111TH CONGRESS 1ST SESSION

H. R. 2747

To amend the Small Business Act to improve outreach and support activities and to increase award recipients from rural areas with respect to the Small Business Innovation Research Program and the Small Business Technology Transfer Program, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

June 8, 2009

Mrs. Halvorson introduced the following bill; which was referred to the Committee on Small Business, and in addition to the Committee on Science and Technology, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Small Business Act to improve outreach and support activities and to increase award recipients from rural areas 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,
- 3 SECTION 1. SHORT TITLE.
- 4 This Act may be cited as the "Rural Technology De-
- 5 velopment and Outreach Act".

1 SEC. 2. OUTREACH AND SUPPORT ACTIVITIES.

2	Section 9 of the Small Business Act (15 U.S.C. 638)
3	is amended by inserting after subsection (r) the following:
4	"(s) Outreach and Support Activities.—
5	"(1) In general.—Subject to the other provi-
6	sions of this subsection, the Administrator shall
7	make grants on a competitive basis to organizations,
8	to be used by the organizations to do one or both
9	of the following:
10	"(A) To conduct outreach efforts to in-
11	crease participation in the programs under this
12	section.
13	"(B) To provide application support and
14	entrepreneurial and business skills support to
15	prospective participants in the programs under
16	this section.
17	"(2) Authorization of appropriations.—
18	There is authorized to be appropriated to the Ad-
19	ministrator \$10,000,000 to carry out paragraph (1)
20	for each of fiscal years 2010 and 2011.
21	"(3) Amount of assistance.—For each of
22	subparagraphs (A) and (B) of paragraph (1), the
23	amount of assistance provided to an organization
24	under that subparagraph in any fiscal year—

1	"(A) shall be equal to the total amount of
2	matching funds from non-Federal sources pro-
3	vided by the organization; and
4	"(B) shall not exceed \$250,000.
5	"(4) Direction.—An organization receiving
6	funds under paragraph (1) shall, in using those
7	funds, direct its activities at one or both of the fol-
8	lowing:
9	"(A) Small business concerns located in
10	geographic areas that are underrepresented in
11	the programs under this section.
12	"(B) Small business concerns owned and
13	controlled by women, small business concerns
14	owned and controlled by service-disabled vet-
15	erans, and small business concerns owned and
16	controlled by minorities.
17	"(5) Advisory Board.—
18	"(A) Establishment.—Not later than 90
19	days after the date of the enactment of this
20	subsection, the Administrator shall establish an
21	advisory board for the activities carried out
22	under this subsection.
23	"(B) Non-applicability of faca.—The
24	Federal Advisory Committee Act (5 U.S.C.
25	App.) shall not apply to the advisory board.

1	"(C) Members.—The members of the ad-
2	visory board shall include the following:
3	"(i) The Administrator (or the Ad-
4	ministrator's designee).
5	"(ii) For each Federal agency re-
6	quired by this section to conduct an SBIR
7	program, the head of the agency (or the
8	designee of the head of the agency).
9	"(iii) Representatives of small busi-
10	ness concerns that are current or former
11	recipients of SBIR awards, or representa-
12	tives of organizations of such concerns.
13	"(iv) Representatives of service pro-
14	viders of SBIR outreach and assistance, or
15	representatives of organizations of such
16	service providers.
17	"(D) Duties.—The advisory board shall
18	have the following duties:
19	"(i) To develop guidelines for awards
20	under paragraph (1), including guidelines
21	relating to award sizes, proposal require-
22	ments, measures for monitoring awardee
23	performance, and measures for deter-
24	mining the overall value of the activities
25	carried out by the awardees.

1	"(ii) To identify opportunities for co-
2	ordinated outreach, technical assistance,
3	and commercialization activities among
4	Federal agencies, the recipients of the
5	awards under paragraph (1), and appli-
6	cants and recipients of SBIR awards, in-
7	cluding opportunities such as—
8	"(I) podcasting or webcasting for
9	conferences, training workshops, and
10	other events;
11	"(II) shared online resources to
12	match prospective applicants with the
13	network of paragraph (1) recipients;
14	and
15	"(III) venture capital conferences
16	tied to technologies and sectors that
17	cross agencies.
18	"(iii) To review and recommend revi-
19	sions to activities under paragraph (1).
20	"(iv) To submit to the Committee on
21	Small Business and Entrepreneurship of
22	the Senate and the Committee on Small
23	Business and the Committee on Science
24	and Technology of the House of Represent-
25	atives an annual report on the activities

1	carried out under paragraph (1) and the
2	effectiveness and impact of those activities.
3	"(6) Selection criteria.—In awarding
4	grants under this subsection, the Administrator shall
5	use selection criteria developed by the advisory board
6	established under paragraph (5). The criteria shall
7	include—
8	"(A) criteria designed to give preference to
9	applicants who propose to carry out activities
10	that will reach either an underperforming geo-
11	graphic area or an underrepresented population
12	group (as measured by the number of SBIR ap-
13	plicants);
14	"(B) criteria designed to give preference to
15	applicants who propose to carry out activities
16	that complement, and are integrated into, the
17	existing public-private innovation support sys-
18	tem for the targeted region or population;
19	"(C) criteria designed to give preference to
20	applicants who propose to measure the effec-
21	tiveness of the proposed activities; and
22	"(D) criteria designed to give preference to
23	applicants who include a Small Business Devel-
24	opment Center program that is accredited for
25	its technology services.

