBIR or

1 STTR program to develop an annual commercializa-
2 tion impact assessment report, which shall measure,
3 for each small business concern that has received
4 not less than 50 Phase II awards on or after Octo-
5 ber 1 of the ninth fiscal year before the fiscal year
6 in which the report is submitted—

7 “(A) total dollar value of Federal awards,
8 contracts, and subcontracts, other than SBIR
9 or STTR awards, received by the small business
10 concern over the preceding 9 fiscal years;

11 “(B) the total dollar value of all SBIR and
12 STTR Phase I and Phase II awards received by
13 the small business concern over the preceding 9
14 fiscal years;

15 “(C) the average annual gross revenue of
16 the small business concern over the preceding 9
17 fiscal years;

18 “(D) total revenue from the sale or licens-
19 ing of new products and services resulting from
20 the research conducted under the awards re-
21 ceived in the preceding 9 fiscal years;

22 “(E) additional investment from any
23 source other than Phase I or Phase II SBIR or
24 STTR awards, to further the research and de-

1 velopment conducted under the awards received
2 in the preceding 9 fiscal years;

3 “(F) mergers and acquisitions of award re-
4 cipients during or after the completion of a
5 Phase II award;

6 “(G) new, unique spin-out companies re-
7 sulting from research conducted under the
8 awards received in the preceding 9 fiscal years;

9 “(H) patents acquired as a result of re-
10 search conducted under the awards received in
11 the preceding 9 fiscal years;

12 “(I) the year of first Phase II award and
13 the total number of employees at the time of
14 first Phase II award;

15 “(J) the number of employees, as of the
16 end of the most recent fiscal year; and

17 “(K) the total number and value of Phase
18 III awards received.

19 “(2) PUBLICATION.—The commercialization im-
20 pact assessment report described in paragraph (1)
21 shall be—

22 “(A) included in the annual report sub-
23 mitted under subsection (b)(7); and

24 “(B) submitted to—

1 “(i) the Committee on Small Business
2 and Entrepreneurship of the Senate; and
3 “(ii) the Committee on Science,
4 Space, and Technology and the Committee
5 on Small Business of the House of Rep-
6 resentatives.”.

7 **SEC. 8. PATENT ASSISTANCE.**

8 Section 9 of the Small Business Act (15 U.S.C. 638),
9 as amended by sections 4, 6, and 7, is amended by adding
10 at the end the following:

11 “(ddd) PATENT ASSISTANCE.—

12 “(1) DEFINITIONS.—In this subsection—

13 “(A) the term ‘Director’ means the Under
14 Secretary of Commerce for Intellectual Property
15 and Director of the USPTO; and

16 “(B) the term ‘USPTO’ means the United
17 States Patent and Trademark Office.

18 “(2) ASSISTANCE.—The Administrator shall
19 enter into an interagency agreement with the Direc-
20 tor under which the Director shall assist recipients
21 of an award under the SBIR or STTR program (in
22 this paragraph referred to as ‘SBIR and STTR re-
23 cipients’) relating to intellectual property protection
24 by establishing a prioritized patent examination pro-
25 gram for SBIR and STTR recipients.

1 “(3) OUTREACH.—The Administrator shall co-
2 ordinate with the Director to provide outreach re-
3 garding the Pro Se Assistance Program of, and
4 scam prevention services provided by, the USPTO.”.