

The vote was taken by electronic device, and there were—ayes 417, noes 3, not voting 12, as follows:

[Roll No. 482]

AYES—417

Ackerman Davis (AL) Johnson (GA)
 Aderholt Davis (CA) Johnson (IL)
 Adler (NJ) Davis (IL) Johnson, E. B.
 Akin Davis (KY) Johnson, Sam
 Alexander Davis (TN) Jones
 Altmire Deal (GA) Jordan (OH)
 Andrews DeFazio Kagen
 Arcuri DeGette Kanjorski
 Austria Delahunt Kaptur
 Baca DeLauro Kennedy
 Bachmann Dent Kildee
 Bachus Diaz-Balart, L. Kilpatrick (MI)
 Baird Dicks Kilroy
 Baldwin Doggett Kind
 Barrett (SC) Donnelly (IN) King (IA)
 Barrow Doyle King (NY)
 Bartlett Dreier Kingston
 Barton (TX) Driehaus Kirk
 Bean Duncan Kirkpatrick (AZ)
 Becerra Edwards (MD) Kissell
 Berkeley Edwards (TX) Klein (FL)
 Berman Ehlers Kline (MN)
 Berry Ellison Kosmas
 Biggert Emerson Kratovil
 Bilbray Engel Kucinich
 Bilirakis Eshoo Lamborn
 Bishop (GA) Etheridge Lance
 Bishop (NY) Fallin Langevin
 Bishop (UT) Farr Larsen (WA)
 Blackburn Fattah Larson (CT)
 Blumenauer Filner Latham
 Blunt Flake LaTourette
 Bocchieri Fleming Latta
 Boehner Forbes Lee (CA)
 Bonner Fortenberry Levin
 Bono Mack Foster Lewis (CA)
 Boozman Foxx Lewis (GA)
 Boren Frank (MA) Linder
 Boswell Franks (AZ) Lipinski
 Boucher Frelinghuysen LoBiondo
 Boustany Fudge Loebsack
 Boyd Gallegly Lofgren, Zoe
 Brady (PA) Garrett (NJ) Lowey
 Brady (TX) Gerlach Lucas
 Braley (IA) Giffords Luetkemeyer
 Bright Gingrey (GA) Luján
 Brown (SC) Gohmert Lummis
 Brown, Corrine Gonzalez Lungren, Daniel
 Brown-Waite, E.
 Ginny Goodlatte
 Buchanan Gordon (TN) Lynch
 Granger Mack
 Burgess Graves Maffei
 Burton (IN) Grayson Maloney
 Butterfield Green, Al Manzullo
 Buyer Green, Gene Marchant
 Calvert Griffith Markey (CO)
 Camp Grijalva Markey (MA)
 Campbell Guthrie Marshall
 Cantor Gutierrez Massa
 Cao Hall (NY) Matheson
 Capito Hall (TX) Matsui
 Capps Halvorson McCarthy (CA)
 Capuano Hare McCarthy (NY)
 Carnahan Harman McCaul
 Carney Harper McClintock
 Carson (IN) Hastings (FL) McCollum
 Carter Hastings (WA) McCotter
 Cassidy Heinrich McDermott
 Castle Heller McGovern
 Castor (FL) Herger McHenry
 Chaffetz Herseth Sandlin McHugh
 Chandler Higgins McIntyre
 Childers Hill McKeon
 Clarke Himes McMahan
 Clay Hinchey McMorris
 Cleaver Hinojosa Rodgers
 Clyburn Hirono McNerney
 Cohen Hodes Meek (FL)
 Cole Hoekstra Meeks (NY)
 Conaway Holden Melancon
 Connolly (VA) Holt Mica
 Conyers Honda Michaud
 Cooper Hoyer Miller (FL)
 Costa Hunter Miller (MI)
 Costello Inglis Miller (NC)
 Courtney Inslee Miller, Gary
 Crenshaw Israel Miller, George
 Crowley Issa Minnick
 Cuellar Jackson (IL) Mitchell
 Culberson Jackson-Lee Mollohan
 Cummings (TX) Moore (KS)
 Dahlkemper Jenkins Moore (WI)

Moran (KS) Roe (TN) Spratt
 Moran (VA) Rogers (AL) Stark
 Murphy (CT) Rogers (KY) Stearns
 Murphy (NY) Rogers (MI) Stupak
 Murphy, Patrick Rohrabacher Sullivan
 Murphy, Tim Rooney Sutton
 Murtha Roskam Tanner
 Myrick Ross Taylor
 Nadler (NY) Rothman (NJ) Teague
 Napolitano Roybal-Allard Terry
 Neal (MA) Royce Thompson (CA)
 Neugebauer Ruppersberger Thompson (MS)
 Nunes Rush Thompson (PA)
 Nye Ryan (OH) Thornberry
 Oberstar Ryan (WI) Tiaht
 Obey Salazar Tiberi
 Olson Sánchez, Linda Tierney
 Oliver T. Titus
 Ortiz Sanchez, Loretta Tonko
 Pallone Sarbanes Towns
 Pascrell Scalise Tsongas
 Pastor (AZ) Schakowsky Turner
 Paulsen Schauer Upton
 Payne Schiff Van Hollen
 Pence Schmidt Velázquez
 Perlmutter Schock Visclosky
 Perriello Schrader Walden
 Peters Schwartz Walz
 Peterson Scott (GA) Wamp
 Petri Scott (VA) Wasserman
 Pingree (ME) Serrano Schultz
 Pitts Sessions Waters
 Platts Shadegh Watson
 Poe (TX) Shea-Porter Watt
 Polis (CO) Sherman Waxman
 Pomeroy Shimkus Weiner
 Posey Shuler Welch
 Price (GA) Simpson Westmoreland
 Price (NC) Sires Wexler
 Putnam Skelton Whitfield
 Quigley Slaughter Wilson (OH)
 Radanovich Smith (NE) Wilson (SC)
 Rahall Smith (NJ) Wittman
 Rangel Smith (TX) Wolf
 Rehberg Smith (WA) Woolsey
 Reichert Snyder Wu
 Reyes Souder Yarmuth
 Richardson Space Young (AK)
 Rodriguez Speier Young (FL)

□ 1228

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H.R. 2965) to amend the Small Business Act with respect to the Small Business Innovation Research Program and the Small Business Technology Transfer Program, and for other purposes, with Mr. ROSS in the chair.

The Clerk read the title of the bill.

The CHAIR. Pursuant to the rule, the bill is considered read the first time.

General debate shall not exceed 1 hour, with 40 minutes equally divided and controlled by the Chair and ranking minority member of the Committee on Small Business and 20 minutes equally divided and controlled by the Chair and ranking minority member of the Committee on Science and Technology.

The gentlewoman from New York (Ms. VELÁZQUEZ) and the gentleman from Missouri (Mr. GRAVES) each will control 20 minutes, the gentleman from Tennessee (Mr. GORDON) and the gentleman from Nebraska (Mr. SMITH) each will control 10 minutes.

The Chair recognizes the gentleman from New York.

□ 1230

Ms. VELÁZQUEZ. I rise in support of H.R. 2965, updating and enhancing the Small Business Administration's Small Business Innovation Research and Small Business Technology Transfer programs.

Mr. Chairman, I yield myself such time as I may consume. I rise in support of H.R. 2965, which will reauthorize and improve the SBA's SBIR and STTR programs. This bill has strong bipartisan support and would work to invest in entrepreneurial innovation and job growth.

While our economy is recovering, it still has a ways to go. Even now, we need to be focused on putting Americans back to work. We need growth that is lasting and industries that are sustainable. We need jobs that cannot be shipped overseas and will not evaporate in the next cycle of boom and bust. But those jobs aren't going to appear out of thin air. They need to be created. By expanding existing industries and unlocking new ones, H.R. 2965 will generate the jobs we need.

The SBIR and STTR programs are vital to small business growth. Year after year, they help jump-start 1,500 new companies. At the very least, that is 1,500 new employers. Over time, that is millions and millions of direct and indirect positions. But while these initiatives are crucial, they're not living up to their full potential. Through H.R. 2965, we can improve SBIR and STTR so they are running at maximum capacity.

Job creation, Mr. Chairman, is the primary goal of R&D. But in order to generate new positions, we have to first develop new industries. Commercialization is critical to that process.

NOES—3

Coble Paul Sensenbrenner

NOT VOTING—12

Abercrombie Diaz-Balart, M. Lee (NY)
 Broun (GA) Dingell Ros-Lehtinen
 Cardoza Ellsworth Sestak
 Coffman (CO) Hensarling Shuster

□ 1227

So (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Ms. VELÁZQUEZ. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks and include extraneous material on the bill, H.R. 2965.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

ENHANCING SMALL BUSINESS RESEARCH AND INNOVATION ACT OF 2009

The SPEAKER pro tempore. Pursuant to House Resolution 610 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the state of the Union for the consideration of the bill, H.R. 2965.

But, unfortunately, most research never makes it to the market.

To address that issue, we are creating commercialization benchmarks. We're also encouraging conversations between SBIR officers and purchasing agents. Ultimately, those dialogs will enhance the flow of information between buyers and sellers, helping more ideas move from the drawing board to the marketplace.

When all is said and done, commercialization means more than new products—it means new jobs. Once a product hits the mainstream, it opens up a world of opportunity in a wide range of industries, from retail to manufacturing. By stimulating these sectors, we can help our economy on its route to recovery.

Even as our economy rebounds, small firms struggle to find funding—particularly equity investment. Just a year ago, venture capital firms drove \$5.7 billion into small companies. Today, we have seen almost a 50 percent decline. In terms of what that means for the economy, there are now \$3.7 billion fewer dollars to help our small businesses create jobs. The programs' current regulations only compound those challenges.

By shutting venture capital out of SBIR and STTR, we are blocking billions of dollars to create jobs and limiting our ability to innovate. What are we supposed to say to a venture-backed firm that is researching cures for pancreatic cancer? Are we supposed to shake our heads and say, Sorry, you've done some promising research, but we just can't help you find a cure?

Mr. Chairman, this program is better than that. That is why H.R. 2965 gives small firms—not Washington bureaucrats—the final say in how their firms are financed.

This bill provides for the reasonable use of venture capital, while maintaining important safeguards. Make no mistake, SBIR and STTR are—and forever will be—small business programs. This provision doesn't change that. What it does do is give small firms the funding they need to develop new products.

Even with the necessary capital, small firms struggle to see R&D from start to finish. That is because it is a complex process. Measures to block funding delays and increase efficiency will streamline R&D, helping more products make it out of the laboratory and into the marketplace. Meanwhile, we're going to broaden the scope of American innovation.

Silicon Valley doesn't hold a franchise on innovation, which is why H.R. 2965 reaches out to underserved rural areas. Through cutting edge technology and grassroots marketing, it also seeks to bring women, minorities, and veterans into the SBIR and STTR programs.

Innovation is the first stop on the path to prosperity. By enhancing and expanding SBIR and STTR, we can encourage small business growth in all

parts of the country. In doing so, we will help our small firms to grow, innovate, and—most importantly—create homegrown jobs.

Mr. Chairman, I reserve the balance of my time.

Mr. GRAVES. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I rise in support of H.R. 2965, the Enhancing Small Business Research and Innovation Act of 2009. Innovation happens every day. Whether it is a new development in the fight for cancer or a new computer system designed to protect our soldiers, more and more good ideas are coming from America's small businesses.

The Small Business Innovation Research, the SBIR, and the Small Business Technology Transfer, the STTR, programs help to take ideas and turn them into practical products. By all accounts, the SBIR and STTR programs are highly successful Federal initiatives designed to encourage economic growth and innovation within the small business community.

Created in 1982, the SBIR program offers competition-based awards to stimulate technological innovation among small private-sector businesses while providing government agencies with new, cost-effective solutions to meet their needs. This program is not only critical to the unique needs of each of the participating Federal agencies, but also to our national economy.

Small businesses invigorate the U.S. economy by introducing new products and lower cost methods of doing business, sometimes with substantial economic benefits. They play a key role in introducing new technologies to the market, often responding quickly to new market opportunities.

Our committee worked in a bipartisan manner to produce this legislation. We held several hearings on this topic over the last few months, inviting the Small Business Administration, SBIR and STTR program managers from Federal agencies, various small businesses, and academics to discuss the program successes and to consider amendments that would improve them. I'm happy to say that many of the ideas that were presented to the committee have found a way into this legislation.

For example, the topic that dominated much of the discussion at our hearings was the appropriate level of venture capital involvement in the SBIR program. Unfortunately, there have been several misconceptions stated about this provision in the bill.

In 2003, the Small Business Administration reversed a 20-year-old policy by ruling that small businesses that are majority-owned by venture capital companies can no longer compete for grants under the SBIR program, regardless of how few employees companies have. As a result, this has jeopardized the development of innovative treatments, therapies, and technologies.

The goal of our proposal is to ensure that America's small businesses con-

tinue to be the world's leader in innovative research and development and to provide the best small companies with the greatest commercialization potential access to SBIR and STTR programs.

In addition, access to capital is a real concern for small businesses across all industries, and our provision provides small businesses another path to acquire the capital they need to be successful.

It is also important to keep in mind that these programs will remain open for competition among all small businesses, and Federal agencies will choose the best small business to win the award.

H.R. 2965 contains significant and dedicated safeguards to ensure that the SBIR program remains a small business program. It forbids a small business with one venture capital firm having over 50 percent ownership from qualifying for that small business award. The bill also has safeguards to prohibit large companies from taking control of the small business and receiving small business grants.

The legislation also bans a business whose board's majority is from a venture capital firm from participation in the program. Finally, because venture capital investments are often done as a group to reduce risk, the bill strictly limits the amount of participation of venture capital firms that are themselves owned by a business of over 500 employees.

Our comprehensive bill also takes significant strides to bring the programs into the 21st century by increasing the award sizes, enhancing data collection and reporting requirements for better oversight, and providing Federal agencies with the mechanism by which they can meet and share best practices.

Mr. Chairman, I urge my colleagues to support this bipartisan legislation.

I reserve the balance of my time.

Mr. WU. I yield myself such time as I may consume. In today's economy, small business is where innovation happens. The Science and Technology Committee intends to promote science and technology research that drives an innovation economy. That is why I rise in support of H.R. 2965, the Enhancing Small Business Research and Innovation Act.

At more than \$2.3 billion per year, the Small Business Innovation and Research and Small Business Technology Transfer programs comprise the largest source of Federal support for technological innovation in the private sector. Given the current economic climate, we need robust SBIR and STTR programs to create the next generation of companies that will provide high-paying jobs and grow our economy.

However, these programs originated more than 25 years ago. Given the economic changes we have seen during the past two decades, we need to update these programs to reflect the current economic realities of our increasingly competitive innovation economy.

The Committee on Small Business and the Committee on Science and Technology have held numerous hearings on SBIR and STTR over the past several years. Witnesses shared many recommendations about how SBIR and STTR can be strengthened.

Recently, both committees overwhelmingly supported H.R. 2965, with each committee voting favorably to reauthorize SBIR and STTR through 2011 with some much needed modernization and changes.

The legislation has been endorsed by more than 100 organizations, including the American Association of Universities, BIO, the National Venture Capital Association, the Energy Sciences Coalition, and the Cystic Fibrosis Foundation.

The bill increases the award sizes for phase I and phase II to reflect the actual cost of doing high-tech research today. It also increases the flexibility of the SBIR by allowing cross-agency awards and allowing applicants to apply directly for phase II funding.

H.R. 2965 allows venture capital-backed small businesses to once again apply for awards and specifically defines their eligibility requirements. This temporary ban on venture capital majority ownership was the result of a ruling in 2003 by an administrative law judge in Boston.

For 20 years—from the inception of the program in 1983—to 2003, venture capital-funded companies could freely participate in these programs. There is no evidence, there is no evidence anywhere, that during that time there was any crowd-out of other businesses by VC-backed businesses.

There has been a lot of debate over the role of venture capital participation, but the National Academies recently released a report that states that venture-backed companies are important. They contribute greatly to technologic development and they do not—emphatically, do not—crowd out other small businesses.

The goal of SBIR is to encourage innovation. It is time that we fix the administrative ruling of a single judge and support more innovative small businesses and the best technology that we can help bring to market.

Today, we recognize our leadership by reauthorizing SBIR and STTR. I want to commend Chairwoman VELÁZQUEZ in particular for her commitment to small business innovation. I urge my colleagues to support this bill.

I reserve the balance of my time.

Mr. SMITH of Nebraska. I yield myself as much time as I may consume.

I'm pleased to rise today in support of H.R. 2965, the Enhancing Small Business Innovation Act of 2009. As the country continues to suffer through this deep economic recession, we have regular debates in this House and in Washington regarding what policies will best help to alleviate the current downturn and accelerate recovery.

All too often in these debates it seems there is a tendency to overlook

an important fundamental fact: The government does not create wealth and prosperity. It is created, rather, in the private sector, by risk-taking, entrepreneurial Americans with ideas and capital, and their own hard work. There is arguably no element of the private sector better equipped to drive the economic turnaround than America's high-tech small businesses.

□ 1245

To this end, there are ways the government can help turn our economy around, by minimizing its interference in the economy and fostering an environment where private sector innovators can flourish and their ideas can be developed into new goods and services which increase productivity and our quality of life. By providing small amounts of early-stage seed funding to entrepreneurs with cutting-edge ideas, the Small Business Innovative Research program and Small Business Technology Transfer program can help do that. With 12 participating agencies and total funding in excess of \$2.3 billion, the SBIR and STTR programs reauthorized in this bill serve to facilitate increased private sector commercialization of these promising ideas while helping the government advance its R&D goals and meet its technology needs.

The legislation before us today makes important improvements to this program, most notably by providing statutory clarity to what have been changing interpretations of the eligibility of majority venture capital-backed small businesses. Both the Science and Technology Committee and the Small Business Committee have considered this issue in detail in recent years, and I think the growing consensus in support of this legislation's proposed changes is a strong indication that they are on target, maximizing the eligibility of legitimate small businesses while minimizing inappropriate eligibility of large businesses.

I also want to note my strong support for title III of this bill, which includes amendment language I included in a similar version of this legislation last year. The language requires agencies to give priority consideration to applicants from rural areas so as to increase award recipients from these areas. This is important to reach areas such as my home State of Nebraska, which tends to have low participation in the programs but are, nonetheless, home to entrepreneurial and innovative small business owners who would benefit from consideration in the grant review and award process.

I want to commend Chairman GORDON, Ranking Member HALL and Chairman WU—as well as our colleagues on the Small Business Committee—for their work on this legislation. I look forward to working with them to ensure smooth and timely passage of this bill as it moves to the Senate and into conference.

I reserve the balance of my time.

Ms. VELÁZQUEZ. Mr. Chairman, I yield 3 minutes to the Chair of the Subcommittee on Contracting and Technology who moved this legislation through the subcommittee, the gentleman from Virginia (Mr. NYE).

Mr. NYE. I would like to thank Chairwoman VELÁZQUEZ for her leadership here and also Ranking Member GRAVES.

Mr. Chair, as chairman of the Small Business Subcommittee on Contracting and Technology, together with Ranking Member SCHOCK, I've held several hearings to discuss how we can do more to help our small businesses research and develop the technologies of tomorrow. From those hearings two things became absolutely clear. Small businesses are the single most innovative sector of our economy; and with the right support, they have the power to lead us out of this recession. SBIR is a vital program that limits the risk that small business innovators face. The SBIR program is critical to innovative technology created by small businesses. Each year the program helps 1,500 companies get off the ground. Startups that receive SBIR grants are productive job creators. In fact, the employment growth rate for these businesses is nearly four times that of larger firms, employing 40 percent of all high-tech workers.

These firms have triggered extraordinary achievements. Take, for example, night vision goggles or technology for unmanned aviation. In fact, the SBIR program is crucial to improving tools that support our national security. At \$1.23 billion, the DOD makes up more than half of all SBIR funding. Were it not for SBIR, critical breakthroughs accounting for improvements of technologies from our defense to health care may have never made it to market. And yet countless other new technologies don't make it past the laboratory doors. Innovation is a risky, resource-intensive process. Without proper funding, even the most brilliant invention may never make it.

Mr. Chair, SBIR and STTR are important tools for developing new products but not just as a means for invention. By sparking innovation, they mark the surest path to unlocking new markets, expanding new industries and, most importantly, creating new jobs. This bill is an important step towards lasting growth, and I look forward to its passage.

