

111<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# S. 177

To amend the Small Business Act to extend the Small Business Innovation Research and Small Business Technology Transfer programs, to increase the allocation of Federal agency grants for those programs, to add water, energy, transportation, and domestic security related research to the list of topics deserving special consideration, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

JANUARY 8, 2009

Mr. FEINGOLD introduced the following bill; which was read twice and referred to the Committee on Small Business and Entrepreneurship

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## A BILL

To amend the Small Business Act to extend the Small Business Innovation Research and Small Business Technology Transfer programs, to increase the allocation of Federal agency grants for those programs, to add water, energy, transportation, and domestic security related research to the list of topics deserving special consideration, 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.**

2 This Act may be cited as the “Strengthening Our  
3 Economy Through Small Business Innovation Act of  
4 2009”.

5 **SEC. 2. SENSE OF THE SENATE.**

6 It is the sense of the Senate that—

7 (1) this Nation’s small businesses are the  
8 source of nearly 50 percent of our country’s employ-  
9 ment;

10 (2) small businesses have been and are a lead-  
11 ing source of this country’s innovation and entrepre-  
12 neurial strategies and skills;

13 (3) small technology businesses tend to be high-  
14 ly innovative, play a substantial role in technological  
15 advancement, and contribute to the standard of liv-  
16 ing in this country;

17 (4) the SBIR and STTR programs can result  
18 and have resulted in the development and commer-  
19 cialization of new products and processes;

20 (5) the Federal Government should give par-  
21 ticular encouragement to small businesses that ad-  
22 dress priority national interests, including water se-  
23 curity, energy innovation, transportation efficiencies  
24 and domestic security needs; and

25 (6) the SBIR and STTR programs should be  
26 extended for these purposes and the administrative

1 costs associated with such extensions should be  
2 borne by the respective Federal departments and  
3 agencies.

4 **SEC. 3. EXTENSION OF TERMINATION DATES.**

5 (a) SBIR.—Section 9(m) of the Small Business Act  
6 (15 U.S.C. 638(m)) is amended by striking “2008” and  
7 inserting “2022”.

8 (b) STTR.—Section 9(n)(1)(A) of the Small Busi-  
9 ness Act (15 U.S.C. 638(n)(1)(A)) is amended by striking  
10 “2009” and inserting “2023”.

11 **SEC. 4. INCREASE IN THE ALLOCATION OF FEDERAL AGEN-  
12 CY GRANTS FOR SBIR AND STTR PROGRAMS.**

13 (a) SBIR PROGRAM EXPENDITURES.—Section  
14 9(f)(1) of the Small Business Act (15 U.S.C. 638(f)(1))  
15 is amended by striking subparagraphs (A) through (C)  
16 and inserting the following:

17 “(1) not less than 2.5 percent of such budget  
18 in fiscal year 2009;

19 “(2) not less than 5.0 percent of such budget  
20 in fiscal year 2010;

21 “(3) not less than 7.5 percent of such budget  
22 in fiscal year 2011; and

23 “(4) not less than 10.0 percent of such budget  
24 in fiscal year 2012 and each fiscal year thereafter.”.

1 (b) STTR PROGRAM EXPENDITURES.—Section  
 2 9(n)(1)(B) of the Small Business Act (15 U.S.C.  
 3 638(n)(1)(B)) is amended by striking clauses (i) and (ii)  
 4 and inserting the following:

5 “(i) not less than 0.3 percent in fiscal  
 6 year 2009;

7 “(ii) not less than 0.6 percent in fiscal  
 8 year 2010;

9 “(iii) not less than 0.8 percent in fis-  
 10 cal year 2011; and

11 “(iv) not less than 1.0 percent in fis-  
 12 cal year 2012 and each fiscal year there-  
 13 after.”.

