

108TH CONGRESS
2D SESSION

H. R. 4149

To amend the Small Business Act to permit business concerns that are owned by venture capital operating companies or pension plans to participate in the Small Business Innovation Research Program.

IN THE HOUSE OF REPRESENTATIVES

APRIL 2, 2004

Mr. GRAVES (for himself, Mr. HONDA, Mr. INSLEE, and Mrs. KELLY) introduced the following bill; which was referred to the Committee on Small Business, and in addition to the Committee on Science, 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 permit business concerns that are owned by venture capital operating companies or pension plans to participate in the Small Business Innovation Research Program.

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. SBIR AWARDS TO BUSINESS CONCERNS OWNED**
2 **BY VENTURE CAPITAL OPERATING COMPA-**
3 **NIES OR EMPLOYEE BENEFIT OR PENSION**
4 **PLANS.**

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

8 “(4) ELIGIBILITY.—A business concern shall
9 not be prevented from participating in the Small
10 Business Innovation Research Program solely be-
11 cause such business concern is owned in part by—

12 “(A) a venture capital operating company
13 that is managed and controlled by 1 or more
14 United States citizens or permanent resident
15 aliens; or

16 “(B) an employee benefit or pension
17 plan.”.

18 (b) RULEMAKING AUTHORITY.—Not later than 180
19 days after the date of the enactment of this Act, the Ad-
20 ministrator of the Small Business Administration shall
21 issue regulations to—

22 (1) carry out the amendment made by sub-
23 section (a);

24 (2) ensure that a Small Business Innovation
25 Research award is not given to a business concern
26 that is majority owned by—

1 (A) another business concern that is ineli-
2 gible to participate in the Small Business Inno-
3 vation Research Program; or

4 (B) a venture capital operating company or
5 an employee benefit or pension plan that is the
6 alter ego, instrumentality, or identity of another
7 business concern that is ineligible to participate
8 in the Small Business Innovation Research Pro-
9 gram.

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