Mr. GRAVES. Mr. Chairman, I yield 5 minutes to the ranking member of the Contracting and Technology Subcommittee, the gentleman from Illinois (Mr. SCHOCK).

Mr. SCHOCK. Mr. Chair, I rise today in support of H.R. 2965, the Enhancing Small Business Research and Innovation Act of 2009. This bill incorporates the important language of legislation that I introduced in H.R. 2772, the SBIR and STTR Enhancement Act. I would like to thank first Chairwoman VELÁZQUEZ, Ranking Member GRAVES

and Mr. ALTMIRE for working to move this important piece of legislation forward and doing so in such a bipartisan way. I also want to thank my colleague Congressman NYE for his work with me on the subcommittee level to ensure that the process of modernizing the Small Business Innovation Research program was done in an effective, efficient and bipartisan fashion with the input from those who are most important, that is, the small business sector who utilizes this important program.

The Small Business Innovation Research, or SBIR program, as we refer to it, was established over 20 years ago and is an important resource in assisting small business owners wishing to bring their technological advancements to the marketplace. While small business owners represent some of the brightest innovators our country has, because of the high cost of doing technological research for the government, small businesses are, unfortunately, often underrepresented in receiving such research-intensive government contracts. When the Federal Government looks to the private sector for the development of new technologies and ideas, they must look beyond simply large corporate conglomerates to the small businesses that truly drive our economy and create American jobs.

I am encouraged that this legislation and the language contained in it will make a number of necessary and overdue changes to the SBIR program, ensuring its continued use to help in the commercialization of those innovations made by small businesses. Additionally, this language will equip the SBIR program with important new tools to bring it more in line with the needs of small business owners in the 21st century. Included are important provisions to allow for increased oversight, more transparency and greater flow of information between the recipient and participating agencies. We will now have more timely solicitation responses from these agencies, the creation of an online database to properly study and measure the performance of businesses participating in the program and new restrictions regarding potential program abusers. These changes will help SBIR continue to be one of the few government assistance programs which actually works.

Finally, by responsively increasing the grant limits, which have not been altered in over 20 years since the program's inception while simultaneously not increasing the total funding pool, we ensure that this program is streamlined to become more effective and efficient, to focus on granting funds to those potentially successful ideas that need this type of support to transition from concept to reality. Rather than throwing more taxpayer money at an unnecessarily large amount of grants, the SBIR program will now focus on investing in those ideas from small businesses which actually possess the potential to reach full commercialization phase.

Today this House will make these important changes to the SBIR program to ensure its continued use as a resource, which helps small businesses bring their new and novel ideas to the market while also providing a value to our economy, which we all know it so desperately needs. Knowing that over 60 percent of American citizens get their paycheck from a small business, it only seems right in these tough economic times that we focus on beefing up those support efforts here in the Federal Government to help the largest employers in our country, small businesses. I urge a "yes" vote and passage of this bill.

Mr. WU. Mr. Chairman, I yield 2 minutes to the gentleman from New York (Mr. TONKO), a leader in energy innovation.

Mr. TONKO. I thank the gentleman for yielding.

Mr. Chair, as you know, small businesses are the engine that will repower America's economy. Research and innovation in the small business venue have greatly contributed to advances in science and technology across the board. In fact, the city of Schenectady in my congressional district, the ninth largest city in New York State, was nicknamed "The Electric City" after Thomas Edison moved his company Edison Machine Works there in 1887, which was later followed by the opening of GE headquarters in 1892.

Today we are considering H.R. 2965, the Enhancing Small Business Research and Innovation Act of 2009. I rise in full support of H.R. 2965. This program has proven to be one of the most successful Federal programs for technological innovation in United States history, delivering more than 60,000 patents and hundreds of valuable innovations in agriculture, in defense, in energy, in health sciences, homeland security, space, transportation and other fields.

Through Phase I and Phase II SBIR, countless jobs have been created in the capital region of New York State. It is through programs such as SBIR that my district has developed the underpinnings of support for a boom in high technology innovation and economic development. In fact, just over a month ago a constituent of mine, Dr. James Woo of Interscience, Inc. in Troy, New York, was at a national conference in Virginia. This conference was to showcase Navy SBIR Phase II projects to program managers and large defense contractors for transition. A great majority in attendance supported protecting the small business opportunities that have been part of this program. The reason is because small, innovative companies should have a genuine place at the Federal table. This place is for backyard inventors and local contractors, for small and very small businesses where the research is not likely a breakthrough in technology but a breakout of implementation.

At a time when our national unemployment is at 9.5 percent, we should

do everything in our power to strengthen small businesses that generate 70 percent of new jobs in our country. It is important that we continue to favor small, innovative businesses.

There's simply no more effective way to boost our economy than to support the small business innovation that creates new jobs, new technologies and new American industries.

If the tavern was the cradle of democracy, then the garage is the cradle of enterprise.

Mr. SMITH of Nebraska. I reserve the balance of my time.

Ms. VELAZQUEZ. Mr. Chairman, I yield 4 minutes to the bill's sponsor, the gentleman from Pennsylvania, Mr. JASON ALTMIRE.

Mr. ALTMIRE. Mr. Chair, some of these innovative small businesses that are involved in this bill used to qualify for venture capital funding under the previous rulings that were in effect until the year 2003. I introduced the Enhancing Small Business Innovation and Research Act to modernize the key programs for this country's greatest innovators, America's small businesses.

Since its inception in 1983, the SBIR program has facilitated American competitiveness, providing quality research and spurring technological innovation. But technology has changed since the last reauthorization more than a decade ago, and my legislation reauthorizes the program to keep up with the needs of modern small businesses. Additionally, this bill expands the talent pool from which the programs can draw by broadening the types of businesses that can participate to a more diverse set of firms and making SBIR research available to all areas of the country, even those not traditionally considered to be hotbeds of R&D.

Under this bill, Federal funding for technology innovation will be focused on supporting the work most likely to develop new products by targeting resources towards small businesses with the highest likelihood of commercialization. Perhaps most important, this bill helps firms participating in the SBIR programs to attract private investment. As we respond to the recession, SBIR and the Small Business Technology Transfer programs are two critical tools that provide valuable seed money for entrepreneurs who are willing to explore untested concepts and develop new products. Today it is difficult for small businesses to access financing by any means, venture capital or otherwise. We should be helping small firms raise capital, not penalizing those that do.

In my home region of western Pennsylvania, venture capital investments have spurred a resurgence of life science and biotech startups. Some of these innovative small businesses have even partnered with businesses in Cleveland, Ohio, to promote private investment and growth. And now more than 80 venture capital funds have invested in dozens of health care enterprises throughout this tech belt region.

Allowing these cutting-edge firms to compete for SBIR grants will foster innovation and accelerate job growth.

Small businesses are our Nation's greatest innovators. I ask my colleagues to support the small businesses in their districts by supporting this bill.

□ 1300

Mr. GRAVES. Mr. Chairman, at this time, I reserve the balance of my time. I don't have any more speakers.

Mr. WU. Mr. Chairman, I would like to inquire how much time remains.

The CHAIR. The gentleman from Oregon has 4½ minutes remaining.

Mr. WU. Mr. Chairman, I recognize the Chair of the Investigations and Oversight Subcommittee, Mr. MILLER, the gentleman from North Carolina, for 2 minutes.

Mr. MILLER of North Carolina. I also rise to support this legislation. Others have spoken generally of the agility and the energy that small business innovation gives our economy and how SBIR and STTR contribute to that.

I want to talk about two companies in my district that have gotten SBIR and STTR grants. The first is Geophex, which got an SBIR grant from NASA in 2000 to develop a sensor to detect electromagnetic changes beneath the surface within 30 feet. NASA wants that technology so they can tell whether there is water beneath the surface of Mars, and that is reason enough to develop the technology. Geophex has found many commercial applications. They are using that technology now to determine if there is water beneath the surface of Earth. The Department of Defense is using that technology to detect landmines and mines in water. Construction companies are using the technology to detect buried cables, sewer lines and waterlines.

The second company is 3 Phoenix, which I visited recently. They are also developing a sensor technology, almost all of which initially is for military applications. They are, for instance, developing a sensor that can detect a periscope peaking up above the surface of the water from 30 miles away. The Navy really wants that technology, and 3 Phoenix has gotten a little more than \$800,000 in several grants under SBIR so far. They already have contracts that will add up to almost \$9 million in billings. They have just begun to scratch the surface of the commercial applications.

If you have got a sensor that can spot a periscope 30 miles away, it is a snap to develop a sensor using the same technology to tell if there is a car in a parking space. They are now working to develop the technology that will tell drivers in a downtown where the closest empty parking space is. The potential that holds for relieving traffic congestion is enormous. It will save energy. It will save emissions. It will save frustration. Support this bill.

Mr. GRAVES. I reserve the balance of my time.

Ms. VELÁZQUEZ. Mr. Chairman, I yield 4 minutes to the gentlewoman from Illinois, Mrs. HALVORSON, who authored several of the provisions of this bill.

Mrs. HALVORSON. Mr. Chair, I rise today in support of H.R. 2965, the Enhancing Small Business Research and Innovation Act. I want to thank Chairwoman VELÁZQUEZ, Ranking Member GRAVES, and Mr. ALTMIRE for their leadership on this important piece of legislation.

I am proud to be an original cosponsor of this bill, which includes language from legislation I introduced, H.R. 2747, the Rural Technology Development and Outreach Act. For nearly three decades, the Small Business Innovation Research program has sought to increase Federal funding for innovative small businesses that seek to develop new technology with commercial potential. Without funding assistance from SBIR, many small businesses would never have the opportunity to develop their research into products that can be brought to market.

Over the years, SBIR has helped build thousands of small startups into successful companies. Unfortunately, SBIR awards are often concentrated in a small number of States or regions. There are promising small firms that don't apply for SBIR because they are unaware of the programs and its benefits. Many of these firms are located in rural communities and other underserved areas.

Today, families living in rural communities throughout the country are struggling. Too many of these rural communities face a tremendous shortage of economic opportunities. As a result, unemployment has skyrocketed. In many communities in my district, the unemployment rate has reached 13 percent. The lack of economic development forces many talented individuals to leave their community to seek out opportunities elsewhere.

Title III of H.R. 2965 includes language from my bill, the Rural Technology Development Outreach Act, that will seek to increase SBIR participation by small firms in rural areas, as well as by firms owned by women, minorities and veterans. H.R. 2965 will provide grant funding to organizations that conduct outreach regarding SBIR to these types of small businesses.

While small business growth is important in any community, it is especially critical in rural and underserved areas. The measure in this bill will encourage entrepreneurship in places where it is currently lagging. By promoting innovation within these communities, H.R. 2965 will set them on the path to economic recovery.

When most people hear the word "innovation," they probably don't think of rural regions, but the truth is that these are the areas with the most room for growth. If we are going to rebuild our economy, then we will have to unlock new markets everywhere, from Silicon Valley to the Midwest heartland. H.R. 2965 will do just that.

I ask my colleagues to join me in supporting its passage.

Mr. GRAVES. Mr. Chairman, I reserve the balance of my time.

Mr. WU. Mr. Chairman, I reserve my time.

Mr. SMITH of Nebraska. I yield back the balance of my time.

Ms. VELÁZQUEZ. Mr. Chairman, I would like to inquire of the Chair how much time we have left.

The CHAIR. The gentlewoman from New York has 6½ minutes remaining.

Ms. VELÁZQUEZ. I yield to the gentlelady from New York (Ms. CLARKE) 3 minutes.

(Ms. CLARKE asked and was given permission to revise and extend her remarks.)

Ms. CLARKE. I rise today to take a strong stand for small business by supporting H.R. 2965, the Enhancing Small Business Research and Innovation Act of 2009, which reauthorizes the Small Business Innovation Research and the Small Business Technology Transfer grant programs. This very important piece of legislation will strengthen and solidify the foundation for the growth and ultimate success of our Nation's small businesses and determine the subsequent success of our country's economy.

The SBIR program is one of the most successful Federal programs for research and technology innovations. It has been central in the process of maintaining the U.S. as a leader in technological innovation, delivering over 60,000 patents and several hundred valuable innovations in all commercial areas, including defense and homeland security.

This 111th Congress, I have the honor of sitting on the Committee on Homeland Security and chairing the Subcommittee on Emerging Threats, Cybersecurity, and Science and Technology. And as the Representative of the 11th Congressional District located in central Brooklyn and a native New Yorker, I have witnessed firsthand the need for advanced technology to keep America and its citizens safe.

The events of 9/11 and subsequent war in Afghanistan and Iraq have catalyzed the need to develop both antiterrorism technology and defense systems that will defend our Nation and save precious American lives from terrorist action.

Moreover, this funding is integral in providing funding for women and minority-owned research firms that have historically been marginalized and locked out of the system and have had more difficulty navigating through the technology and innovation research arena.

There is no better time than now to encourage technological innovation, to meet the Federal research and development needs of our country, and to increase the quality and quantity of products in our market. And there is no other group better equipped to handle such a task than the small business community.

Currently, small businesses are responsible for creating roughly 70 percent of new jobs and employ half of the private sector workforce. They are truly the backbone of our economy and the conduit through which we will emerge from this recession. I have had a very longstanding commitment to the support of the technological entrepreneurship and the jobs it creates. In my district in Brooklyn, our State University Medical Center is home to Brooklyn's first biotechnology incubator where small emerging entrepreneurs are developing the cures for our Nation's illnesses and diseases. This legislation enables the vital support these entrepreneurs are desperately seeking. This is why I strongly support H.R. 2965, the Enhancing Small Business Research and Innovation Act of 2009.

I thank Chairwoman VELÁZQUEZ, Ranking Member GRAVES, Subcommittee Chairman NYE and Congressman ALTMIRE for taking charge on this bill.

Mr. GRAVES. I reserve the balance of my time, Mr. Chairman.

Mr. WU. I reserve the balance of my time.

Ms. VELÁZQUEZ. Mr. Chairman, I yield to the gentlewoman from Pennsylvania (Ms. SCHWARTZ) 2 minutes.

Ms. SCHWARTZ. I rise today in support of the Enhancing Small Business Research and Innovation Act.

Ingenuity and innovation are key to the U.S. economy. In Pennsylvania, the bioscience industry employs more than 77,000 people in good-paying jobs. The industry develops lifesaving pharmaceuticals, medical equipment and devices that are important here at home and around the world.

In order to develop these important technologies, these companies need access to early capital to move their products from the research phase into commercial development. Small business programs, particularly SBIR and STTR programs, are important tools for our country's entrepreneurs to bring their ideas to market; however, under rules established by the previous administration, companies with large investments from venture capital were ineligible to participate in the SBIR program. This ruling created an unfortunate situation where companies had to choose between utilizing these Federal business incubator resources or raising essential venture capital investment, both important to growing their business.

The bill before us today overturns this prior policy and enables Pennsylvania and the bioscience companies and companies around the country to utilize these important Federal resources and seek private investment capital.

Former Congressman from Pennsylvania, Jim Greenwood, and now president of the Biotechnology Industry Organization, has said this bill "will help to ensure that small U.S. biotech companies have increased access to capital

for meritorious cutting-edge, early-stage research."

I urge my colleagues to support this legislation that will create jobs and keep American technology competitive in this global economy.

Mr. GRAVES. Mr. Chairman, I simply want to urge my colleagues to support the bill.

I don't have any more speakers, and I yield back my time.

Mr. WU. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to recognize the staff who put many hard years of work into this legislation. On the Science Committee staff, I always say that you don't have to be a rocket scientist to serve on the Science Committee, but you do have to be a rocket scientist to staff the Science Committee. I would like to recognize the good work of Mike Quear of my staff and Dennis Worden.

The bill that they have crafted is fundamentally about jobs. It is about turning research into new products and new services, but most importantly, good, high-wage jobs that tend not to go away. This is a 25-year-old-plus program that has worked, and we are here today making improvements. We are making the program more flexible by permitting cross-agency awards. We are permitting awardees to skip phase one and go straight to a phase two award if they have done that development work with private money. We are collecting data, because there is a dearth of data currently, data that will help us target this program even better in future reauthorizations.

For the first time in 5 years, we are going back to the prior rule, the pre-existing rule that was there for 20 years of permitting venture capitalists to participate more broadly in the program but with carefully crafted restrictions. This program remains the exclusive domain of small businesses, those businesses with 500 or fewer employees. It is the kind of bill that has brought together a bipartisan consensus, because we need it now more than ever under our economic circumstances. This is the kind of legislation that we should be working on all the time that turns research into new products, new services and new jobs.

I yield back the balance of my time.

Ms. VELÁZQUEZ. Mr. Chairman, I yield myself the balance of my time.

Mr. Chairman, today we have an opportunity to invest in the two greatest sources of economic growth: entrepreneurship and innovation. We know that small firms create roughly 70 percent of all new jobs, and we recognize that new markets are the surest path to prosperity, so it only makes sense to strengthen small business innovation. H.R. 2965 does exactly that. This is a bipartisan bill, one that could not have been drafted without contributions from my colleagues, Mr. GRAVES, Mr. SCHOCK, Mrs. HALVORSON, Mr. BRIGHT, Mr. NYE, and most importantly, the bill sponsor, Mr. ALTMIRE.

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I would also like to thank Science and Technology, both chairman and ranking member, and the subcommittee chairman, Mr. DAVID WU, and the ranking member.

Especially, I want to say thank you to the staff on both committees who have worked so diligently in working in a bipartisan manner.

This legislation has the support of 60 different organizations, including the U.S. Women's Chamber of Commerce, the Advanced Medical Technology Association and the Biotechnology Industry Organization. The SBIR and STTR programs are critical to small business resources. They helped 1,500 firms get off the ground every year, and in the past we have sparked breakthroughs in everything from antivirus software to defense technology.

Clearly, these programs hold enormous value. Even so, they haven't been modernized in over 8 years and are in sore need of enhancement. In improving SBIR and STTR, we are going to increase efficiency, expand the small business talent pool and boost commercialization.

Meanwhile, we are also going to give entrepreneurs more options for forming their ventures. Taken together these measures will do more than spark invention. They will help small firms market new products, open new industries and put more Americans back to work.

I will urge my colleagues to support this bill.

Mrs. BIGGERT. Mr. Chair, I rise today in strong support of H.R. 2965, a bill to reauthorize the Small Business Innovation Research (SBIR) and Small Business Technology Transfer Programs (STTR).

Too often, I hear from small businesses in my district about what I call the "valley of death"—that period when a firm has developed a new technology but faces difficulties commercializing it and moving it to the market.

In an economy where credit is scarce, the timing to provide stable resources for small-tech companies is now. There are hundreds of healthcare and energy solutions past discovery and development. They only need that one final push to advance to the marketplace.

H.R. 2965 will help them do just that. Reauthorizing the SBIR-STTR programs through 2011—with an emphasis on commercialization in the last phase—will deploy new technologies that improve the quality of our lives, drive economic growth, and create high paying jobs.

As the largest of the small business research and development programs, the SBIR-STTR awards are an important and successful element of the Federal R&D portfolio.

In fact, Illinois is one of the top ten states benefitting from SBIR research dollars.

Since 1983, over four hundred million dollars of grant awards went to my home state. Illinois small businesses utilizing these resources over the years have received over eight hundred patents for their innovative work and hired nearly five thousand high-tech employees.

I urge my colleagues to support this bill and support small business innovation. Doing so

maintains our commitment to science and technology advancements, drives the American economy, creates jobs, and keeps American competitive.

Mr. JOHNSON of Georgia. Mr. Chair, I rise today in support of H.R. 2965, to amend the Small Business Act with respect to the Small Business Innovation Research Program and the Small Business Technology Transfer Program, and for other purposes. I would like to thank my colleague Representative JASON ALTMIRE from Pennsylvania for introducing this important piece of legislation.

I support this legislation because it increases the support of small businesses which are the lifeblood of the American economy. This legislation extends the previous termination date for SBIR and STTR programs to 2011, allowing more businesses to participate. It extends the authority to all agencies to develop programs supporting the commercialization of SBIR-funded research and increases the provision of funds to assist small businesses in rural areas. Importantly, it also provides for the special consideration of historically underrepresented groups, including small businesses operated by women, minorities, and service-disabled veterans.

