Starting Down the Path for SBIR Reauthorization —the Minority Bills

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Important Legislative Details

Authorization for federal agencies to administer SBIR/STTR programs expires Sept 30, 2025.

Last reauthorized in 2022. Created in 1982.

Relevant code: Section 9 of 15 USC 638



Competing or complementary priorities?

HOUSE OF REPRESENTATIVES

House Committee on Small Business (membership: Maj./Min.)

SENATE

Senate Committee on Small Business & Entrepreneurship (membership)

- ☐ House Committee on Science, Space & Technology (membership)
- Senate Committee on Commerce, Science & Transportation (membership)



- HIGHLIGHT KEY DIFFERENCES BETWEEN THE EXISTING SBIR/STTR PROGRAM AND THE SBIR/STTR REAUTHORIZATION ACT OF 2025 (S1573/HR3169) AS INTRODUCED BY SENATOR EDWARD MARKEY AND REPRESENTATIVE NYDIA VELÁZQUEZ.
- DISCUSS DIFFERENCES BETWEEN THE MARKEY/VELÁZQUEZ BILL AND THE INNOVATE ACT (S853) AS INTRODUCED BY SENATOR JONI ERNST.



Authorization Structure

CURRENT PROGRAM:

TEMPORARILY REAUTHORIZED IN 2022, EXPIRING IN 2025

MARKEY/VELÁZQUEZ PROPOSAL:

PERMANENTLY AUTHORIZES THE SBIR/STTR PROGRAMS
ELIMINATES REAUTHORIZATION CYCLES AND UNCERTAINTY



Funding Allocation

CURRENT PROGRAM:

- SBIR: 3.2% OF EXTRAMURAL R&D BUDGETS
- STTR: 0.45% OF EXTRAMURAL R&D BUDGETS

MARKEY/VELÁZQUEZ PROPOSES PHASED INCREASE TO:

- SBIR: 7% OVER 7 YEARS
- STTR: 1% OVER 7 YEARS



Diversity, Equity, & Inclusion (DEI)

CURRENT PROGRAM:

- NO SPECIFIC DEI PROVISIONS WITHIN CORE SBIR/STTR AUTHORITY
 MARKEY/VELÁZQUEZ PROPOSAL:
- FUNDS FOR DEI-FOCUSED INTERNSHIPS AND FELLOWSHIPS
- ENCOURAGES PARTICIPATION FROM UNDERSERVED COMMUNITIES



Technical Assistance & FAST Program

CURRENT PROGRAM:

- FAST PROGRAM IS SEPARATELY AUTHORIZED AND FUNDED
- TECHNICAL ASSISTANCE VARIES WIDELY BY AGENCY

MARKEY/VELÁZQUEZ PROPOSAL:

- REAUTHORIZES AND STRENGTHENS FAST
- PERMITS SBIR/STTR FUNDS FOR PROPOSAL DEVELOPMENT



Research Security & Integrity

CURRENT PROGRAM:

- DUE DILIGENCE PROGRAMS ADDED IN 2022 FOR NATIONAL SECURITY MARKEY/VELÁZQUEZ PROPOSAL:
- EXTENDS DUE DILIGENCE PROGRAMS THROUGH 2030
- BUILDS ON FOREIGN RISK MITIGATION POLICIES



Dealing with the Mills

MARKEY/VELÁZQUEZ PROPOSAL:

- ALLOWS CONTINUED ACCESS FOR COMPANIES THAT HAVE DEMONSTRATED CAPACITY TO INNOVATE, REGARDLESS OF HOW MANY PAST AWARDS THEY'VE RECEIVED.
- PROMOTES "MERIT-BASED COMPETITION WITHOUT "ARBITRARY RESTRICTIONS" ON HIGH-PERFORMING FIRMS.
- EXPANDS ACCESS WITHOUT NARROWING ELIGIBILITY FOR FIRMS WITH STRONG TRACK RECORDS.

Commercialization Support

CURRENT PROGRAM:

AGENCIES PROVIDE COMMERCIALIZATION SUPPORT UNEVENLY

MARKEY/VELÁZQUEZ PROPOSAL:

- REQUIRES APPOINTMENT OF TECHNOLOGY COMMERCIALIZATION OFFICIALS
- PROMOTES ACQUISITION TRAINING FOR AGENCY STAFF



Complementary Commercialization-focused Bill

COONS/HOULAHAN RAMP FOR INNOVATORS ACT (S1660/HR3239) SEEKS TO:

- IMPROVE COMMERCIALIZATION ACTIVITIES WITHIN THE SBIR AND STTR PROGRAMS.
- ENHANCE SUPPORT FOR SMALL BUSINESSES TRANSITIONING FROM RESEARCH TO MARKET-READY PRODUCTS.
- ADDRESS BARRIERS THAT HINDER THE COMMERCIALIZATION OF FEDERALLY FUNDED INNOVATIONS.



Side-by-side Comparison

Feature	Markey	Ernst
Program Duration	Permanent	3-year term
Funding Levels	7% (SBIR) / 1% (STTR) over 7 years	3.45% (SBIR) starting FY 2026
DEI Consideration	Supports DEI initiatives	Removes DEI considerations
FAST Program	Reauthorizes and strengthens FAST	Not mentioned
Technical Assistance	Proposal support and fellowships	Phase IA awards with simplified process
Commercialization Support	Designates commercialization officers	Imposes funding caps and benchmarks
Security Provisions	Extends due diligence program to 2030	Defines and enforces 'foreign risk'



NEXT STEPS

- 1. Sign up for the SSTI Weekly Digest to stay abreast of our SBIR coverage. Sign up for the TBED Community of Practice webinars and discussion groups of interest.
- 2. Let us know if you'd like to be part of any of the prospective upcoming conversations regarding SBIR reauthorization:
 - Foreign Risk and SBIR
 - How might FAST be improved through Reauthorization?
 - Defining and dealing with the Mills
 - Whither STTR?
 - SBIR and Commercialization the economic development end goal
 - What is the role of State Matching programs in next SBIR?
- Consider becoming a dues-paying member of SSTI and the Innovation Advocacy Council to help advance this work for the field.
- 4. For all of the above, contact skinner@ssti.org