14 **SEC. 5. INCREASED SBIR AND STTR AWARD LEVELS.**

15 (a) SBIR AWARD LEVEL.—Section 9(j)(2)(D) of the  
 16 Small Business Act (15 U.S.C. 638(j)(2)(D)) is amend-  
 17 ed—

18 (1) by striking “\$100,000” and inserting  
 19 “\$300,000”; and

20 (2) by striking “\$750,000” and inserting  
 21 “\$2,200,000”.

22 (b) STTR AWARD LEVEL.—Section 9(p)(2)(B)(ix) of  
 23 the Small Business Act (15 U.S.C. 638(p)(2)(B)(ix)) is  
 24 amended—

1           (1) by striking “\$100,000” and inserting  
2           “\$300,000”; and

3           (2) by striking “\$750,000” and inserting  
4           “\$2,200,000”.

5 **SEC. 6. INCLUSION OF ENERGY, SECURITY, TRANSPOR-**  
6           **TATION, AND WATER RELATED RESEARCH IN**  
7           **THE LIST OF TOPICS DESERVING SPECIAL**  
8           **CONSIDERATION AS SBIR RESEARCH TOPICS.**

9           Section 9(g)(3) of the Small Business Act (15 U.S.C.  
10 638(g)(3)) is amended—

11           (1) in the matter preceding subparagraph (A),  
12           by inserting “or pressing research priorities” after  
13           “critical technologies”;

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

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

17                   “(C) the National Academy of Sciences in  
18                   the final report issued by the America’s Energy  
19                   Future: Technology Opportunities, Risks, and  
20                   Tradeoffs project that relate to emerging re-  
21                   newable energy, energy efficiency, or renewable  
22                   fuels technologies, or in subsequent reports re-  
23                   lating to such technologies;

24                   “(D) the National Academy of Sciences in  
25                   the final report issued by the Transit Research

1 and Development: Federal Role in the National  
2 Program project, the Research and Innovative  
3 Technology Administration of the Department  
4 of Transportation in the report entitled ‘Trans-  
5 portation Research, Development and Tech-  
6 nology Strategic Plan (2006–2010)’, or the Na-  
7 tional Academy of Sciences or the Department  
8 of Transportation in subsequent reports relat-  
9 ing to transportation and infrastructure;

10 “(E) the Committee on Water System Se-  
11 curity Research of the National Academy of  
12 Sciences in the 2007 report by the committee,  
13 entitled ‘Improving the Nation’s Water Secu-  
14 rity; Opportunities for Research’ or the 2006  
15 report by the committee, entitled ‘Public Water  
16 Distribution Systems: Assessing and Reducing  
17 Risks’, or by the National Academy of Sciences  
18 or the Environmental Protection Agency in sub-  
19 sequent reports relating to improving the Na-  
20 tion’s water supply and security;

21 “(F) the Government Accountability Of-  
22 fice, in—

23 “(i) the report entitled ‘Homeland Se-  
24 curity: First Responders’ Ability to Detect  
25 and Model Hazardous Releases in Urban

1 Areas Is Significantly Limited’, GAO–08–  
2 180, issued June 27, 2008;

3 “(ii) the report entitled ‘Nuclear Se-  
4 curity: NRC and DHS Need to Take Addi-  
5 tional Steps to Better Track and Detect  
6 Radioactive Materials’, GAO–08–598,  
7 issued June 19, 2008; or

8 “(iii) the report entitled ‘Supply  
9 Chain Security: Challenges to Scanning  
10 100 Percent of U.S.-Bound Cargo Con-  
11 tainers’, GAO–08–533T, issued June 12,  
12 2008; or

13 “(G) the National Academy of Science, in  
14 the report entitled ‘Toward a Safer and More  
15 Secure Cyberspace’ or in subsequent reports by  
16 the National Academy of Science relating to cy-  
17 bersecurity and which shall include cybersecu-  
18 rity technologies also designed to protect pri-  
19 vacy;”.

20 **SEC. 7. OFFSET.**

21 The Secretary of Defense shall terminate the Air-  
22 borne Laser program.

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