Though I support this legislation, I have concerns over the provision extending eligibility of the SBIR and STTR programs to Venture Capital Operating Companies. The Small Business Administration defines small VCOCs as firms with annual earnings below \$6.5 million, effectively identifying large businesses as small businesses under the text of this legislation. Furthermore, the bill does not include limits for the level VCOC participation, failing to safeguard the overcrowding of small businesses within the SBIR and STTR programs. Both the National Academy of Sciences and the Government Accountability Office have recommended such safeguards be included in this legislation, yet the text remains unchanged. I have always been a supporter of small businesses and I am the sponsor of the Fairness and Transparency in Contracting Act, which would ensure that small businesses can take full advantage of federal contracting opportunities. Although H.R. 2965 fails to include the safeguards necessary to protect small businesses, I believe it is a step in the right direction.

Small businesses represent 99 percent of employer firms, employ half of all private sector employees, and comprise 97 percent of identified exporters. In the state of Georgia, the more than 860,000 small businesses employ more than 3.6 million workers. I urge my colleagues to vote in support of enhancing small business innovation, small businesses research, employment, and the economy by supporting this legislation.

Mr. HOLT. Mr. Chair, I rise today in support of our nation's small businesses and for the passage of H.R. 2965, the Enhancing Small Business Research and Innovation Act of 2009.

Much of the economic success that we enjoy as a nation is the result of innovation and development by America's small business community. Small businesses employ more than half of all workers in the private sector and generate 60 to 80 percent of new jobs in this country. High-tech small businesses form a growing part of our national economy, particularly in New Jersey. According to the National Science Foundation, New Jersey ranks

in the top five among states in both the number of high-tech businesses and the size of the workforce employed by those businesses. Restoring our economic growth will require focusing on this strength and improving it.

To continue our innovation advantage, we must ensure that these high-tech small businesses have a steady stream of new ideas, which are generated by translating basic scientific research into commercial products. A recent analysis by the Information Technology and Innovation Foundation found that 77 percent of the award-winning innovative technologies in 2006 came about because of ideas generated from federally funded scientific research. We must give our small businesses the necessary tools to continue to translate this research into innovative technologies and products.

The legislation before us today would help close this gap by expanding and improving two of the SBA's most successful programs: the Small Business Innovation Research (SBIR) program and the Small Business Technology Transfer (STTR) program. The SBIR program has proven to be a successful way to advance technological innovation, delivering more than 55,000 patents and hundreds of valuable innovations in agriculture, defense, energy, health sciences, homeland security, space, transportation, and other fields. The program is a unique collaboration, allowing government agencies to fund projects to meet specific agency needs while expanding opportunities for small businesses. SBIR has enhanced the role of innovative small businesses and higher education research institutions in federally-funded research and development, while fostering competition, productivity, and economic growth. I support this program so that it will continue to provide a vital source of funding to establish and grow innovative small businesses.

Our nation's innovation infrastructure, and its underlying science and technology assets, lead the world across a wide range of measures. However, our successes have encouraged other countries to follow our example and boost their innovation infrastructures. Therefore, we must redouble our efforts to boost innovation through research and support high tech companies that will provide the innovation and jobs of the 21st Century. The legislation before us today will give these high-tech small businesses the tools that they need to succeed. I encourage my colleagues to support this legislation.

Mr. MARKEY of Massachusetts. Mr. Chair, I rise in opposition to H.R. 2965, the Enhancing Small Business Innovation and Research Act.

I must oppose this bill because I have serious concerns about changes made in the bill to the SBIR program that would allow SBIR awards to go to an unlimited number of businesses owned or controlled by Venture capital (VC) firms. The SBIR program, responsible for over 60,000 patents, has always focused on innovation from truly small businesses for whom commercial capital market funding is typically not an option. However, with the change made in this bill, the SBIR program would be wide open to applicants that already are well-capitalized due to VC participation, crowding out the small businesses that have been the focus of the highly successful SBIR program.

When the Rules Committee met yesterday, I offered an amendment to H.R. 2965 along

with my colleagues Representative TSONGAS, Representative WELCH, and Representative HODES which would have resolved two major problems with H.R. 2965 that undermine the intent of the SBIR program.

The amendment we offered would have:

1. Allowed the National Institutes of Health (NIH) to direct up to 15% of its SBIR budget to majority venture backed businesses and allow every other federal agency to direct up to 5 percent of its SBIR budget to majority venture backed businesses. In this way, our amendment provided a sensible balance between the prohibition on VC participation, which is the current law, and enabling, without limitation, the participation in the SBIR program of businesses that are owned or controlled by VC firms. The safeguards included in our amendment were based on the recommendations from the National Academy of Sciences and Government Accountability Office (GAO).

2. Increased SBIR Phase I and Phase II awards to \$150,000 and \$1,000,000 respectively. This increase recognized the need to boost award size due to inflation, but did not increase the award size to such an extent that there will be fewer overall awards available.

While I support VC participation in the SBIR program—and our amendment specifically provided for it—enabling an unlimited amount of large VC majority-owned firms to qualify for SBIR funding calls into question whether this program, intended for genuinely small businesses, is, in fact, still focused on these firms.

Our amendment provided a needed compromise that recognized the importance of venture capital and recognized the need to hold central truly small business innovation.

Unfortunately, our amendment was not made in order by the Rules Committee. Without the protections in our amendment, we run the risk of taking the "Small" out of the Small Business Research Innovation Program.

At a time when our national unemployment rate is at 9.5 percent, we should do everything in our power to strengthen small businesses that generate 70 percent of new jobs in our country. H.R. 2965 does not do enough to ensure that small businesses are the focus of the SBIR program, and therefore I cannot support the bill.

Ms. VELÁZQUEZ. I yield back the balance of my time.

The CHAIR. All time for general debate has expired.

In lieu of the amendment recommended by the Committee on Science and Technology, the amendment in the nature of a substitute recommended by the Committee on Small Business printed in the bill shall be considered as the original bill for purpose of amendment under the 5-minute rule and shall be considered as read.

The text of the committee amendment is as follows:

H.R. 2965

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) *SHORT TITLE.*—This Act may be cited as the "Enhancing Small Business Research and Innovation Act of 2009".

(b) *TABLE OF CONTENTS.*—The table of contents for this Act is as follows:

Sec. 1. Short title; table of contents.

TITLE I—PROGRAM EXTENSION AND VENTURE CAPITAL OPERATING COMPANY INVOLVEMENT

Sec. 101. Extension of termination dates.

Sec. 102. Ensuring that innovative small businesses with substantial investment from venture capital operating companies are able to participate in the SBIR and STTR programs.

TITLE II—COMMERCIALIZATION ACTIVITIES AND RESEARCH TOPICS DESERVING SPECIAL CONSIDERATION

Sec. 201. Focus on commercialization.

Sec. 202. Inclusion of energy-related research topics and rare disease-related research topics as deserving “special consideration” as SBIR research topics.

Sec. 203. Nanotechnology-related research topics.

Sec. 204. Clarifying the definition of “Phase Three”.

Sec. 205. Agency research goals.

Sec. 206. Commercialization programs.

TITLE III—RURAL DEVELOPMENT AND OUTREACH

Sec. 301. Outreach and support activities.

Sec. 302. Rural preference.

Sec. 303. Obtaining SBIR applicant’s consent to release contact information to economic development organizations.

Sec. 304. Increased partnerships between SBIR awardees and prime contractors, venture capital investment companies, and larger businesses.

TITLE IV—SBIR AND STTR ENHANCEMENT

Sec. 401. Increased number of research topic solicitations annually and shortened period for final decisions on applications.

Sec. 402. Agencies should fund vital R&D projects with the potential for commercialization.

Sec. 403. Federal agency engagement with SBIR awardees that have been awarded multiple Phase One awards but have not been awarded Phase Two awards.

Sec. 404. Funding for administrative, oversight, and contract processing costs.

Sec. 405. Comptroller general audit of how Federal agencies calculate extramural research budgets.

Sec. 406. Agency databases to support program evaluation.

Sec. 407. Agency databases to support technology utilization.

Sec. 408. Interagency Policy Committee.

Sec. 409. National Research Council SBIR Study.

Sec. 410. Express authority to “fast-track” Phase Two awards for promising Phase One research.

Sec. 411. Increased SBIR and STTR award levels.

Sec. 412. Express authority for an agency to award sequential Phase Two awards for SBIR-funded projects.

Sec. 413. First phase required.

Sec. 414. Involvement of Chief Counsel for Advocacy.

TITLE I—PROGRAM EXTENSION AND VENTURE CAPITAL OPERATING COMPANY INVOLVEMENT

SEC. 101. EXTENSION OF TERMINATION DATES.

(a) SBIR.—Section 9(m) of the Small Business Act (15 U.S.C. 638(m)) is amended by striking “2008” and inserting “2011”.

(b) STTR.—Section 9(n)(1)(A) of the Small Business Act (15 U.S.C. 638(n)(1)(A)) is amended by striking “2009” and inserting “2011”.

SEC. 102. ENSURING THAT INNOVATIVE SMALL BUSINESSES WITH SUBSTANTIAL INVESTMENT FROM VENTURE CAPITAL OPERATING COMPANIES ARE ABLE TO PARTICIPATE IN THE SBIR AND STTR PROGRAMS.

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

“(aa) VENTURE CAPITAL OPERATING COMPANIES.—Effective only for the SBIR and STTR programs the following shall apply:

“(1) A business concern that has more than 500 employees shall not qualify as a small business concern.

“(2) In determining whether a small business concern is independently owned and operated under section 3(a)(1) or meets the small business size standards instituted under section 3(a)(2), the Administrator shall not consider a business concern to be affiliated with a venture capital operating company (or with any other business that the venture capital operating company has financed) if—

“(A) the venture capital operating company does not own 50 percent or more of the business concern; and

“(B) employees of the venture capital operating company do not constitute a majority of the board of directors of the business concern.

“(3) A business concern shall be deemed to be ‘independently owned and operated’ if—

“(A) it is owned in majority part by one or more natural persons or venture capital operating companies;

“(B) there is no single venture capital operating company that owns 50 percent or more of the business concern; and

“(C) there is no single venture capital operating company the employees of which constitute a majority of the board of directors of the business concern.

“(4) If a venture capital operating company controlled by a business with more than 500 employees (in this paragraph referred to as a ‘VCOC under large business control’) has an ownership interest in a small business concern that is owned in majority part by venture capital operating companies, the small business concern is eligible to receive an award under the SBIR or STTR program only if—

“(A) not more than two VCOCs under large business control have an ownership interest in the small business concern; and

“(B) the VCOCs under large business control do not collectively own more than 20 percent of the small business concern.

“(5) The term ‘venture capital operating company’ means a business concern—

“(A) that—

“(i) is a Venture Capital Operating Company, as that term is defined in regulations promulgated by the Secretary of Labor; or

“(ii) is an entity that—

“(I) is registered under the Investment Company Act of 1940 (15 U.S.C. 80a–51 et seq.); or

“(II) is an investment company, as defined in section 3(c)(1) of such Act (15 U.S.C. 80a–3(c)(1)), which is not registered under such Act because it is beneficially owned by less than 100 persons; and

“(B) that is itself organized or incorporated and domiciled in the United States, or is controlled by a business concern that is incorporated and domiciled in the United States.”.

TITLE II—COMMERCIALIZATION ACTIVITIES AND RESEARCH TOPICS DESERVING SPECIAL CONSIDERATION

SEC. 201. FOCUS ON COMMERCIALIZATION.

Section 9(a) of the Small Business Act (15 U.S.C. 638(a)) is amended by adding at the end the following: “It is further the policy of Congress that the programs established in this section should focus on promoting research and development of projects governed by commercial business plans, which have significant potential to produce products or services for the marketplace or for acquisition by Federal agencies.”.

SEC. 202. INCLUSION OF ENERGY-RELATED RESEARCH TOPICS AND RARE DISEASE-RELATED RESEARCH TOPICS AS DESERVING “SPECIAL CONSIDERATION” AS SBIR RESEARCH TOPICS.

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

(1) in the matter preceding subparagraph (A) by inserting after “critical technologies” the following: “or pressing research priorities”;

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

(3) by adding at the end the following:

“(C) the National Academy of Sciences, in the final report issued by the ‘America’s Energy Future: Technology Opportunities, Risks, and Tradeoffs’ project, and in subsequent reports issued by the National Academy of Sciences on sustainability, energy, and alternative fuels;

“(D) the National Institutes of Health, in the annual report on the rare diseases research activities of the National Institutes of Health for fiscal year 2005, and in subsequent reports issued by the National Institutes of Health on rare diseases research activities; or

“(E) the National Academy of Sciences, in the final report issued by the ‘Transit Research and Development: Federal Role in the National Program’ project and the ‘Transportation Research, Development and Technology Strategic Plan (2006–2010)’ issued by the United States Department of Transportation Research and Innovative Technology Administration, and in subsequent reports issued by the National Academy of Sciences and United States Department of Transportation on transportation and infrastructure.”.

SEC. 203. NANOTECHNOLOGY-RELATED RESEARCH TOPICS.

(a) SBIR.—Section 9(g)(3) of the Small Business Act (15 U.S.C. 638(g)(3)), as amended, is further amended—

(1) in subparagraph (D) by striking “or” at the end;

(2) in subparagraph (E) by adding “or” at the end; and

(3) by adding at the end the following:

“(F) the national nanotechnology strategic plan required under section 2(c)(4) of the 21st Century Nanotechnology Research and Development Act (15 U.S.C. 7501(c)(4)) and in subsequent reports issued by the National Science and Technology Council Committee on Technology, focusing on areas of nanotechnology identified in such plan;”.

(b) STTR.—Section 9(o)(3) of the Small Business Act (15 U.S.C. 638(o)(3)) is amended—

(1) in subparagraph (A) by striking “or” at the end;

(2) in subparagraph (B) by adding “or” at the end; and

(3) by adding at the end the following:

“(C) by the national nanotechnology strategic plan required under section 2(c)(4) of the 21st Century Nanotechnology Research and Development Act (15 U.S.C. 7501(c)(4)) and in subsequent reports issued by the National Science and Technology Council Committee on Technology, focusing on areas of nanotechnology identified in such plan;”.

SEC. 204. CLARIFYING THE DEFINITION OF “PHASE THREE”.

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

(1) in paragraph (4)(C) in the matter preceding clause (i) by inserting after “a third phase” the following: “, which shall consist of work that derives from, extends, or logically concludes efforts performed under prior SBIR funding agreements (which may be referred to as ‘Phase III’)”;

(2) in paragraph (8) by striking “and” at the end;

(3) in paragraph (9) by striking the period at the end and inserting “; and”; and

(4) by adding at the end the following:

“(10) the term ‘commercialization’ means the process of developing marketable products or

services and producing and delivering products or services for sale (whether by the originating party or by others) to government or commercial markets.”.

SEC. 205. AGENCY RESEARCH GOALS.

Section 9 of the Small Business Act (15 U.S.C. 638), as amended, is further amended by striking subsection (h) and inserting the following:

“(h) AGENCY RESEARCH GOALS.—

“(1) *IN GENERAL.*—In addition to the requirements of subsection (f), each Federal agency that is required by this section to have an SBIR program and that awards annually \$5,000,000,000 or more in procurement contracts shall, effective for fiscal year 2010 and each fiscal year thereafter, establish annual goals for commercialization of projects funded by SBIR awards.

“(2) *SPECIFIC GOALS.*—The goals required by paragraph (1) shall include specific goals for each of the following:

“(A) The percentage of SBIR projects that receive funding for the third phase (as defined in subsection (e)(4)(C)).

“(B) The percentage of SBIR projects that are successfully integrated into a program of record.

“(C) The amount of Federal dollars received by SBIR projects through Federal contracts, not including dollars received through the SBIR program.

“(3) *SUBMISSION TO COMMITTEES.*—For each fiscal year for which goals are required by paragraph (1), the agency shall submit to the Committee on Small Business and the Committee on Science and Technology of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate—

“(A) not later than 60 days after the beginning of the fiscal year, the goals; and

“(B) not later than 90 days after the end of the fiscal year, data on the extent to which the goals were met and a description of the methodology used to collect such data.”.

SEC. 206. COMMERCIALIZATION PROGRAMS.

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

“(bb) COMMERCIALIZATION PROGRAMS.—

“(1) *IN GENERAL.*—Each agency required by this section to conduct an SBIR program shall establish a commercialization program that supports the progress of SBIR awardees to the third phase. The commercialization program may include activities such as partnership databases, partnership conferences, multiple second phases, mentoring between prime contractors and SBIR awardees, multiple second phases with matching private investment requirements, jumbo awards, SBIR helpdesks, and transition assistance programs. The agency shall include in its annual report an analysis of the various activities considered for inclusion in the commercialization program and a statement of the reasons why each activity considered was included or not included, as the case may be.

“(2) FUNDING FOR COMMERCIALIZATION PROGRAMS.—

“(A) *IN GENERAL.*—From amounts made available to carry out this paragraph, the Administrator may, on petition by agencies required by this section to conduct an SBIR program, transfer funds to such agencies to support the commercialization programs of such agencies.

“(B) *PETITIONS.*—The Administrator shall establish rules for making transfers under subparagraph (A). The initial set of rules shall be promulgated not later than 90 days after the date of the enactment of this paragraph.

“(C) *AUTHORIZATION OF APPROPRIATIONS.*—There is authorized to be appropriated to the Administrator to carry out this paragraph \$27,500,000 for fiscal year 2010 and each fiscal year thereafter.

“(3) *FUNDING LIMITATION.*—For payment of expenses incurred to administer the commercialization programs described in paragraphs (1) and (2), the head of an agency may use not

more than an amount equal to 1 percent of the funds set aside for the agency’s Small Business Innovation Research program. Such funds—

“(A) shall not be subject to the limitations on the use of funds in subsection (f)(2); and

“(B) shall not be used for the purpose of funding costs associated with salaries and expenses of employees of the Federal Government.”.

TITLE III—RURAL DEVELOPMENT AND OUTREACH

SEC. 301. OUTREACH AND SUPPORT ACTIVITIES.

Section 9 of the Small Business Act (15 U.S.C. 638), as amended, is further amended by inserting after subsection (r) the following:

“(s) OUTREACH AND SUPPORT ACTIVITIES.—

“(1) *IN GENERAL.*—Subject to the other provisions of this subsection, the Administrator shall make grants on a competitive basis to organizations, to be used by the organizations to do one or both of the following:

“(A) To conduct outreach efforts to increase participation in the programs under this section.

“(B) To provide application support and entrepreneurial and business skills support to prospective participants in the programs under this section.

“(2) *AUTHORIZATION OF APPROPRIATIONS.*—There is authorized to be appropriated to the Administrator \$10,000,000 to carry out paragraph (1) for each of fiscal years 2010 and 2011.

“(3) *AMOUNT OF ASSISTANCE.*—For each of subparagraphs (A) and (B) of paragraph (1), the amount of assistance provided to an organization under that subparagraph in any fiscal year—

“(A) shall be equal to the total amount of matching funds from non-Federal sources provided by the organization; and

“(B) shall not exceed \$250,000.

“(4) *DIRECTION.*—An organization receiving funds under paragraph (1) shall, in using those funds, direct its activities at one or both of the following:

“(A) Small business concerns located in geographic areas that are underrepresented in the programs under this section.

“(B) Small business concerns owned and controlled by women, small business concerns owned and controlled by service-disabled veterans, and small business concerns owned and controlled by minorities.

“(5) ADVISORY BOARD.—

“(A) *ESTABLISHMENT.*—Not later than 90 days after the date of the enactment of this subsection, the Administrator shall establish an advisory board for the activities carried out under this subsection.

“(B) *NON-APPLICABILITY OF FACA.*—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the advisory board.

“(C) *MEMBERS.*—The members of the advisory board shall include the following:

“(i) The Administrator (or the Administrator’s designee).

“(ii) For each Federal agency required by this section to conduct an SBIR program, the head of the agency (or the designee of the head of the agency).

“(iii) Representatives of small business concerns that are current or former recipients of SBIR awards, or representatives of organizations of such concerns.

“(iv) Representatives of service providers of SBIR outreach and assistance, or representatives of organizations of such service providers.

“(D) *DUTIES.*—The advisory board shall have the following duties:

“(i) To develop guidelines for awards under paragraph (1), including guidelines relating to award sizes, proposal requirements, measures for monitoring awardee performance, and measures for determining the overall value of the activities carried out by the awardees.