1 "(7) PEER REVIEW.—In awarding grants under 2 this subsection, the Administrator shall use a peer 3 review process. Reviewers shall include—

"(A) SBIR program managers for agencies required by this section to conduct SBIR programs; and

"(B) private individuals and organizations that are knowledgeable about SBIR, the innovation process, technology commercialization, and State and regional technology-based economic development programs.

"(8) Per-state limitations.—

"(A) IN GENERAL.—To be eligible to receive a grant under this subsection, the applicant must have the written endorsement of the Governor of the State where the targeted regions or populations are located (if the regions or populations are located in more than one State, the applicant must have the written endorsement of the Governor of each such State). Such an endorsement must indicate that the Governor will ensure that the activities to be carried out under the grant will be integrated with the balance of the State's portfolio of in-

- vestments to help small business concerns commercialize technology.
- "(B) LIMITATION.—Each fiscal year, a
 Governor may have in effect not more than one
 written endorsement for a grant under paragraph (1)(A), and not more than one written
 endorsement for a grant under paragraph
 (1)(B).
- 9 "(9) Specific requirements for awards.— 10 In making awards under paragraph (1) the Adminis-11 trator shall ensure that each award shall be for a pe-12 riod of 2 fiscal years. The Administrator shall estab-13 lish rules and performance goals for the disburse-14 ment of funds for the second fiscal year, and funds 15 shall not be disbursed to a recipient for such a fiscal 16 year until after the advisory board established under 17 this subsection has determined that the recipient is 18 in compliance with the rules and performance 19 goals.".
- 20 SEC. 3. RURAL PREFERENCE.
- 21 Section 9 of the Small Business Act (15 U.S.C. 638),
- 22 as amended, is further amended by adding at the end the
- 23 following:
- 24 "(aa) Rural Preference.—In making awards
- 25 under this section, Federal agencies shall give priority to

1	applications so as to increase the number of SBIR and
2	STTR award recipients from rural areas.".
3	SEC. 4. OBTAINING SBIR APPLICANT'S CONSENT TO RE-
4	LEASE CONTACT INFORMATION TO ECO-
5	NOMIC DEVELOPMENT ORGANIZATIONS.
6	Section 9 of the Small Business Act (15 U.S.C. 638),
7	as amended, is further amended by adding at the end the
8	following:
9	"(bb) Consent To Release Contact Informa-
10	TION TO ORGANIZATIONS.—
11	"(1) Enabling concern to give consent.—
12	Each Federal agency required by this section to con-
13	duct an SBIR program shall enable a small business
14	concern that is an SBIR applicant to indicate to the
15	agency whether the agency has its consent to—
16	"(A) identify the concern to appropriate
17	local and State-level economic development or-
18	ganizations as an SBIR applicant; and
19	"(B) release the concern's contact informa-
20	tion to such organizations.
21	"(2) Rules.—The Administrator shall estab-
22	lish rules to implement this subsection. The rules
23	shall include a requirement that the agency include
24	in its SBIR application forms a provision through

1 which the applicant can indicate consent for pur-2 poses of paragraph (1).". 3 5. INCREASED PARTNERSHIPS SEC. **BETWEEN SBIR** 4 AWARDEES AND PRIME CONTRACTORS, VEN-5 TURE CAPITAL INVESTMENT COMPANIES. 6 AND LARGER BUSINESSES. 7 Section 9 of the Small Business Act (15 U.S.C. 638), 8 as amended, is further amended by adding at the end the 9 following: 10 "(cc) Increased Partnerships.— 11 "(1) IN GENERAL.—Each agency required by 12 this section to conduct an SBIR program shall es-13 tablish initiatives by which the agency encourages 14 partnerships between SBIR awardees and prime 15 contractors, venture capital investment companies, 16 business incubators, and larger businesses, for the 17 purpose of facilitating the progress of the SBIR 18 awardees to the third phase. 19 "(2) Definition.—In this subsection, the term 20 'business incubator' means an entity that provides 21 coordinated and specialized services to entrepre-22 neurial businesses which meet selected criteria dur-23 ing the businesses' startup phases, including pro-24 viding services such as shared office space and office

services, access to equipment, access to telecommuni-

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cations and technology services, flexible leases, specialized management assistance, access to financing, mentoring and training services, or other coordinated business or technical support services designed to provide business development assistance to entrepreneurial businesses during these businesses' startup phases.".

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