“(ii) To identify opportunities for coordinated outreach, technical assistance, and commercialization activities among Federal agencies,

the recipients of the awards under paragraph (1), and applicants and recipients of SBIR awards, including opportunities such as—

“(I) podcasting or webcasting for conferences, training workshops, and other events;

“(II) shared online resources to match prospective applicants with the network of paragraph (1) recipients; and

“(III) venture capital conferences tied to technologies and sectors that cross agencies.

“(iii) To review and recommend revisions to activities under paragraph (1).

“(iv) To submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business and the Committee on Science and Technology of the House of Representatives an annual report on the activities carried out under paragraph (1) and the effectiveness and impact of those activities.

“(6) *SELECTION CRITERIA.*—In awarding grants under this subsection, the Administrator shall use selection criteria developed by the advisory board established under paragraph (5). The criteria shall include—

“(A) criteria designed to give preference to applicants who propose to carry out activities that will reach either an underperforming geographic area or an underrepresented population group (as measured by the number of SBIR applicants);

“(B) criteria designed to give preference to applicants who propose to carry out activities that complement, and are integrated into, the existing public-private innovation support system for the targeted region or population;

“(C) criteria designed to give preference to applicants who propose to measure the effectiveness of the proposed activities; and

“(D) criteria designed to give preference to applicants who include a Small Business Development Center program that is accredited for its technology services.

“(7) *PEER REVIEW.*—In awarding grants under this subsection, the Administrator shall use a peer 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 investments 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) *SPECIFIC REQUIREMENTS FOR AWARDS.*—In making awards under paragraph (1) the Administrator shall ensure that each award shall be for a period of 2 fiscal years. The Administrator shall establish rules and performance goals for the disbursement of funds for the second fiscal year, and funds shall not be disbursed to a recipient for such a fiscal year until after the advisory board established under this subsection has determined that the recipient is in compliance with the rules and performance goals.”.

SEC. 302. RURAL PREFERENCE.

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

“(cc) RURAL PREFERENCE.—In making awards under this section, Federal agencies shall give priority to applications so as to increase the number of SBIR and STTR award recipients from rural areas.”.

SEC. 303. OBTAINING SBIR APPLICANT'S CONSENT TO RELEASE CONTACT INFORMATION TO ECONOMIC DEVELOPMENT ORGANIZATIONS.

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

“(dd) CONSENT TO RELEASE CONTACT INFORMATION TO ORGANIZATIONS.—

“(1) ENABLING CONCERN TO GIVE CONSENT.—Each Federal agency required by this section to conduct an SBIR program shall enable a small business concern that is an SBIR applicant to indicate to the agency whether the agency has its consent to—

“(A) identify the concern to appropriate local and State-level economic development organizations as an SBIR applicant; and

“(B) release the concern's contact information to such organizations.

“(2) RULES.—The Administrator shall establish rules to implement this subsection. The rules shall include a requirement that the agency include in its SBIR application forms a provision through which the applicant can indicate consent for purposes of paragraph (1).”.

SEC. 304. INCREASED PARTNERSHIPS BETWEEN SBIR AWARDEES AND PRIME CONTRACTORS, VENTURE CAPITAL INVESTMENT COMPANIES, AND LARG-ER BUSINESSES.

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

“(ee) INCREASED PARTNERSHIPS.—

“(1) IN GENERAL.—Each agency required by this section to conduct an SBIR program shall establish initiatives by which the agency encourages partnerships between SBIR awardees and prime contractors, venture capital investment companies, business incubators, and larger businesses, for the purpose of facilitating the progress of the SBIR awardees to the third phase.

“(2) DEFINITION.—In this subsection, the term ‘business incubator’ means an entity that provides coordinated and specialized services to entrepreneurial businesses which meet selected criteria during the businesses’ startup phases, including providing services such as shared office space and office services, access to equipment, access to telecommunications 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.”.

TITLE IV—SBIR AND STTR ENHANCEMENT

SEC. 401. INCREASED NUMBER OF RESEARCH TOPIC SOLICITATIONS ANNUALLY AND SHORTENED PERIOD FOR FINAL DECISIONS ON APPLICATIONS.

(a) INCREASED NUMBER OF RESEARCH TOPIC SOLICITATIONS ANNUALLY.—Section 9(g)(2) of the Small Business Act (15 U.S.C. 638(g)(2)) is amended by inserting before the semicolon at the end the following: “, but not less often than twice per year”.

(b) SHORTENED PERIOD FOR FINAL DECISIONS ON APPLICATIONS.—Section 9(g)(4) of the Small Business Act (15 U.S.C. 638(g)(4)) is amended by inserting before the semicolon at the end the following: “, but a final decision on each proposal shall be rendered not later than 90 days after the date on which the solicitation closes unless the Administrator determines, on a case by case basis, that a decision may be extended from 90 days to 180 days”.

SEC. 402. AGENCIES SHOULD FUND VITAL R&D PROJECTS WITH THE POTENTIAL FOR COMMERCIALIZATION.

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

“(ff) MULTIPLE FIRST PHASE SBIR AWARDS REPORT.—The Administrator shall, on an annual basis, submit to the Committee on Small Business and the Committee on Science and Technology of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a list identifying each small business concern that, for the period covered by the preceding 5 fiscal years, received 15 or more first phase SBIR awards and no second phase SBIR awards.”.

SEC. 403. FEDERAL AGENCY ENGAGEMENT WITH SBIR AWARDEES THAT HAVE BEEN AWARDED MULTIPLE PHASE ONE AWARDS BUT HAVE NOT BEEN AWARDED PHASE TWO AWARDS.

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

“(gg) REQUIREMENTS RELATING TO FEDERAL AGENCY ENGAGEMENT WITH CERTAIN FIRST PHASE SBIR AWARDEES.—Each Federal agency required by this section to conduct an SBIR program shall engage with SBIR awardees that have been awarded multiple first phase SBIR awards but have not been awarded any second phase SBIR awards and shall develop performance measures with respect to awardee progression in the SBIR program.”.

SEC. 404. FUNDING FOR ADMINISTRATIVE, OVERSIGHT, AND CONTRACT PROCESSING COSTS.

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

“(hh) ASSISTANCE FOR ADMINISTRATIVE, OVERSIGHT, AND CONTRACT PROCESSING COSTS.—

“(1) IN GENERAL.—From amounts made available to carry out this subsection, the Administrator may, on petition by Federal agencies required by this section to conduct an SBIR program, transfer funds to such agencies to assist with the administrative, oversight, and contract processing costs relating to such program.

“(2) PETITIONS.—The Administrator shall establish rules for making transfers under paragraph (1). The initial set of rules shall be promulgated not later than 180 days after the date of the enactment of this subsection.

“(3) LIMIT ON TRANSFER.—A Federal agency may not receive under this subsection in a fiscal year an amount greater than 3 percent of the SBIR budget of such agency for such fiscal year.

“(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator to carry out this subsection \$27,500,000 for each of fiscal years 2010 and 2011.”.

SEC. 405. COMPTROLLER GENERAL AUDIT OF HOW FEDERAL AGENCIES CALCULATE EXTRAMURAL RESEARCH BUDGETS.

The Comptroller General of the United States shall carry out a detailed audit of how Federal agencies calculate extramural research budgets for purposes of calculating the size of the agencies’ Small Business Innovation Research Program and Small Business Technology Transfer Program budgets. Not later than 1 year after the date of the enactment of this Act, the Comptroller General shall submit to the Committee on Small Business and the Committee on Science and Technology of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a report on the results of the audit.

SEC. 406. AGENCY DATABASES TO SUPPORT PROGRAM EVALUATION.

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

(1) in paragraph (2)(A)—

(A) by striking “and” at the end of clause (ii);

(B) by inserting “and” at the end of clause (iii); and

(C) by adding at the end the following new clause:

“(iv) information on the ownership structure of award recipients, both at the time of receipt of the award and upon completion of the award period;”;

(2) by amending paragraph (3) to read as follows:

“(3) UPDATING INFORMATION FOR DATABASE.—

“(A) IN GENERAL.—A Federal agency shall not make a Phase I or Phase II payment to a small business concern under this section unless the small business concern has provided all information required under this subsection and available at the time with respect to the award under which the payment is made, and with respect to any other award under this section previously received by the small business concern or a predecessor in interest to the small business concern.

“(B) APPORTIONMENT.—In complying with this paragraph, a small business concern may apportion sales or additional investment information relating to more than one second phase award among those awards, if it notes the apportionment for each award.

“(C) ANNUAL UPDATES UPON TERMINATION.—A small business concern receiving an award under this section shall—

“(i) in the case of a second phase award, update information in the databases required under paragraphs (2) and (6) concerning that award at the termination of the award period;

“(ii) in the case of award recipients not described in clause (iii), be requested to voluntarily update such information annually thereafter for a period of 5 years; and

“(iii) in the case of a small business concern applying for a subsequent first phase or second phase award, be required to update such information annually thereafter for a period of 5 years.”; and

(3) by adding at the end the following new paragraph:

“(6) AGENCY PROGRAM EVALUATION DATABASES.—Each Federal agency required to establish an SBIR or STTR program under this section shall develop and maintain, for the purpose of evaluating such programs, a database containing information required to be contained in the database under paragraph (2). Each such database shall be designed to be accessible to other agencies that are required to maintain a database under this paragraph. Each such database shall be developed and operated in a manner to ensure that each such database is relevant to and contributes to the agency’s oversight and evaluation of the SBIR and STTR programs. Paragraphs (4) and (5) apply to each database under this paragraph.”.

SEC. 407. AGENCY DATABASES TO SUPPORT TECHNOLOGY UTILIZATION.

Section 9(k) of the Small Business Act (15 U.S.C. 638(k)), as amended, is further amended by adding at the end the following new paragraph:

“(7) AGENCY DATABASES TO SUPPORT TECHNOLOGY UTILIZATION.—Each Federal agency with an SBIR or STTR program shall create and maintain a technology utilization database, which shall be available to the public and shall contain data supplied by the award recipients specifically to help them attract customers for the products and services generated under the SBIR or STTR project, and to attract additional investors and business partners. Each database created under this paragraph shall include information on the other databases created under this paragraph by other Federal agencies. Participation in a database under this paragraph shall be voluntary, except that such participation is required of all award recipients who received supplemental payments from SBIR and STTR program funds above their initial Phase II award. Each database created under this

paragraph shall be developed and operated in a manner to ensure that each such database is relevant to and contributes to the agency's oversight and evaluation of the SBIR and STTR programs."

SEC. 408. INTERAGENCY POLICY COMMITTEE.

(a) **ESTABLISHMENT.**—The Director of the Office of Science and Technology Policy shall establish an Interagency SBIR/STTR Policy Committee comprised of one representative from each Federal agency with an SBIR program and the Office of Management and Budget.

(b) **COCHAIRS.**—The Director of the Office of Science and Technology Policy and the Director of the National Institute of Standards and Technology shall jointly chair the Interagency SBIR/STTR Policy Committee.

(c) **DUTIES.**—The Interagency SBIR/STTR Policy Committee shall review the following issues and make policy recommendations on ways to improve program effectiveness and efficiency:

(1) The public and government databases described in section 9(k) (1) and (2) of the Small Business Act (15 U.S.C. 638(k) (1) and (2)).

(2) Federal agency flexibility in establishing Phase I and II award sizes, and appropriate criteria to exercise such flexibility.

(3) Commercialization assistance best practices in Federal agencies with significant potential to be employed by other agencies, and the appropriate steps to achieve that leverage, as well as proposals for new initiatives to address funding gaps business concerns face after Phase II but before commercialization.

(4) Development and incorporation of a standard evaluation framework to enable systematic assessment of SBIR and STTR, including through improved tracking of awards and outcomes and development of performance measures for individual agency programs.

(d) **REPORTS.**—The Interagency SBIR/STTR Policy Committee shall transmit to the Committee on Science and Technology and the Committee on Small Business of the House of Representatives, and to the Committee on Small Business and Entrepreneurship of the Senate—

(1) a report on its review and recommendations under subsections (c)(1) and (c)(4) not later than 1 year after the date of enactment of this Act;

(2) a report on its review and recommendations under subsection (c)(2) not later than 18 months after the date of enactment of this Act; and

(3) a report on its review and recommendations under subsection (c)(3) not later than 2 years after the date of enactment of this Act.

SEC. 409. NATIONAL RESEARCH COUNCIL SBIR STUDY.

Section 108(d) of the Small Business Reauthorization Act of 2000 (15 U.S.C. 638 note), enacted into law by reference under section 1(a)(9) of the Consolidated Appropriations Act, 2001 (Public Law 106-554), is amended—

(1) by striking "of the Senate" and all that follows through "not later than 3" and inserting "of the Senate, not later than 3"; and

(2) by striking "; and" and all that follows through "update of such report".

SEC. 410. EXPRESS AUTHORITY TO "FAST-TRACK" PHASE TWO AWARDS FOR PROMISING PHASE ONE RESEARCH.

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

"(ii) **AUTHORITY TO 'FAST-TRACK' PHASE TWO AWARDS FOR PROMISING PHASE ONE RESEARCH.**—To address the delay between an award for the first phase of an SBIR program and the application for and extension of an award for the second phase of such program, each Federal agency with an SBIR program may develop 'fast-track' programs to eliminate such delay by issuing second phase SBIR awards as soon as practicable, including in appropriate cases simultaneously with the

issuance of the first phase SBIR award. The Administrator shall encourage the development of such 'fast-track' programs."

SEC. 411. INCREASED SBIR AND STTR AWARD LEVELS.

(a) **SBIR AWARD LEVEL AND ANNUAL ADJUSTMENTS.**—Section 9(j) of the Small Business Act (15 U.S.C. 638(j)) is amended by adding at the end the following:

"(4) **FURTHER ADDITIONAL MODIFICATIONS.**—Not later than 180 days after the date of enactment of this paragraph and notwithstanding paragraph (2)(D), the Administrator shall modify the policy directives issued pursuant to this subsection to provide for an increase to \$250,000 in the amount of funds which an agency may award in the first phase of an SBIR program, and to \$2,000,000 in the second phase of an SBIR program, and a mandatory annual adjustment of such amounts to reflect economic adjustments and programmatic considerations."

(b) **STTR AWARD LEVEL AND ANNUAL ADJUSTMENTS.**—Section 9(p)(2)(B)(ix) of the Small Business Act (15 U.S.C. 638(p)(2)(B)(ix)) is amended—

(1) by striking "\$100,000" and "\$750,000" and inserting "\$250,000" and "\$2,000,000", respectively; and

(2) by striking "greater or lesser amounts" and inserting "with a mandatory annual adjustment of such amounts to reflect economic adjustments and programmatic considerations, and with lesser amounts".

(c) **LIMITATION ON CERTAIN AWARDS.**—Section 9 of the Small Business Act (15 U.S.C. 638), as amended, is further amended by adding at the end the following:

"(jj) **LIMITATION ON PHASE I AND II AWARDS.**—No Federal agency shall issue an award under the SBIR program or the STTR program if the size of the award exceeds the amounts established under subsections (j)(4) and (p)(2)(B)(ix)."

SEC. 412. EXPRESS AUTHORITY FOR AN AGENCY TO AWARD SEQUENTIAL PHASE TWO AWARDS FOR SBIR-FUNDED PROJECTS.

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

"(kk) **REQUIREMENTS RELATING TO ADDITIONAL SECOND PHASE SBIR AWARDS.**—

"(1) **IN GENERAL.**—A small business concern that receives a second phase SBIR award for a project remains eligible to receive additional second phase SBIR awards for such project.

"(2) **TECHNICAL OR WEAPONS SYSTEMS.**—Agencies are expressly authorized to provide additional second phase SBIR awards for testing and evaluation assistance for the insertion of SBIR technologies into technical or weapons systems."

SEC. 413. FIRST PHASE REQUIRED.

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

"(ll) **FIRST PHASE REQUIRED.**—Under this section, a Federal agency shall provide to a small business concern an award for the second phase of an SBIR program with respect to a project only if such agency finds that the small business concern has been provided an award for the first phase of an SBIR program with respect to such project or has completed the determinations described in subsection (e)(4)(A) with respect to such project despite not having been provided an award for the first phase."

SEC. 414. INVOLVEMENT OF CHIEF COUNSEL FOR ADVOCACY.

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

"(mm) **INVOLVEMENT OF CHIEF COUNSEL FOR ADVOCACY.**—The Chief Counsel for Advocacy, as described in section 201 of Public Law 94-305 (15 U.S.C. 634a), and any individual reporting to the Chief Counsel for Advocacy, without re-

gard to whether such individual was hired under section 204 of Public Law 94-305 (15 U.S.C. 634d), may not provide to the Administrator, to any individual who reports directly or indirectly to the Administrator, or to any Federal agency any advice, guidance, oversight, or review with respect to the programs authorized under this section."

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) **SHORT TITLE.**—This Act may be cited as the "Enhancing Small Business Research and Innovation Act of 2009".

(b) **TABLE OF CONTENTS.**—The table of contents for this Act is as follows:

Sec. 1. Short Title; Table of Contents.

TITLE I—PROGRAM EXTENSION AND VENTURE CAPITAL OPERATING COMPANY INVOLVEMENT

Sec. 101. Extension of termination dates.

Sec. 102. Ensuring that innovative small businesses with substantial investment from venture capital operating companies are able to participate in the SBIR and STTR programs.

TITLE II—COMMERCIALIZATION ACTIVITIES AND RESEARCH TOPICS DESERVING SPECIAL CONSIDERATION

Sec. 201. Focus on commercialization.

Sec. 202. Inclusion of energy-related research topics and rare disease-related research topics as deserving "special consideration" as SBIR research topics.

Sec. 203. Nanotechnology-related research topics.

Sec. 204. Clarifying the definition of "Phase Three".

Sec. 205. Agency research goals.

Sec. 206. Commercialization programs.

TITLE III—RURAL DEVELOPMENT AND OUTREACH

Sec. 301. Outreach and support activities.

Sec. 302. Rural preference.

Sec. 303. Obtaining SBIR applicant's consent to release contact information to economic development organizations.

Sec. 304. Increased partnerships between SBIR awardees and prime contractors, venture capital investment companies, and larger businesses.

TITLE IV—SBIR AND STTR ENHANCEMENT

Sec. 401. Increased number of research topic solicitations annually and shortened period for final decisions on applications.

Sec. 402. Agencies should fund vital R&D projects with the potential for commercialization.

Sec. 403. Federal agency engagement with SBIR awardees that have been awarded multiple Phase One awards but have not been awarded Phase Two awards.

Sec. 404. Funding for administrative, oversight, and contract processing costs.

Sec. 405. Comptroller general audit of how Federal agencies calculate extramural research budgets.

Sec. 406. Agency databases to support program evaluation.

Sec. 407. Agency databases to support technology utilization.

Sec. 408. Interagency Policy Committee.

Sec. 409. National Research Council SBIR Study.

Sec. 410. Express authority to "fast-track" Phase Two awards for promising Phase One research.

Sec. 411. Increased SBIR and STTR award levels.

Sec. 412. Express authority for an agency to award sequential Phase Two awards for SBIR-funded projects.

Sec. 413. First phase required.

TITLE I—PROGRAM EXTENSION AND VENTURE CAPITAL OPERATING COMPANY INVOLVEMENT

SEC. 101. EXTENSION OF TERMINATION DATES.

(a) SBIR.—Section 9(m) of the Small Business Act (15 U.S.C. 638(m)) is amended by striking “2008” and inserting “2011”.

(b) STTR.—Section 9(n)(1)(A) of the Small Business Act (15 U.S.C. 638(n)(1)(A)) is amended by striking “2009” and inserting “2011”.

SEC. 102. ENSURING THAT INNOVATIVE SMALL BUSINESSES WITH SUBSTANTIAL INVESTMENT FROM VENTURE CAPITAL OPERATING COMPANIES ARE ABLE TO PARTICIPATE IN THE SBIR AND STTR PROGRAMS.

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

“(aa) VENTURE CAPITAL OPERATING COMPANIES.—Effective only for the SBIR and STTR programs the following shall apply:

“(1) A business concern that has more than 500 employees shall not qualify as a small business concern.

“(2) In determining whether a small business concern is independently owned and operated under section 3(a)(1) or meets the small business size standards instituted under section 3(a)(2), the Administrator shall not consider a business concern to be affiliated with a venture capital operating company (or with any other business that the venture capital operating company has financed) if—

“(A) the venture capital operating company does not own 50 percent or more of the business concern; and

“(B) employees of the venture capital operating company do not constitute a majority of the board of directors of the business concern.

“(3) A business concern shall be deemed to be ‘independently owned and operated’ if—

“(A) it is owned in majority part by one or more natural persons or venture capital operating companies;

“(B) there is no single venture capital operating company that owns 50 percent or more of the business concern; and

“(C) there is no single venture capital operating company the employees of which constitute a majority of the board of directors of the business concern.

“(4) If a venture capital operating company controlled by a business with more than 500 employees (in this paragraph referred to as a ‘VCO under large business control’) has an ownership interest in a small business concern that is owned in majority part by venture capital operating companies, the small business concern is eligible to receive an award under the SBIR or STTR program only if—

“(A) not more than two VCOs under large business control have an ownership interest in the small business concern; and

“(B) the VCOs under large business control do not collectively own more than 20 percent of the small business concern.

“(5) The term ‘venture capital operating company’ means a business concern—

“(A) that—

“(i) is a Venture Capital Operating Company, as that term is defined in regulations promulgated by the Secretary of Labor; or

“(ii) is an entity that—

“(I) is registered under the Investment Company Act of 1940 (15 U.S.C. 80a–51 et seq.); or

“(II) is an investment company, as defined in section 3(c)(1) of such Act (15 U.S.C. 80a–

3(c)(1)), which is not registered under such Act because it is beneficially owned by less than 100 persons; and

“(B) that is itself organized or incorporated and domiciled in the United States, or is controlled by a business concern that is incorporated and domiciled in the United States.”.

TITLE II—COMMERCIALIZATION ACTIVITIES AND RESEARCH TOPICS DESERVING SPECIAL CONSIDERATION

SEC. 201. FOCUS ON COMMERCIALIZATION.

Section 9(a) of the Small Business Act (15 U.S.C. 638(a)) is amended by adding at the end the following: “It is further the policy of Congress that the programs established in this section should focus on promoting research and development of projects governed by commercial business plans, which have significant potential to produce products or services for the marketplace or for acquisition by Federal agencies.”.

SEC. 202. INCLUSION OF ENERGY-RELATED RESEARCH TOPICS AND RARE DISEASE-RELATED RESEARCH TOPICS AS DESERVING “SPECIAL CONSIDERATION” AS SBIR RESEARCH TOPICS.

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

(1) in the matter preceding subparagraph (A) by inserting after “critical technologies” the following: “or pressing research priorities”;

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

(3) by adding at the end the following:

“(C) the National Academy of Sciences, in the final report issued by the ‘America’s Energy Future: Technology Opportunities, Risks, and Tradeoffs’ project, and in subsequent reports issued by the National Academy of Sciences on sustainability, energy, and alternative fuels;

“(D) the National Institutes of Health, in the annual report on the rare diseases research activities of the National Institutes of Health for fiscal year 2005, and in subsequent reports issued by the National Institutes of Health on rare diseases research activities; or

“(E) the National Academy of Sciences, in the final report issued by the ‘Transit Research and Development: Federal Role in the National Program’ project and the ‘Transportation Research, Development and Technology Strategic Plan (2006–2010)’ issued by the United States Department of Transportation Research and Innovative Technology Administration, and in subsequent reports issued by the National Academy of Sciences and United States Department of Transportation on transportation and infrastructure”.

SEC. 203. NANOTECHNOLOGY-RELATED RESEARCH TOPICS.

(a) SBIR.—Section 9(g)(3) of the Small Business Act (15 U.S.C. 638(g)(3)), as amended, is further amended—

(1) in subparagraph (D) by striking “or” at the end;

(2) in subparagraph (E) by adding “or” at the end; and

(3) by adding at the end the following:

“(F) the national nanotechnology strategic plan required under section 2(c)(4) of the 21st Century Nanotechnology Research and Development Act (15 U.S.C. 7501(c)(4)) and in subsequent reports issued by the National Science and Technology Council Committee on Technology, focusing on areas of nanotechnology identified in such plan”.

(b) STTR.—Section 9(o)(3) of the Small Business Act (15 U.S.C. 638(o)(3)) is amended—

(1) in subparagraph (A) by striking “or” at the end;

(2) in subparagraph (B) by adding “or” at the end; and

(3) by adding at the end the following:

“(C) by the national nanotechnology strategic plan required under section 2(c)(4) of the 21st Century Nanotechnology Research and Development Act (15 U.S.C. 7501(c)(4)) and in subsequent reports issued by the National Science and Technology Council Committee on Technology, focusing on areas of nanotechnology identified in such plan”.

SEC. 204. CLARIFYING THE DEFINITION OF “PHASE THREE”.

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

(1) in paragraph (4)(C) in the matter preceding clause (i) by inserting after “a third phase” the following: “, which shall consist of work that derives from, extends, or logically concludes efforts performed under prior SBIR funding agreements (which may be referred to as ‘Phase III’)”;

(2) in paragraph (8) by striking “and” at the end;

(3) in paragraph (9) by striking the period at the end and inserting “; and”;

(4) by adding at the end the following:

“(10) the term ‘commercialization’ means the process of developing marketable products or services and producing and delivering products or services for sale (whether by the originating party or by others) to government or commercial markets.”.

SEC. 205. AGENCY RESEARCH GOALS.

Section 9 of the Small Business Act (15 U.S.C. 638), as amended, is further amended by striking subsection (h) and inserting the following:

“(h) AGENCY RESEARCH GOALS.—

“(1) IN GENERAL.—In addition to the requirements of subsection (f), each Federal agency that is required by this section to have an SBIR program and that awards annually \$5,000,000 or more in procurement contracts shall, effective for fiscal year 2010 and each fiscal year thereafter, establish annual goals for commercialization of projects funded by SBIR awards.

“(2) SPECIFIC GOALS.—The goals required by paragraph (1) shall include specific goals for each of the following:

“(A) The percentage of SBIR projects that receive funding for the third phase (as defined in subsection (e)(4)(C)).

“(B) The percentage of SBIR projects that are successfully integrated into a program of record.

“(C) The amount of Federal dollars received by SBIR projects through Federal contracts, not including dollars received through the SBIR program.

“(3) SUBMISSION TO COMMITTEES.—For each fiscal year for which goals are required by paragraph (1), the agency shall submit to the Committee on Small Business and the Committee on Science and Technology of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate—

“(A) not later than 60 days after the beginning of the fiscal year, the goals; and

“(B) not later than 90 days after the end of the fiscal year, data on the extent to which the goals were met and a description of the methodology used to collect such data.”.

SEC. 206. COMMERCIALIZATION PROGRAMS.

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

“(bb) COMMERCIALIZATION PROGRAMS.—

“(1) IN GENERAL.—Each agency required by this section to conduct an SBIR program shall establish a commercialization program that supports the progress of SBIR awardees to the third phase. The commercialization program may include activities such as partnership databases, partnership conferences, multiple second phases, mentoring between prime contractors and SBIR awardees, multiple second phases with matching private investment requirements, jumbo awards, SBIR

helpdesks, and transition assistance programs. The agency shall include in its annual report an analysis of the various activities considered for inclusion in the commercialization program and a statement of the reasons why each activity considered was included or not included, as the case may be.

(2) FUNDING FOR COMMERCIALIZATION PROGRAMS.—

(A) IN GENERAL.—From amounts made available to carry out this paragraph, the Administrator may, on petition by agencies required by this section to conduct an SBIR program, transfer funds to such agencies to support the commercialization programs of such agencies.

(B) PETITIONS.—The Administrator shall establish rules for making transfers under subparagraph (A). The initial set of rules shall be promulgated not later than 90 days after the date of the enactment of this paragraph.

(C) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator to carry out this paragraph \$27,500,000 for fiscal year 2010 and each fiscal year thereafter.

(3) FUNDING LIMITATION.—For payment of expenses incurred to administer the commercialization programs described in paragraphs (1) and (2), the head of an agency may use not more than an amount equal to 1 percent of the funds set aside for the agency's Small Business Innovation Research program. Such funds—

(A) shall not be subject to the limitations on the use of funds in subsection (f)(2); and

(B) shall not be used for the purpose of funding costs associated with salaries and expenses of employees of the Federal Government.”

TITLE III—RURAL DEVELOPMENT AND OUTREACH

SEC. 301. OUTREACH AND SUPPORT ACTIVITIES.

Section 9 of the Small Business Act (15 U.S.C. 638), as amended, is further amended by inserting after subsection (r) the following:

(s) OUTREACH AND SUPPORT ACTIVITIES.—

(1) IN GENERAL.—Subject to the other provisions of this subsection, the Administrator shall make grants on a competitive basis to organizations, to be used by the organizations to do one or both of the following:

(A) To conduct outreach efforts to increase participation in the programs under this section.

(B) To provide application support and entrepreneurial and business skills support to prospective participants in the programs under this section.

(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator \$10,000,000 to carry out paragraph (1) for each of fiscal years 2010 and 2011.

(3) AMOUNT OF ASSISTANCE.—For each of subparagraphs (A) and (B) of paragraph (1), the amount of assistance provided to an organization under that subparagraph in any fiscal year—

(A) shall be equal to the total amount of matching funds from non-Federal sources provided by the organization; and

(B) shall not exceed \$250,000.

(4) DIRECTION.—An organization receiving funds under paragraph (1) shall, in using those funds, direct its activities at one or both of the following:

(A) Small business concerns located in geographic areas that are underrepresented in the programs under this section.

(B) Small business concerns owned and controlled by women, small business concerns owned and controlled by service-disabled veterans, and small business concerns owned and controlled by minorities.

(5) ADVISORY BOARD.—

(A) ESTABLISHMENT.—Not later than 90 days after the date of the enactment of this subsection, the Administrator shall establish an advisory board for the activities carried out under this subsection.

(B) NON-APPLICABILITY OF FACAA.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the advisory board.

(C) MEMBERS.—The members of the advisory board shall include the following:

(i) The Administrator (or the Administrator's designee).

(ii) For each Federal agency required by this section to conduct an SBIR program, the head of the agency (or the designee of the head of the agency).

(iii) Representatives of small business concerns that are current or former recipients of SBIR awards, or representatives of organizations of such concerns.

(iv) Representatives of service providers of SBIR outreach and assistance, or representatives of organizations of such service providers.

(D) DUTIES.—The advisory board shall have the following duties:

(i) To develop guidelines for awards under paragraph (1), including guidelines relating to award sizes, proposal requirements, measures for monitoring awardee performance, and measures for determining the overall value of the activities carried out by the awardees.

(ii) To identify opportunities for coordinated outreach, technical assistance, and commercialization activities among Federal agencies, the recipients of the awards under paragraph (1), and applicants and recipients of SBIR awards, including opportunities such as—

(I) podcasting or webcasting for conferences, training workshops, and other events;

(II) shared online resources to match prospective applicants with the network of paragraph (1) recipients; and

(III) venture capital conferences tied to technologies and sectors that cross agencies.

(iii) To review and recommend revisions to activities under paragraph (1).

(iv) To submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business and the Committee on Science and Technology of the House of Representatives an annual report on the activities carried out under paragraph (1) and the effectiveness and impact of those activities.

(6) SELECTION CRITERIA.—In awarding grants under this subsection, the Administrator shall use selection criteria developed by the advisory board established under paragraph (5). The criteria shall include—

(A) criteria designed to give preference to applicants who propose to carry out activities that will reach either an underperforming geographic area or an underrepresented population group (as measured by the number of SBIR applicants);

(B) criteria designed to give preference to applicants who propose to carry out activities that complement, and are integrated into, the existing public-private innovation support system for the targeted region or population;

(C) criteria designed to give preference to applicants who propose to measure the effectiveness of the proposed activities; and

(D) criteria designed to give preference to applicants who include a Small Business Development Center program that is accredited for its technology services.

(7) PEER REVIEW.—In awarding grants under this subsection, the Administrator shall use a peer 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 investments 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) SPECIFIC REQUIREMENTS FOR AWARDS.—In making awards under paragraph (1) the Administrator shall ensure that each award shall be for a period of 2 fiscal years. The Administrator shall establish rules and performance goals for the disbursement of funds for the second fiscal year, and funds shall not be disbursed to a recipient for such a fiscal year until after the advisory board established under this subsection has determined that the recipient is in compliance with the rules and performance goals.”

SEC. 302. RURAL PREFERENCE.

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

(cc) RURAL PREFERENCE.—In making awards under this section, Federal agencies shall give priority to applications so as to increase the number of SBIR and STTR award recipients from rural areas.”

SEC. 303. OBTAINING SBIR APPLICANT'S CONSENT TO RELEASE CONTACT INFORMATION TO ECONOMIC DEVELOPMENT ORGANIZATIONS.

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

(dd) CONSENT TO RELEASE CONTACT INFORMATION TO ORGANIZATIONS.—

(1) ENABLING CONCERN TO GIVE CONSENT.—Each Federal agency required by this section to conduct an SBIR program shall enable a small business concern that is an SBIR applicant to indicate to the agency whether the agency has its consent to—

(A) identify the concern to appropriate local and State-level economic development organizations as an SBIR applicant; and

(B) release the concern's contact information to such organizations.

(2) RULES.—The Administrator shall establish rules to implement this subsection. The rules shall include a requirement that the agency include in its SBIR application forms a provision through which the applicant can indicate consent for purposes of paragraph (1).”

SEC. 304. INCREASED PARTNERSHIPS BETWEEN SBIR AWARDEES AND PRIME CONTRACTORS, VENTURE CAPITAL INVESTMENT COMPANIES, AND LARGER BUSINESSES.

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

(ee) INCREASED PARTNERSHIPS.—

(1) IN GENERAL.—Each agency required by this section to conduct an SBIR program

shall establish initiatives by which the agency encourages partnerships between SBIR awardees and prime contractors, venture capital investment companies, business incubators, and larger businesses, for the purpose of facilitating the progress of the SBIR awardees to the third phase.

“(2) DEFINITION.—In this subsection, the term ‘business incubator’ means an entity that provides coordinated and specialized services to entrepreneurial businesses which meet selected criteria during the businesses’ startup phases, including providing services such as shared office space and office services, access to equipment, access to telecommunications 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.”.

TITLE IV—SBIR AND STTR ENHANCEMENT
SEC. 401. INCREASED NUMBER OF RESEARCH TOPIC SOLICITATIONS ANNUALLY AND SHORTENED PERIOD FOR FINAL DECISIONS ON APPLICATIONS.

(a) INCREASED NUMBER OF RESEARCH TOPIC SOLICITATIONS ANNUALLY.—Section 9(g)(2) of the Small Business Act (15 U.S.C. 638(g)(2)) is amended by inserting before the semicolon at the end the following: “, but not less often than twice per year”.

(b) SHORTENED PERIOD FOR FINAL DECISIONS ON APPLICATIONS.—Section 9(g)(4) of the Small Business Act (15 U.S.C. 638(g)(4)) is amended by inserting before the semicolon at the end the following: “, but a final decision on each proposal shall be rendered not later than 90 days after the date on which the solicitation closes unless the Administrator determines, on a case by case basis, that a decision may be extended from 90 days to 180 days”.

SEC. 402. AGENCIES SHOULD FUND VITAL R&D PROJECTS WITH THE POTENTIAL FOR COMMERCIALIZATION.

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

“(ff) MULTIPLE FIRST PHASE SBIR AWARDS REPORT.—The Administrator shall, on an annual basis, submit to the Committee on Small Business and the Committee on Science and Technology of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a list identifying each small business concern that, for the period covered by the preceding 5 fiscal years, received 15 or more first phase SBIR awards and no second phase SBIR awards.”.

SEC. 403. FEDERAL AGENCY ENGAGEMENT WITH SBIR AWARDEES THAT HAVE BEEN AWARDED MULTIPLE PHASE ONE AWARDS BUT HAVE NOT BEEN AWARDED PHASE TWO AWARDS.

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

“(gg) REQUIREMENTS RELATING TO FEDERAL AGENCY ENGAGEMENT WITH CERTAIN FIRST PHASE SBIR AWARDEES.—Each Federal agency required by this section to conduct an SBIR program shall engage with SBIR awardees that have been awarded multiple first phase SBIR awards but have not been awarded any second phase SBIR awards and shall develop performance measures with respect to awardee progression in the SBIR program.”.

SEC. 404. FUNDING FOR ADMINISTRATIVE, OVERSIGHT, AND CONTRACT PROCESSING COSTS.

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

“(hh) ASSISTANCE FOR ADMINISTRATIVE, OVERSIGHT, AND CONTRACT PROCESSING COSTS.—

“(1) IN GENERAL.—From amounts made available to carry out this subsection, the Administrator may, on petition by Federal agencies required by this section to conduct an SBIR program, transfer funds to such agencies to assist with the administrative, oversight, and contract processing costs relating to such program.

“(2) PETITIONS.—The Administrator shall establish rules for making transfers under paragraph (1). The initial set of rules shall be promulgated not later than 180 days after the date of the enactment of this subsection.

“(3) LIMIT ON TRANSFER.—A Federal agency may not receive under this subsection in a fiscal year an amount greater than 3 percent of the SBIR budget of such agency for such fiscal year.

“(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Administrator to carry out this subsection \$27,500,000 for each of fiscal years 2010 and 2011.”.

SEC. 405. COMPTROLLER GENERAL AUDIT OF HOW FEDERAL AGENCIES CALCULATE EXTRAMURAL RESEARCH BUDGETS.

The Comptroller General of the United States shall carry out a detailed audit of how Federal agencies calculate extramural research budgets for purposes of calculating the size of the agencies’ Small Business Innovation Research Program and Small Business Technology Transfer Program budgets. Not later than 1 year after the date of the enactment of this Act, the Comptroller General shall submit to the Committee on Small Business and the Committee on Science and Technology of the House of Representatives and the Committee on Small Business and Entrepreneurship of the Senate a report on the results of the audit.

SEC. 406. AGENCY DATABASES TO SUPPORT PROGRAM EVALUATION.

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

(1) in paragraph (2)(A)—
 (A) by striking “and” at the end of clause (ii);

(B) by inserting “and” at the end of clause (iii); and

(C) by adding at the end the following new clause:

“(iv) information on the ownership structure of award recipients, both at the time of receipt of the award and upon completion of the award period;”;

(2) by amending paragraph (3) to read as follows:

“(3) UPDATING INFORMATION FOR DATABASE.—

“(A) IN GENERAL.—A Federal agency shall not make a Phase I or Phase II payment to a small business concern under this section unless the small business concern has provided all information required under this subsection and available at the time with respect to the award under which the payment is made, and with respect to any other award under this section previously received by the small business concern or a predecessor in interest to the small business concern.

“(B) APPORTIONMENT.—In complying with this paragraph, a small business concern may apportion sales or additional investment information relating to more than one second phase award among those awards, if it notes the apportionment for each award.

“(C) ANNUAL UPDATES UPON TERMINATION.—A small business concern receiving an award under this section shall—

“(i) in the case of a second phase award, update information in the databases required under paragraphs (2) and (6) concerning that award at the termination of the award period;

“(ii) in the case of award recipients not described in clause (iii), be requested to volun-

tarily update such information annually thereafter for a period of 5 years; and

“(iii) in the case of a small business concern applying for a subsequent first phase or second phase award, be required to update such information annually thereafter for a period of 5 years.”; and

(3) by adding at the end the following new paragraph:

“(6) AGENCY PROGRAM EVALUATION DATABASES.—Each Federal agency required to establish an SBIR or STTR program under this section shall develop and maintain, for the purpose of evaluating such programs, a database containing information required to be contained in the database under paragraph (2). Each such database shall be designed to be accessible to other agencies that are required to maintain a database under this paragraph. Each such database shall be developed and operated in a manner to ensure that each such database is relevant to and contributes to the agency’s oversight and evaluation of the SBIR and STTR programs. Paragraphs (4) and (5) apply to each database under this paragraph.”.

SEC. 407. AGENCY DATABASES TO SUPPORT TECHNOLOGY UTILIZATION.

Section 9(k) of the Small Business Act (15 U.S.C. 638(k)), as amended, is further amended by adding at the end the following new paragraph:

“(7) AGENCY DATABASES TO SUPPORT TECHNOLOGY UTILIZATION.—Each Federal agency with an SBIR or STTR program shall create and maintain a technology utilization database, which shall be available to the public and shall contain data supplied by the award recipients specifically to help them attract customers for the products and services generated under the SBIR or STTR project, and to attract additional investors and business partners. Each database created under this paragraph shall include information on the other databases created under this paragraph by other Federal agencies. Participation in a database under this paragraph shall be voluntary, except that such participation is required of all award recipients who received supplemental payments from SBIR and STTR program funds above their initial Phase II award. Each database created under this paragraph shall be developed and operated in a manner to ensure that each such database is relevant to and contributes to the agency’s oversight and evaluation of the SBIR and STTR programs.”.

SEC. 408. INTERAGENCY POLICY COMMITTEE.

(a) ESTABLISHMENT.—The Director of the Office of Science and Technology Policy shall establish an Interagency SBIR/STTR Policy Committee comprised of one representative from each Federal agency with an SBIR program and the Office of Management and Budget.

(b) COCHAIRS.—The Director of the Office of Science and Technology Policy and the Director of the National Institute of Standards and Technology shall jointly chair the Interagency SBIR/STTR Policy Committee.

(c) DUTIES.—The Interagency SBIR/STTR Policy Committee shall review the following issues and make policy recommendations on ways to improve program effectiveness and efficiency:

(1) The public and government databases described in section 9(k) (1) and (2) of the Small Business Act (15 U.S.C. 638(k) (1) and (2)).

(2) Federal agency flexibility in establishing Phase I and II award sizes, and appropriate criteria to exercise such flexibility.

(3) Commercialization assistance best practices in Federal agencies with significant potential to be employed by other agencies, and the appropriate steps to achieve that leverage, as well as proposals for new initiatives

to address funding gaps business concerns face after Phase II but before commercialization.

(4) Development and incorporation of a standard evaluation framework to enable systematic assessment of SBIR and STTR, including through improved tracking of awards and outcomes and development of performance measures for individual agency programs.

(d) REPORTS.—The Interagency SBIR/STTR Policy Committee shall transmit to the Committee on Science and Technology and the Committee on Small Business of the House of Representatives, and to the Committee on Small Business and Entrepreneurship of the Senate—

(1) a report on its review and recommendations under subsections (c)(1) and (c)(4) not later than 1 year after the date of enactment of this Act;

(2) a report on its review and recommendations under subsection (c)(2) not later than 18 months after the date of enactment of this Act; and

(3) a report on its review and recommendations under subsection (c)(3) not later than 2 years after the date of enactment of this Act.

SEC. 409. NATIONAL RESEARCH COUNCIL SBIR STUDY.

Section 108(d) of the Small Business Reauthorization Act of 2000 (15 U.S.C. 638 note), enacted into law by reference under section 1(a)(9) of the Consolidated Appropriations Act, 2001 (Public Law 106-554), is amended—

(1) by striking “of the Senate” and all that follows through “not later than 3” and inserting “of the Senate, not later than 3”; and

(2) by striking “; and” and all that follows through “update of such report”.

SEC. 410. EXPRESS AUTHORITY TO “FAST-TRACK” PHASE TWO AWARDS FOR PROMISING PHASE ONE RESEARCH.

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

“(i) AUTHORITY TO ‘FAST-TRACK’ PHASE TWO AWARDS FOR PROMISING PHASE ONE RESEARCH.—To address the delay between an award for the first phase of an SBIR program and the application for and extension of an award for the second phase of such program, each Federal agency with an SBIR program may develop ‘fast-track’ programs to eliminate such delay by issuing second phase SBIR awards as soon as practicable, including in appropriate cases simultaneously with the issuance of the first phase SBIR award. The Administrator shall encourage the development of such ‘fast-track’ programs.”.

SEC. 411. INCREASED SBIR AND STTR AWARD LEVELS.

(a) SBIR AWARD LEVEL AND ANNUAL ADJUSTMENTS.—Section 9(j) of the Small Business Act (15 U.S.C. 638(j)) is amended by adding at the end the following:

“(4) FURTHER ADDITIONAL MODIFICATIONS.—Not later than 180 days after the date of enactment of this paragraph and notwithstanding paragraph (2)(D), the Administrator shall modify the policy directives issued pursuant to this subsection to provide for an increase to \$250,000 in the amount of funds which an agency may award in the first phase of an SBIR program, and to \$2,000,000 in the second phase of an SBIR program, and a mandatory annual adjustment of such amounts to reflect economic adjustments and programmatic considerations.”.

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

(1) by striking “\$100,000” and “\$750,000” and inserting “\$250,000” and “\$2,000,000”, respectively; and

(2) by striking “greater or lesser amounts” and inserting “with a mandatory annual ad-

justment of such amounts to reflect economic adjustments and programmatic considerations, and with lesser amounts”.

(c) LIMITATION ON CERTAIN AWARDS.—Section 9 of the Small Business Act (15 U.S.C. 638), as amended, is further amended by adding at the end the following:

“(j) LIMITATION ON PHASE I AND II AWARDS.—No Federal agency shall issue an award under the SBIR program or the STTR program if the size of the award exceeds the amounts established under subsections (j)(4) and (p)(2)(B)(ix).”.

SEC. 412. EXPRESS AUTHORITY FOR AN AGENCY TO AWARD SEQUENTIAL PHASE TWO AWARDS FOR SBIR-FUNDED PROJECTS.

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

“(kk) REQUIREMENTS RELATING TO ADDITIONAL SECOND PHASE SBIR AWARDS.—

“(1) IN GENERAL.—A small business concern that receives a second phase SBIR award for a project remains eligible to receive additional second phase SBIR awards for such project.

“(2) TECHNICAL OR WEAPONS SYSTEMS.—Agencies are expressly authorized to provide additional second phase SBIR awards for testing and evaluation assistance for the insertion of SBIR technologies into technical or weapons systems.”.

SEC. 413. FIRST PHASE REQUIRED.

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

“(ll) FIRST PHASE REQUIRED.—Under this section, a Federal agency shall provide to a small business concern an award for the second phase of an SBIR program with respect to a project only if such agency finds that the small business concern has been provided an award for the first phase of an SBIR program with respect to such project or has completed the determinations described in subsection (e)(4)(A) with respect to such project despite not having been provided an award for the first phase.”.

The CHAIR. No amendment to the committee amendment is in order except those printed in House Report 111-192. Each amendment may be offered only in the order printed in the report, by a Member designated in the report, shall be considered read, shall be debatable for the time specified in the report, equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question. The proponent of such amendment may modify its amendatory instructions before the question is put thereon.

AMENDMENT NO. 1 OFFERED BY MS. VELÁZQUEZ, AS MODIFIED

The CHAIR. It is now in order to consider amendment No. 1 printed in House Report 111-192.

Ms. VELÁZQUEZ. I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 1 offered by Ms. VELÁZQUEZ:

Page 7, line 10, strike “section 3(c)(1)” and insert “subsection (a)(1) of section 3”.

Page 7, line 11, strike “80a-3(c)(1)” and insert “80a-3”.

Page 7, beginning line 13, strike “it is beneficially owned by less than 100 persons” and

insert “of an exemption under subsection (c)(1) or subsection (c)(7) of such section”.

Add at the end of the bill the following:

SEC. 415. MINORITY INSTITUTION PROGRAM.

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

“(nn) MINORITY INSTITUTION PROGRAM.—

“(1) ESTABLISHMENT.—From amounts made available to carry out this subsection, the Administrator shall establish and carry out a program to make grants to minority institutions that partner with nonprofit organizations that have experience developing relationships between industry, minority institutions, and other entities, for the purpose of increasing the number of SBIR and STTR program applications by minority-owned small businesses.

“(2) APPLICATION.—To be eligible to receive a grant under paragraph (1), a minority institution shall submit an application to the Administrator at such time, in such manner, and containing such information and assurances as the Administrator may require.

“(3) MATCHING REQUIREMENT.—As a condition of a grant under paragraph (1), the Administrator shall require that a minority institution provide a matching amount from a source other than the Federal Government that is equal to the amount of the grant.

“(4) MINORITY INSTITUTION DEFINED.—In this subsection, the term ‘minority institution’ has the meaning given that term in section 365(3) of the Higher Education Act of 1965 (20 U.S.C. 1067k(3)).

“(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection \$4,000,000 for each of fiscal years 2010 and 2011.”.

Add at the end of the bill the following:

SEC. 416. AREAS THAT HAVE LOST A MAJOR SOURCE OF EMPLOYMENT.

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

“(oo) AREAS THAT HAVE LOST A MAJOR SOURCE OF EMPLOYMENT.—In making awards under this section, Federal agencies shall give priority to applications so as to increase the number of SBIR and STTR award recipients from geographic areas determined by the Administrator to have lost a major source of employment.”.

Add at the end of the bill the following:

SEC. 417. ENHANCING VETERAN PARTICIPATION IN SBIR.

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

“(pp) ENHANCING VETERAN PARTICIPATION IN SBIR.—Notwithstanding any other provision of this section, a small business concern owned and controlled by veterans may—

“(1) receive an award in the amount of \$300,000 in the first phase of an SBIR program and in the amount of \$2,250,000 in the second phase of an SBIR program, with such amounts able to be exceeded if the Federal agency making the award notifies the Administrator of such excess; and

“(2) receive an award for the second phase of an SBIR program with respect to a project without having received a first phase award with respect to such project.”.

Page 13, line 7, strike “met and a” and insert “met, a”.

Page 13, line 8, insert after “such data” the following: “, and a description of the reasons why the goals were met or not met”.

Page 8, line 7, insert “renewable” before “energy-related”.

Page 8, line 16, after “priorities” insert “(including renewable energy-related technologies)”.

Add at the end of the bill the following:

SEC. 418. VETERAN PREFERENCE.

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

“(qq) VETERAN PREFERENCE.—In making awards under this section, Federal agencies shall give priority to applications so as to increase the number of SBIR and STTR award recipients that are small business concerns owned and controlled by veterans.”.

Add at the end of the bill the following:

TITLE V—IMPROVING WATER USE AND TRANSMISSION TECHNOLOGY

SEC. 501. IMPROVING WATER USE AND TRANSMISSION TECHNOLOGY.

Not later than 1 year after the date of the enactment of this Act, Federal agencies with an SBIR program, as appropriate, shall jointly develop and issue a small business innovation research solicitation that requests research proposals with respect to improving the efficiency of water delivery systems and usage patterns in the United States and its territories through the use of technology.

Page 16, line 19, strike “both” and insert “more”.

Page 17, after line 3, insert the following:

“(C) Small business concerns owned and controlled by Native Americans.

Page 22, line 8, strike “Rural preference” and insert “Preferences”.

Page 22, line 12, strike “Rural preference” and insert “Preferences”.

Page 22, line 15, strike “from rural areas.” and insert “that are from rural areas, or that are small business concerns owned and controlled by Native Americans. The Administrator shall submit an annual report to Congress setting forth how many small business concerns owned and controlled by Native Americans were recipients of assistance under this section.”.

Page 17, after line 3, insert the following:

“(D) Small business concerns located in geographic areas with an unemployment rate that exceeds the national unemployment rate.

Page 19, line 24, insert after “geographic area” the following: “(including geographic areas with an unemployment rate that exceeds the national unemployment rate)”.

Page 22, line 15, insert after “recipients” the following: “that are from areas with an unemployment rate that exceeds the national unemployment rate.”.

The CHAIR. Pursuant to House Resolution 610, the gentlewoman from New York (Ms. VELÁZQUEZ) and a Member opposed each will control 15 minutes.

The Chair recognizes the gentlewoman from New York.

Ms. VELÁZQUEZ. Pursuant to the rule, I send to the desk a modification to amendment No. 1.

The CHAIR. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment No. 1 offered by Ms. VELÁZQUEZ:

The fourth amendatory instruction on page 4 is amended by striking “line 16” and inserting “line 15”.

The second amendatory instruction on page 5 is amended by striking “line 19” and inserting “line 17”.

The third amendatory instruction on page 5 is amended by striking “line 3” and inserting “line 2”.

The fourth amendatory instruction on page 5 is amended by striking “line 8” and inserting “line 4”.

The fifth amendatory instruction on page 5 is amended by striking “line 12” and inserting “line 8”.

The sixth amendatory instruction on page 6 is amended by striking “line 15” and inserting “line 11”.

The second amendatory instruction on page 6 is amended by striking “line 3” and inserting “line 2”.

The third amendatory instruction on page 6 is amended by striking “line 24” and inserting “line 22” and by striking “geographic area” and inserting “area”.

The fourth amendatory instruction on page 6 is amended by striking “line 15” and inserting “line 11”.

Ms. VELÁZQUEZ (during the reading). Mr. Chairman, I ask unanimous consent to suspend the reading.

The CHAIR. Is there objection to the request of the gentlewoman from New York?

There was no objection.

The CHAIR. The amendment is modified.

Ms. VELÁZQUEZ. Mr. Chairman, the manager’s amendment makes technical and conforming changes to the underlying legislation. It also incorporates several important amendments offered by Members.

I would like to thank these Members for their contributions: Mr. BARROW, Mr. BOREN, Mr. BOSWELL, Ms. SUTTON, Mr. CARDOZA, Mr. CHILDERS, Mrs. DAHLKEMPER, Mrs. KIRKPATRICK, Mr. KRATOVIL, Ms. MARKEY, Mr. MCNERNEY, Ms. MCCOLLUM and Mr. PERLMUTTER.

Because of their contributions, we have a stronger bill before us today. The provisions that are included in the manager’s amendment will foster what we are doing to help veteran small businesses. As a new generation of veterans returns home from the current conflicts in Iraq and Afghanistan, many of them will be seeking opportunities through entrepreneurship. Veterans are often well suited to be small business owners.

The manager’s amendment will also enhance our outreach to women- and minority-owned businesses. Diversity has always been our Nation’s greatest strength. By expanding the diversity of the firms that compete for SBIR grants, we will strengthen the overall SBIR program. The same can be said about the provisions in the manager’s amendment that will encourage greater participation by rural businesses. Drawing these companies into the program will mean more ideas and better ideas.

In addition to encouraging greater diversity among participating firms, the manager’s amendment targets SBIR and STTR groups toward a number of pressing problems where innovation and research are badly needed. For instance, language in the amendment clarifies that the programs shall make renewable energy a priority. Small businesses are already leading the way in constructing a green economy, and this provision will build on that success.

Lastly, the manager’s amendment improves oversight. The 111th Congress has made oversight one of our top priorities to ensure that taxpayers’ dollars are spent wisely and well.

This amendment continues that effort. SBIR and STTR are two of our

Nation’s most successful programs. It is our goal to ensure they continue functioning smoothly and effectively.

Mr. Chairman, I strongly encourage my colleagues to support this amendment.

I reserve the balance of my time.

Mr. GRAVES. Mr. Chairman, I rise to claim time in opposition to the amendment, even though I do not oppose the amendment.

The CHAIR. Without objection, the gentleman from Missouri is recognized for 15 minutes.

There was no objection.

Mr. GRAVES. The gentlewoman’s amendment makes some needed technical changes to the bill. In addition, the amendment incorporates some suggestions from other House Members that will enhance the operations of the SBIR and STTR programs.

I thank the chairwoman for her thoughtful consideration in the development of this amendment.

I yield back the balance of my time.

Ms. VELÁZQUEZ. Mr. Chairman, I yield 3 minutes to the gentlewoman from Pennsylvania (Mrs. DAHLKEMPER).

Mrs. DAHLKEMPER. I would like to thank Chairwoman VELÁZQUEZ and Ranking Member GRAVES for their leadership in bringing this legislation forward, and I rise today in strong support of the manager’s amendment to H.R. 2965.

The manager’s amendment makes a number of very good changes to the base bill, including my amendment on water conservation technology. My amendment would improve the efficiency of water delivery systems and usage patterns in the United States by including this as a topic for one of the small business innovation research solicitations.

Water scarcity is a growing concern throughout the United States. Multiyear droughts continue to plague regions and States around the country, including the Southeast, Texas, and California. For many municipalities, intense competition for water and diminished supplies will force local water agencies to make difficult decisions on water allocations to protect essential ecosystem services. This includes implementing tough restrictions that could harm our agriculture industry while diminishing economic growth and job creation.

In order for our country to achieve a more sustainable future for our children, we must act now to conserve one of our most precious resources, our water supply. By improving the technology of our water delivery systems, we can maximize our limited water resources and reduce our energy use.

Again, I thank the chairwoman for including this in her amendment, and I urge my colleagues to join me in support of this amendment’s adoption.

Ms. VELÁZQUEZ. Mr. Chairman, I yield 2 minutes to the gentleman from Iowa (Mr. BOSWELL).

(Mr. BOSWELL asked and was given permission to revise and extend his remarks.)

Mr. BOSWELL. Thank you, Madam Chairman, for allowing me to share this moment.

I rise in support of this legislation and the manager's amendment, the manager's amendment because the Enhancing Small Business Research and Innovation Act holds great promise for our Nation's most innovative minds and creative entrepreneurs.

In particular, I would like to thank the chairwoman for including in the manager's amendment language that will give priority for SBIR and STTR grants to applicants in areas that have suffered the loss of a major source of employment.

Having worked with Congresswoman SUTTON to pass these provisions in the 2008 reauthorization when it was considered by the full House, I know that both of us are very pleased this language has made its way to the floor again this year.

Almost 2 years ago, Maytag Corporation in Newton, Iowa, a town of 15,500 people, manufactured its last machine after being purchased by its larger competitor, losing more than 2,000 good-paying family jobs. Since then, this town has worked hard to rebuild itself, create jobs for the people of Newton and its surrounding communities.

Unfortunately, though, similar stories still devastate towns in my district, my State, and our country and yours as well. Local shops are closing doors, factories are being put out, and too many hardworking Americans have lost their jobs.

This bill will bring new jobs to towns whose hard leadership has been forced to close doors on its consumers and its employees. It will provide employment for those individuals who worked on the assembly line 50 miles down the road welding the frames.

The ongoing effects of bankrupt companies and lost liquidity are placing damaging effects on workers in all districts, on people who found pride in their jobs and now just want to provide for their families.

By enhancing and reauthorizing the SBIR and STTR program, we will put moms and dads back to work so they can put food on the table and pay the bills. College students graduating with debt will have increased opportunities in their communities, and we will tap into some of the most industrious and ambitious minds in America.

By passing this legislation today, we will empower other districts and provide our constituents with the resources they need to rebuild their communities.

I urge my colleagues to support this underlying bill and the manager's amendment.

Ms. VELÁZQUEZ. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. MCNERNEY).

Mr. MCNERNEY. Mr. Chairman, the Small Business Innovative Research Program and the Small Business Technology Transfer Program have helped

countless small businesses find funding opportunities in the science and technology sectors. That's why I am proud to rise in support of H.R. 2965, the Enhancing Small Business Research and Innovation Act of 2009, and the manager's amendment offered by Chairwoman VELÁZQUEZ. I am also pleased that the chairwoman's amendments include improvements include an amendment that I submitted to make sure that the SBIR program is accessible to businesses located in the areas that have been most hard hit by the economic downturn.

The State of California suffers from unemployment exceeding the national rate, and the San Joaquin Valley, a portion of which I am honored to represent, has been particularly hard hit.

The language I wrote ensures that organizations receiving funding to help small businesses access SBIR opportunities are able to direct their efforts towards companies located in the areas with the highest unemployment.

I have worked closely on this issue with my colleagues, Mr. CARDOZA and Mr. CHILDERS, and I would also like to thank them for their hard work and support.

I am fortunate to travel home to California nearly every single weekend. I have met with innovative small business owners whose product promised to change our country for the better. The manager's amendment will help small businesses in the San Joaquin Valley and elsewhere enjoy the full benefits of the SBIR Program. I am proud to support its passage.

Ms. VELÁZQUEZ. I urge adoption of the manager's amendment, and I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentlewoman from New York (Ms. VELÁZQUEZ), as modified.

The amendment, as modified, was agreed to.

□ 1330

AMENDMENT NO. 2 OFFERED BY MS. GINNY BROWN-WAITE OF FLORIDA

The CHAIR. It is now in order to consider amendment No. 2 printed in House Report 111-192.

Ms. GINNY BROWN-WAITE of Florida. I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 2 offered by Ms. GINNY BROWN-WAITE of Florida:

Add at the end of the bill the following:

TITLE V—GAO STUDY WITH RESPECT TO VENTURE CAPITAL OPERATING COMPANY INVOLVEMENT

SEC. 501. GAO STUDY WITH RESPECT TO VENTURE CAPITAL OPERATING COMPANY INVOLVEMENT.

The Comptroller General of the United States shall carry out a study of the impact of requirements relating to venture capital operating company involvement under section 9(aa) of the Small Business Act, as added by section 102 of this Act. Not later than 1 year after the date of the enactment

of this Act, the Comptroller General shall submit to Congress a report on the results of the study.

The CHAIR. Pursuant to House Resolution 610, the gentlewoman from Florida (Ms. GINNY BROWN-WAITE) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Florida.

Ms. GINNY BROWN-WAITE of Florida. Mr. Chairman, I rise today first to applaud the House for working on legislation that is designed specifically to help small businesses. It is the most important thing that Congress can do for the economy, and I thank the chairwoman and the ranking member for their hard work on this issue.

I also rise today to bring one provision in the bill that will surely influence the effectiveness of the SBIR and STTR programs—either for good or ill.

Section 102 mandates that no single venture capital firm may own more than 49 percent of a small business for that small business to be eligible to participate in these programs. Multiple venture capital companies, however, in aggregate, may own a majority of the shares, but no single firm may have a controlling interest.

In essence, section 102 attempts to strike a balance between the two concerns. On the one hand, Congress does not want large venture capital firms scavenging and acquiring a large number of small businesses simply to take advantage of Federal tax dollars. On the other hand, Congress has an interest in making sure that any otherwise eligible small business is not unnecessarily excluded from participating simply because it has received all or a majority of its funding from a single angel, of sorts, investor.

Preventing large firms from "gaming" the system is the correct goal in my view, and I appreciate the committee's work to address this problem. Yet, Congress must do everything possible to ensure that we are not letting our pursuit of the perfect affect our ability to achieve the goals of this legislation.

Simply put, my amendment directs GAO to conduct a study on the effect that this ownership restriction has on participation. This will help Congress to determine if the right balance has been struck.

The bottom line, Mr. Chairman, is that in far too many cases thoughtful and well-intended programs to assist small businesses have been unnecessarily hampered by arbitrary rules and restrictions that made sense at first glance.

The SBA's ARC loan program, for instance, which provides 100 percent guarantees for small business loans had been hampered because despite the guarantee, many banks are refusing, most banks are actually refusing to participate. Banks are being forced to hoard capital to satisfy stress test requirements, and while those requirements make sense for regulators, they

inhibit the government's ability to administer its small business programs.

As my colleagues know, small businesses accounted for 70 percent of new job growth over the last 10 years. It is critical that Congress get these small business programs right and that they are implemented quickly. Over the long term, Congress must continue to do everything to support entrepreneurs through thoughtful policy and resist the temptation to replace them with bureaucrats.

This, Mr. Chairman, is a program that supports entrepreneurs, and I think that we owe it to them to make sure that the program is as effective as possible; and if it is not, to fix it until we get it right.

I believe this legislation has a chance to do what Congress should have done from the start in this economic crisis, and that is to help small businesses. However, if in a month from now Congress turns around and institutes employer mandates and taxes the health care benefits provided by small business owners, the House will again have taken a step back in supporting the recovery and growth of small businesses.

I urge the House's adoption of this amendment.

I reserve the balance of my time.

Ms. VELÁZQUEZ. Mr. Chairman, while not opposed to the amendment, I ask unanimous consent to claim the time in opposition.

The CHAIR. Without objection, the gentlewoman from New York is recognized for 5 minutes.

There was no objection.

Ms. VELÁZQUEZ. Mr. Chairman, in the 111th Congress, this body has made oversight a top priority. Accountability is critical to the legislative process, and it is the principle that the Small Business Committee has consistently worked to promote. So I thank the gentlelady from Florida for this amendment.

As I mentioned, my colleagues and I on the Small Business Committee have conducted a great deal of oversight. We have collaborated with GAO in the past, and I know they do good work. So I would be particularly interested to see them do a study on the effects of venture capital investment in the SBIR program.

In particular, I think it would be useful for all of Congress to understand how both this legislation as well as the 2003 ruling blocking venture capital participation has affected the SBIR program. These questions are critical to our continued oversight of these initiatives, and I thank the gentlelady for her efforts in this area.

I think a study will shed light on the role that venture capital plays in the high-tech arena. For many small firms, access to capital is critical, and it is often equity investment that allows a small business to advance their research to the marketplace.

A recent study by the National Research Council, which this GAO investigation would complement, found that

restricting venture capital investment adversely affected the most promising firms. GAO has the broad capabilities to investigate the impact of this legislation and the SBA's regulation in this area, across all SBIR agencies. This comprehensive review will shed light on both the historical patterns of venture capital financing throughout the program, and whether certain agencies are embracing such investment.

Like Ms. BROWN-WAITE, I am committed to keeping SBIR and STTR small business programs. I believe that this study will help ensure this. With the economy facing so many challenges, expanding access to capital for small businesses has never been more important.

I yield to the gentleman from Missouri (Mr. GRAVES) for any thoughts he may have.

Mr. GRAVES. Thank you, Madam Chair.

Mr. Chairman, I rise today in support of the amendment offered by the gentlewoman from Florida. I believe that an independent review of the SBIR and STTR programs by a trusted arm of Congress, the GAO, will prove beneficial when we reauthorize this program in a few years.

In conducting this study, I expect that the GAO will take its normal unbiased view without any preconceived notions on the value of the programs or the changes that we have made to them in H.R. 2965.

Mr. Chairman, I appreciate the gentlelady yielding.

Ms. VELÁZQUEZ. Mr. Chairman, if the gentlelady is prepared to yield back, we are prepared to accept the amendment.

Ms. GINNY BROWN-WAITE of Florida. Mr. Chairman, I appreciate the gentlelady from New York working with me on this amendment as a former New Yorker and as somebody who wants to make sure that this bill works. I really appreciate it.

I yield back the balance of my time.

Ms. VELÁZQUEZ. Mr. Chairman, I urge adoption of this amendment, and I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentlewoman from Florida (Ms. GINNY BROWN-WAITE).

The amendment was agreed to.

AMENDMENT NO. 3 OFFERED BY MS. KOSMAS, AS MODIFIED

The CHAIR. It is now in order to consider amendment No. 3 printed in House Report 111-192.

Ms. KOSMAS. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 3 offered by Ms. KOSMAS:

Page 14, after line 4, insert the following:

“(2) SPACE SHUTTLE PROGRAM.—Each agency required to establish a commercialization program under paragraph (1) and that carries out construction, assembly, or research and development activities with respect to the

space shuttle program (also known as the space transportation system) shall include, as part of such commercialization program, activities to assist small business concerns affected by the termination of the space shuttle program to commercialize technologies through SBIR. Activities to assist such small business concerns may include activities described in paragraph (1) and other activities to assist small business concerns making the transition from work relating to the space shuttle program to work in related or unrelated industries.

Page 14, line 5, strike “(2)” and insert “(3)”.

Page 14, line 24, strike “(3)” and insert “(4)”.

Page 15, line 1, strike “paragraphs (1) and (2)” and insert “this subsection”.

The CHAIR. Pursuant to House Resolution 610, the gentlewoman from Florida (Ms. KOSMAS) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentlewoman from Florida.

Ms. KOSMAS. Mr. Chairman, pursuant to the rule, I send to the desk a modification of amendment No. 3.

The CHAIR. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment No. 3 offered by Ms. KOSMAS:

The third amendatory instruction is amended by striking “line 24” and inserting “line 23”.

The fourth amendatory instruction is amended by striking “Page 15, line 1” and inserting “Page 14, line 25”.

The CHAIR. The amendment is modified.

Ms. KOSMAS. Mr. Chairman, I yield myself such time as I may consume.

I rise in support of my amendment to H.R. 2965, the Enhancing Small Business Research and Innovation Act of 2009. I would like to thank the chairwoman for her support of this important amendment, which will assist small businesses in my District and across the Nation that support NASA's space shuttle program.

With suppliers in nearly every State, the retirement of the space shuttle program will have a significant economic impact. In my district alone, over 300 businesses work with NASA and these small businesses had over \$200 million in contracts last year.

This amendment will provide that these businesses have the opportunity to commercialize and that they get assistance in doing so so that they can continue to thrive and contribute to our economy following the expiration of the shuttle program. The contributions the shuttle program has made to our economy and to the improvement of our everyday lives are countless, and we must continue to utilize the knowledge, innovation, and unique workforce that has supported NASA throughout the years. Helping small businesses by increasing their potential to produce products for the marketplace will ensure that this exceptional workforce and this small business sector will not be dispersed and lost, but will be able to continue developing vital technologies and growing our economy.

NASA's innovative partnerships program has a strong history of engaging small businesses in developing technology for NASA needs and transferring that technology to the public benefit. In 2008, NASA's SBIR awards went to 205 firms spanning 31 States. NASA also identified 1,110 newly developed technologies last year that could lead to patenting and to transfer. Technologies developed by and for NASA lead to new products deployed to the fields of health and medicine, transportation, public safety, agriculture, industrial productivity, and of course computer technology.

Helping small businesses affected by the retirement of the shuttle program transition to work in related or unrelated industries will encourage cutting-edge research and development and preserve the unique workforce which has made us the world leader in innovation.

I reserve the balance of my time.

Ms. VELÁZQUEZ. Mr. Chairman, while I am not opposed to the amendment, I ask unanimous consent to claim the time in opposition.

The CHAIR. Without objection, the gentlewoman from New York is recognized for 5 minutes.

There was no objection.

Ms. VELÁZQUEZ. Space exploration has long been a symbol of American innovation. Today, we are in the process of unwinding one of our most high-profile efforts in that arena. In the next year, NASA's space shuttle project will retire for good. As the program comes to an end, so will an estimated 8,000 contracting jobs. While the project is shutting down, its contractors and the innovation behind it shouldn't have to.

In the past, these firms contributed a great deal to NASA's space shuttle program. I believe they can do the same for other Federal agencies, and for other space initiatives such as the Mars Lander project. That is why Ms. KOSMAS's amendment is so important.

By retooling their operations and seeking new markets, space shuttle contractors can continue to offer high-wage jobs to countless Americans, all while maintaining their commitment to science and technology.

This amendment offers transitional assistance to displaced firms, helping them identify and vie for other R&D projects. In doing so, it will ensure that even with the loss of the program, we don't lose our most innovative businesses.

I urge the adoption of this amendment.

I yield to the gentleman from Missouri (Mr. GRAVES) for any comments he wishes to make.

Mr. GRAVES. Thank you, Madam Chair.

I rise today in support of the amendment from the gentlelady from Florida. The space program has and continues to create new and exciting technologies, often by small businesses. The amendment will ensure that the creative ideas associated with the de-

velopment of the space shuttle will not be lost and will be transferred to other new technologies.

I thank the gentlelady for the amendment.

Ms. VELÁZQUEZ. We are prepared to accept the amendment.

Ms. KOSMAS. Mr. Chairman, I urge adoption, and I yield back the balance of my time.

Ms. VELÁZQUEZ. I urge adoption of the amendment, and I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentlewoman from Florida (Ms. KOSMAS), as modified.

The question was taken; and the Chair announced that the ayes appeared to have it.

Ms. KOSMAS. Mr. Chairman, I demand a recorded vote.

The CHAIR. Pursuant to clause 6 of rule XVIII, further proceedings on the amendment offered by the gentlewoman from Florida will be postponed.

□ 1345

AMENDMENT NO. 4 OFFERED BY MR. REICHERT,
AS MODIFIED

The CHAIR. It is now in order to consider amendment No. 4 printed in House Report 111-192.

Mr. REICHERT. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 4 offered by Mr. REICHERT: Page 20, after line 2, insert the following new subparagraph and redesignate subparagraphs (B) through (D) in lines 3 through 14 as (C) through (E) respectively:

“(B) criteria designed to give preference (i) to applicants serving underrepresented States and regions and (ii) to applicants who are women-, service-disabled veterans-, or minority-owned.”.

The CHAIR. Pursuant to House Resolution 610, the gentleman from Washington (Mr. REICHERT) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Washington.

Mr. REICHERT. Mr. Chairman, pursuant to the rule, I send to the desk a modification of amendment No. 4.

The CHAIR. The Clerk will report the modification.

The Clerk read as follows:

Modification to amendment No. 4 offered by Mr. REICHERT:

The amendatory instruction is amended to read as follows: “Page 20, line 1, insert the following new subparagraph and redesignate subparagraphs (B) through (D) on lines 1 through 12 as (C) through (E) respectively.”.

The CHAIR. The amendment is modified.

Mr. REICHERT. Mr. Chairman, I am pleased to offer this commonsense, bipartisan amendment with my colleague from Washington (Mr. SMITH).

Our amendment directs the Small Business Administration to prioritize giving grants used for outreach to disadvantaged small businesses to be given to similar organizations that can empathize and understand them.

Outreach to underserved areas and disadvantaged small businesses is essential. I have found, in my district and in my State, that many small businesses are completely unaware of the resources available to them and often incur unnecessary costs trying to navigate a complex government system just to apply for assistance.

Outreach and assistance can mean so much more when someone who overcame that same difficulty has an understanding of the needs of these disadvantaged small businesses and reaches out to them with a helping hand. For example, a wounded warrior may come home and start up a new business and go through all the processes, and I've heard many a frustrating story from those men and women who return home trying to get their lives back on track as they come back from serving our country. They really have a grasp as to what's been happening and how they achieved their goals, and so the intent of this legislation is so those people—wounded warriors, women, and those who represent minority-owned businesses—can reach out to those people and help them build their own business, create job opportunities for their families, and also create job opportunities for families across this country.

We all know that small businesses really generate the jobs in this country. Ninety-four percent of the jobs in Washington State are provided by small businesses, so this piece of legislation, Mr. Chairman, is absolutely essential.

I have a young wounded warrior working in my office who did two tours in Iraq and one in Afghanistan who fully understands what it's like to come back home and go through the process of receiving health care and finding a job here when he returned to his home. Zach is there to help those wounded warriors as they call in to the office, and he can help them because he understands because he has been there, done that.

I would encourage my colleagues to support this commonsense, bipartisan amendment to help those people that we all respect and admire so greatly to find jobs and create businesses in their own communities.

Mr. Chairman, I reserve the balance of my time.

Ms. VELÁZQUEZ. Mr. Chairman, while not opposed to the amendment, I ask unanimous consent to claim the time in opposition.

The CHAIR. Without objection, the gentlewoman from New York is recognized for 5 minutes.

There was no objection.

Ms. VELÁZQUEZ. Mr. Chairman, the legislation that we're debating today is designed to expand the pool of businesses that participate in the SBIR program. That is why this bill provides grants to economic development organizations so that they can educate rural entrepreneurs as well as businesses owned by women, minorities,

and veterans about SBIR. By expanding the set of businesses that compete for grants and contribute creative ideas, we can further spur innovation and encourage the development of new, better products.

The amendment offered by the gentleman from Washington strengthens this part of the bill. By utilizing organizations that have experience with the communities we are trying to reach, it will expand the reach of the SBIR and STTR program, making this bill more effective.

It only makes sense to have the Small Business Administration leverage the knowledge of groups that already work closely with these populations. These organizations are already familiar with the small businesses in their communities and know which entrepreneurs will make strong SBIR candidates.

With this amendment, we will be able to broaden the pool of talent that competes for SBIR grants. That means more ideas, better ideas, and an improved return on investment for the taxpayer.

I, therefore, urge the adoption of this amendment and yield to the cosponsor of the bill, the gentleman from Washington (Mr. SMITH).

(Mr. SMITH of Washington asked and was given permission to revise and extend his remarks.)

Mr. SMITH of Washington. Mr. Chairman, I rise in support of this amendment, and I thank Congressman REICHERT for offering it.

These are two critical programs. And I thank the committee, as well, for their excellent work in reauthorizing these programs, the SBIR and the STTR programs, which are designed to help small businesses with innovative products get access to help from the Small Business Administration to promote those products, and in particular, to emphasize help for veteran-owned businesses, small businesses, minorities, and underrepresented areas.

I applaud Mr. REICHERT for offering this amendment as we reach out to those people and try to make them aware of this program, which has been a significant challenge, as Mr. REICHERT outlined, of people being aware of the opportunities that are there. It makes a great deal of sense to those same veterans, minorities, and underrepresented areas to do that outreach. I think this is a well thought-out amendment that will help enormously in making sure those people get access to these critical programs.

As Mr. REICHERT mentioned, there are a large number of veterans coming back from fighting in Iraq and Afghanistan who are looking for these opportunities. This amendment will help make sure that our veterans get that help that they need to find those opportunities that are there.

And this will also be a huge boon to our economy. There are a lot of great ideas amongst these groups. If we can take those ideas, turn them into busi-

nesses and turn them into jobs, we all benefit from it, while at the same time helping our veterans who so richly deserve our help.

This is an important amendment that will help facilitate access by veteran-owned and other underrepresented businesses to the SBIR and STTR programs that we are discussing today.

As was already explained by my colleague, this amendment ensures that the outreach to underserved areas and underrepresented small businesses called for in this legislation will be conducted by organizations that include those which serve underrepresented States, regions, and businesses owned by women, persons of minority status, or service-disabled veterans.

As my district is home to many veterans who have gone on to start small businesses, and with many who will soon return home from service abroad and look to start businesses of their own, I am proud to offer this amendment with my colleague, Mr. REICHERT. This amendment will help to ensure that there are avenues available to those veterans and other underrepresented small business owners that would benefit from the assistance offered by the SBA.

I ask that my colleagues support this amendment.

Ms. VELÁZQUEZ. Mr. Chairman, I reserve the balance of my time.

Mr. REICHERT. Mr. Chairman, I yield as much time as he may consume to the gentleman from Missouri (Mr. GRAVES).

Mr. GRAVES. Mr. Chairman, I rise today in support of the amendment from the gentleman from Washington.

Representing a State that has a significant rural base, the outreach program in H.R. 2965 should not overlook the creativity of any rural Americans. The amendment from the gentleman from Washington will help ensure that no rural Americans will be overlooked in the SBIR and the STTR programs.

Mr. REICHERT. Mr. Chairman, I would just close by saying that I very much appreciate the support on this amendment from the other side of the aisle, my colleagues, especially the chairwoman and Mr. SMITH for their support, and also for the support of Mr. GRAVES.

Mr. Chairman, I yield back the balance of my time.

Ms. VELÁZQUEZ. Mr. Chairman, we are prepared to accept the amendment.

I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from Washington (Mr. REICHERT), as modified.

The amendment, as modified, was agreed to.

AMENDMENT NO. 5 OFFERED BY MR. PAULSEN

The CHAIR. It is now in order to consider amendment No. 5 printed in House Report 111-192.

Mr. PAULSEN. Mr. Chairman, I have an amendment at the desk.

The CHAIR. The Clerk will designate the amendment.

The text of the amendment is as follows:

Amendment No. 5 offered by Mr. PAULSEN:

Add at the end of the bill the following:

SEC. 415. MEDICAL TECHNOLOGY.

Section 9(g)(3) of the Small Business Act (15 U.S.C. 638(g)(3)), as amended, is further amended in the matter preceding subparagraph (A) by inserting after "broad research topics" the following: "and research topics relating to medical technology".

The CHAIR. Pursuant to House Resolution 610, the gentleman from Minnesota (Mr. PAULSEN) and a Member opposed each will control 5 minutes.

The Chair recognizes the gentleman from Minnesota.

Mr. PAULSEN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, my amendment would add medical technology to the list of commercialization and research topics that deserve special consideration for SBIR funding.

According to a recent census study, 71 percent of medical device companies have less than 10 employees, small businesses. Despite the small size of these companies, they have a tremendous impact on our economy. Each medical technology job has been shown to create an additional two jobs by creating the need for secondary positions such as technicians and repairmen and by purchasing other inputs of production.

Each medical technology payroll dollar generates an additional \$1.12 in payroll to account for the increased number of positions and skills required to fill these jobs, and each dollar of medical technology sales generates an additional 90 cents in sales in that State by providing more citizens with disposable income.

While startup costs are high for many of these new technologies, they do pay dividends down the road once the products get to market. We should help these companies by getting the funds they need into their hands so they can bring new lifesaving technologies to market.

The current challenge right now is that these are high-risk/high-reward investments. This amendment will go a long way to providing these firms with needed capital to continue innovating. In the last 10 years alone, there has been an 80 percent increase in patents for breakthrough medical technologies, and we must help these products get to market.

One such company recently testified before the Small Business Committee on the SBIR program; it was Micro-Transponder. In their testimony at the committee, they outlined how they have used the SBIR funds to develop treatments for chronic pain and other neurological disorders, including traumatic brain injury, posttraumatic stress disorder, motor disorders, autism, and others. Taken together, these conditions affect over 50 million people in the U.S. and represent a cost of over \$100 billion annually.

Mr. Chairman, as Congress moves towards health reform legislation, we should also consider ideas that are cost efficient and cost effective. Not only

does medical technology create jobs and increase life expectancy, it also shows to reduce costs in countless cases.

So as the medical technology industry continues to grow and expand, we need to make sure that patients will see these benefits on an increasingly efficient basis that is more affordable and that are lifesaving technologies. That is why this amendment makes sense to target these resources.

Mr. Chairman, I reserve the balance of my time.

Ms. VELÁZQUEZ. Mr. Chairman, while I am not opposed to the amendment, I ask unanimous consent to claim the time in opposition.

The CHAIR. Without objection, the gentlewoman from New York is recognized for 5 minutes.

There was no objection.

Ms. VELÁZQUEZ. Mr. Chairman, I thank the gentleman from Minnesota for his good amendment.

We all know that one area where SBIR has been most successful is medical research. From heart stents to pacemakers, advances in the medical technology field bring important benefits to the lives of ordinary Americans every day.

In addition to improving our quality of life, the medical technology industry is an important driver in the American economy. In 2006, this industry employed more than 350,000 people and paid \$21.5 billion in salaries. Clearly, this field, which is dominated by smaller firms, plays a vital role in providing jobs and fostering economic growth.

Many of these firms got their start thanks to SBIR funding. The kind of high-risk/high-reward research that medical technology companies engage in makes them strong candidates for SBIR grants, so already there is an important relationship between SBIR and advances in the medical technology field. Mr. PAULSEN's amendment would codify this relationship by putting a direct reference to medical technology in the act.

While a seemingly small change, this amendment will formalize SBIR's support for medical technology research. In that way, the amendment will support future research and may very well lead to the development of the medicines of tomorrow.

I believe this is a good amendment, and I yield to the ranking member, Mr. GRAVES, for any comments that he may have.

Mr. GRAVES. Mr. Chairman, I rise today in support of the amendment from the gentleman from Minnesota.

Medical technology represents a key component of the economy and also an important contributor to the quality of life in this country. The amendment makes a sensible recognition that medical technology should be a special focus of the SBIR and STTR programs.

Ms. VELÁZQUEZ. Mr. Chairman, we are prepared to accept the amendment.

I yield back the balance of my time.

Mr. PAULSEN. Mr. Chairman, I thank the leadership, on a bipartisan

basis, for their support of this amendment.

I would like to yield 2 minutes to an avid guitar player and staunch supporter of maintaining the United States' status as a world leader in medical technology, the gentleman from Tennessee (Mr. ROE).

Mr. ROE of Tennessee. Mr. Chairman, I rise in support of the Paulsen amendment to give special consideration to SBIR funding for medical technology.

The underlying legislation prioritizes projects that are related to energy and infectious diseases, and there is no question that these are deserving areas. But I believe the Paulsen amendment adds an important priority category that is left out, medical technology. The fact is, because of our health care system, we lead the world in medical technology advances. It's a huge competitive edge we hold and one I do not want to lose.

As a physician, I was able to take advantage of this technology over the course of my career, and I can give numerous examples of how care was improved for my patients. Prioritizing SBIR funding for medical technology projects is one step to help us maintain our edge.

While this amendment will take steps toward creating a fertile environment for medical technology advances, it is important not to take two steps back by creating a government-run health care system.

A major problem with care that is managed by Washington bureaucrats instead of patients and doctors is that bureaucrats are focused on cost rather than advancing care, and they inevitably require the use of older, less expensive technology because of its comparative effectiveness.

If the health care system refuses to use new technology until older technology is proven ineffective, we eliminate much, if not all, of the incentive for new medical technology developments and rob future generations of the chance to find cures for cancer, Alzheimer's, Parkinson's, and diabetes, just to name a few.

□ 1400

I urge adoption of the Paulsen amendment, which to me is just common sense, and hope this Congress does all it can to keep the health care system that rewards medical research and development.

Mr. PAULSEN. Mr. Chairman, I yield back the balance of my time.

The CHAIR. The question is on the amendment offered by the gentleman from Minnesota (Mr. PAULSEN).

The amendment was agreed to.

AMENDMENT NO. 3 OFFERED BY MS. KOSMAS

The CHAIR. The unfinished business is the demand for a recorded vote on the amendment offered by the gentlewoman from Florida (Ms. KOSMAS) on which further proceedings were postponed and on which the ayes prevailed by voice vote.

The Clerk will redesignate the amendment.

The Clerk redesignated the amendment.

RECORDED VOTE

The CHAIR. A recorded vote has been demanded.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 427, noes 4, not voting 7, as follows:

[Roll No. 483]

AYES—427

Abercrombie	Connolly (VA)	Higgins
Ackerman	Conyers	Hill
Aderholt	Cooper	Himes
Adler (NJ)	Costa	Hinchee
Akin	Costello	Hinojosa
Alexander	Courtney	Hirono
Altmire	Crenshaw	Hodes
Andrews	Crowley	Hoekstra
Arcuri	Cuellar	Holden
Austria	Culberson	Holt
Baca	Cummings	Honda
Bachmann	Dahlkemper	Hoyer
Bachus	Davis (AL)	Hunter
Baird	Davis (CA)	Inglis
Baldwin	Davis (IL)	Inslee
Barrett (SC)	Davis (KY)	Israel
Barrow	Davis (TN)	Issa
Bartlett	Deal (GA)	Jackson (IL)
Barton (TX)	DeFazio	Jackson-Lee
Bean	DeGette	(TX)
Becerra	Delahunt	Jenkins
Berkley	DeLauro	Johnson (GA)
Berman	Dent	Johnson (IL)
Berry	Diaz-Balart, L.	Johnson, E. B.
Biggert	Diaz-Balart, M.	Johnson, Sam
Bilbray	Dicks	Jones
Bilirakis	Dingell	Jordan (OH)
Bishop (GA)	Doggett	Kagen
Bishop (NY)	Donnelly (IN)	Kanjorski
Bishop (UT)	Doyle	Kaptur
Blackburn	Dreier	Kennedy
Blumenauer	Driehaus	Kildee
Blunt	Duncan	Kilpatrick (MI)
Bocchieri	Edwards (MD)	Kilroy
Boehner	Edwards (TX)	Kind
Bonner	Ehlers	King (NY)
Bono Mack	Ellison	Kingston
Boozman	Emerson	Kirk
Bordallo	Engel	Kirkpatrick (AZ)
Boren	Eshoo	Kissell
Boswell	Etheridge	Klein (FL)
Boucher	Fallin	Kline (MN)
Boustany	Farr	Kosmas
Boyd	Fattah	Kratovil
Brady (PA)	Filner	Kucinich
Brady (TX)	Fleming	Lamborn
Braley (IA)	Forbes	Lance
Bright	Fortenberry	Langevin
Brown (SC)	Foster	Larsen (WA)
Brown, Corrine	Frank (MA)	Larson (CT)
Brown-Waite,	Franks (AZ)	Latham
Ginny	Frelinghuysen	LaTourette
Buchanan	Fudge	Latta
Burgess	Gallely	Lee (CA)
Burton (IN)	Garrett (NJ)	Lee (NY)
Butterfield	Gerlach	Levin
Buyer	Giffords	Lewis (CA)
Calvert	Gingrey (GA)	Lewis (GA)
Camp	Gohmert	Linder
Campbell	Gonzalez	Lipinski
Cantor	Goodlatte	LoBiondo
Cao	Gordon (TN)	Loebsack
Capito	Granger	Lofgren, Zoe
Capps	Graves	Lowe
Capuano	Grayson	Lucas
Carnahan	Green, Al	Luetkemeyer
Carney	Green, Gene	Luján
Carson (IN)	Griffith	Lummis
Carter	Grijalva	Lungren, Daniel
Cassidy	Guthrie	E.
Castle	Gutierrez	Lynch
Chaffetz	Hall (NY)	Maffei
Chandler	Hall (TX)	Maloney
Childers	Halvorson	Manzullo
Christensen	Hare	Marchant
Clarke	Harman	Markey (CO)
Clay	Harper	Markey (MA)
Cleaver	Hastings (FL)	Marshall
Clyburn	Hastings (WA)	Massa
Coble	Heinrich	Matheson
Coffman (CO)	Heller	Matsui
Cohen	Hensarling	McCarthy (CA)
Cole	Herger	McCarthy (NY)
Conaway	Herseth Sandlin	McCaul

McClintock
McCollum
McCotter
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMahon
McMorris
Rogers
McNerney
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (FL)
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Minnick
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Murphy, Tim
Murtha
Myrick
Nadler (NY)
Napolitano
Neal (MA)
Neugebauer
Norton
Nunes
Nye
Oberstar
Obey
Olson
Olver
Ortiz
Pallone
Pascrell
Pastor (AZ)
Paul
Paulsen
Payne
Perlmutter
Perriello
Peters
Peterson
Petri
Pierluisi

Pingree (ME)
Pitts
Platts
Poe (TX)
Polis (CO)
Pomeroy
Posey
Price (NC)
Putnam
Radanovich
Rahall
Rangel
Rehberg
Reichert
Reyes
Richardson
Rodriguez
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher
Rooney
Ros-Lehtinen
Roskam
Ross
Rothman (NJ)
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Ryan (WI)
Sablan
Salazar
Sanchez, Linda
T.
Sanchez, Loretta
Sarbanes
Scalise
Schakowsky
Schauer
Schiff
Schmidt
Schock
Schradler
Schwartz
Scott (GA)
Scott (VA)
Sensenbrenner
Serrano
Sessions
Shadegg
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Sires

Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Space
Speier
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tanner
Taylor
Teague
Terry
Thompson (CA)
Thompson (MS)
Thompson (PA)
Thornberry
Tiahrt
Tiberi
Tierney
Titus
Tonko
Towns
Tsongas
Turner
Upton
Van Hollen
Velázquez
Visclosky
Walden
Walz
Wamp
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Westmoreland
Wexler
Whitfield
Wilson (OH)
Wilson (SC)
Wittman
Wolf
Woolsey
Wu
Yarmuth
Young (AK)
Young (FL)

NOES—4

Flake King (IA)
Foxy Price (GA)

NOT VOTING—7

Broun (GA) Ellsworth Sestak
Cardoza Faleomavaega
Castor (FL) Mack

ANNOUNCEMENT BY THE CHAIR

The CHAIR (during the vote). There are 5 minutes remaining on this vote.

□ 1428

Messrs. FLAKE, KING of Iowa, and PRICE of Georgia changed their vote from “aye” to “no.”

So the amendment was agreed to.

The result of the vote was announced as above recorded.

PERSONAL EXPLANATION

Mr. CARDOZA. Mr. Chair, I was unable to be present for several votes taken on the House floor earlier today as one of my children required immediate medical attention. As a result, I missed rollcall votes 480, 481, 482, and 483.

Had I been present, on rollcall vote 480 I would have voted “aye”; on rollcall vote 481 I would have voted “aye”, on rollcall vote 482 I would have voted “aye”; and on rollcall vote 483 I would have voted “aye.”

The CHAIR. The question is on the committee amendment in the nature of a substitute, as amended.

The committee amendment in the nature of a substitute, as amended, was agreed to.

The CHAIR. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. JACKSON of Illinois) having assumed the chair, Mr. ROSS, Chair of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. H.R. 2965) to amend the Small Business Act with respect to the Small Business Innovation Research Program and the Small Business Technology Transfer Program, and for other purposes, pursuant to House Resolution 610, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. PRICE of Georgia. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 411, noes 15, not voting 6, as follows:

[Roll No. 484]

AYES—411

Abercrombie Brown (SC)
Ackerman Brown, Corrine
Aderholt Brown-Waite,
Adler (NJ) Ginny
Akin Buchanan
Alexander Burgess
Altmire Burton (IN)
Andrews Butterfield
Arcuri Buyer
Austria Calvert
Baca Camp
Bachmann Campbell
Bachus Cantor
Baird Cao
Baldwin Capito
Barrett (SC) Capps
Barrow Capuano
Bartlett Cardoza
Barton (TX) Carnahan
Bean Carney
Becerra Carson (IN)
Berkley Carter
Berman Cassidy
Berry Castle
Biggart Chandler
Bilbray Childers
Bilirakis Clarke
Bishop (GA) Clay
Bishop (NY) Cleaver
Bishop (UT) Clyburn
Blackburn Coble
Blumenauer Coffman (CO)
Blunt Cohen
Bocchieri Cole
Boehner Conaway
Bonner Connolly (VA)
Bono Mack Conyers
Boozman Cooper
Boren Costa
Boswell Costello
Boucher Courtney
Boustany Crenshaw
Boyd
Brady (PA) Cuellar
Brady (TX) Culberson
Braleay (IA) Cummings
Bright Dahlkemper

Brown (SC)
Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis (TN)
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Dreier
Driehaus
Edwards (MD)
Edwards (TX)
Ehlers
Ellison
Emerson
Engel
Eshoo
Etheridge
Fallin
Farr
Fattah
Filner
Fleming
Forbes
Fortenberry
Foster
Frank (MA)
Frelinghuysen
Fudge
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gingrey (GA)
Gohmert
Gonzalez
Goodlatte

Davis (AL)
Davis (CA)
Davis (IL)
Davis (KY)
Davis (TN)
Deal (GA)
DeFazio
DeGette
Delahunt
DeLauro
Dent
Diaz-Balart, L.
Diaz-Balart, M.
Dicks
Dingell
Doggett
Donnelly (IN)
Doyle
Dreier
Driehaus
Edwards (MD)
Edwards (TX)
Ehlers
Ellison
Emerson
Engel
Eshoo
Etheridge
Fallin
Farr
Fattah
Filner
Fleming
Forbes
Fortenberry
Foster
Frank (MA)
Frelinghuysen
Fudge
Gallegly
Garrett (NJ)
Gerlach
Giffords
Gingrey (GA)
Gohmert
Gonzalez
Goodlatte

Gordon (TN)
Granger
Graves
Grayson
Green, Al
Green, Gene
Griffith
Grijalva
Guthrie
Gutierrez
Hall (NY)
Hall (TX)
Halvorson
Hare
Harman
Harper
Hastings (FL)
Hastings (WA)
Heinrich
Heller
Hensarling
Herger
Herseth Sandlin
Higgins
Hill
Himes
Hincheay
Hinojosa
Hirono
Hodes
Hoekstra
Holden
Holt
Honda
Hoyer
Hunter
Inglis
Inslie
Israel
Issa
Jackson (IL)
Jackson-Lee
(TX)
Jenkins
Johnson (GA)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones
Jordan (OH)
Kagen
Kanjorski
Kaptur
Kennedy
Kildee
Kilpatrick (MI)
Kilroy
Kind
King (IA)
King (NY)
Kingston
Kirk
Kirkpatrick (AZ)
Kissell
Klein (FL)
Kline (MN)
Kosmas
Kratovil
Kucinich
Lamborn
Lance
Langevin
Larsen (WA)
Larson (CT)
Latham
LaTourette
Latta
Lee (CA)
Lee (NY)
Levin
Lewis (CA)
Lewis (GA)
Linder
Lipinski
LoBiondo
Loeback
Lofgren, Zoe
Lowey
Lucas
Luetkemeyer
Lujan
Lummis

Lungren, Daniel
E.
Lynch
Mack
Maffei
Maloney
Markey (CO)
Markey (MA)
Marshall
Massa
Matheson
Matsui
McCarthy (CA)
McCarthy (NY)
McCaul
McCollum
McCotter
McDermott
McGovern
McHenry
McHugh
McIntyre
McKeon
McMahon
McMorris
Rogers
McNerney
Meek (FL)
Meeks (NY)
Melancon
Mica
Michaud
Miller (MI)
Miller (NC)
Miller, Gary
Miller, George
Minnick
Mitchell
Mollohan
Moore (KS)
Moore (WI)
Moran (KS)
Moran (VA)
Murphy (CT)
Murphy (NY)
Murphy, Patrick
Murphy, Tim
Murtha
Myrick
Nadler (NY)
Napolitano
Neal (MA)
Neugebauer
Norton
Nunes
Nye
Oberstar
Obey
Olson
Olver
Ortiz
Pallone
Pascrell
Pastor (AZ)
Paulsen
Payne
Pence
Perlmutter
Perriello
Peters
Peterson
Pingree (ME)
Pitts
Platts
Polis (CO)
Pomeroy
Posey
Price (GA)
Price (NC)
Putnam
Quigley
Radanovich
Rahall
Rangel
Rehberg
Reichert
Reyes
Richardson
Rodriguez
Roe (TN)
Rogers (AL)
Rogers (KY)
Rogers (MI)
Rohrabacher

Rooney
Ros-Lehtinen
Roskam
Ross
Rothman (NJ)
Roybal-Allard
Royce
Ruppersberger
Rush
Ryan (OH)
Salazar
Sanchez, Linda
T.
Sanchez, Loretta
Sarbanes
Scalise
Schakowsky
Schauer
Schiff
Schmidt
Schock
Schradler
Schwartz
Scott (GA)
Scott (VA)
Serrano
Sessions
Shea-Porter
Sherman
Shimkus
Shuler
Shuster
Simpson
Sires
Skelton
Slaughter
Smith (NE)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Souder
Space
Speier
Spratt
Stark
Stearns
Stupak
Sullivan
Sutton
Tanner
Taylor
Teague
Terry
Thompson (CA)
Thompson (MS)
Thompson (PA)
Thornberry
Tiahrt
Tiberi
Tierney
Titus
Tonko
Towns
Tsongas
Turner
Upton
Van Hollen
Velázquez
Visclosky
Walden
Walz
Wamp
Wasserman
Schultz
Waters
Watson
Watt
Waxman
Weiner
Welch
Westmoreland
Wexler
Whitfield
Wilson (OH)
Wilson (SC)
Wittman
Wolf
Woolsey
Wu
Yarmuth
Young (AK)
Young (FL)

NOES—15

Chaffetz
Duncan
Flake
Foxy
Franks (AZ)
Manzullo

Marchant	Paul	Ryan (WI)
McClintock	Petri	Sensenbrenner
Miller (FL)	Poe (TX)	Shadegg

NOT VOTING—6

Broun (GA)	Ellsworth	Sestak
Castor (FL)	Murtha	Waxman

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining on this vote.

□ 1446

Mr. MOLLOHAN changed his vote from “no” to “aye.”

So the amendment was agreed to.

The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

MOTION TO RECOMMIT

Mr. SIMPSON. Mr. Speaker, I have a motion to recommit at the desk.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. SIMPSON. In its current form.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Simpson moves to recommit the bill. H.R. 2965, to the Committee on Small Business with instructions to report the same back to the House forthwith with the following instructions:

At the end of the bill, insert the following new section:

SEC. . . SENSE OF CONGRESS ON REGULAR ORDER ON APPROPRIATIONS BILLS.

Whereas it is the sense of the House that the statements regarding the appropriations process stated October 6, 2000, by the gentleman from Wisconsin, Mr. Obey, should be followed, when he stated:

“We have gotten so far from the regular order that I fear that if this continues, the House will not have the capacity to return to the precedents and procedures of the House that have given true meaning to the term ‘representative democracy.’ The reason that we have gotten so far from the regular order as we have in this institution is to protect the rights of every Member to participate. And when we lose those rights, we lose the right to be called the greatest deliberative body left in the world.”

Ms. VELÁZQUEZ. Mr. Speaker, I reserve a point of order.

The SPEAKER pro tempore. A point of order is reserved.

The gentleman from Idaho is recognized for 5 minutes.

Mr. SIMPSON. Mr. Speaker, we offer this motion to recommit because I think everyone in this body realizes that we have gone far astray from regular order, and we know the damage that does to this Institution. We have done it in the name of expediency, as if we have to be done by some specific date on some arbitrary schedule that has been scratched out on some piece of paper.

We all know that we have work to do. We weren’t here Monday. We could have worked. We could have done appropriation bills. But instead, what we

have done is cut Members out not being able to offer amendments on the floor, not only minority Members but majority Members too.

We all know that we have gotten far away from regular order and that we need to return to regular order where Members have the right and the ability to represent their constituents that elected them here. That means offering amendments to appropriation bills. Our history has been that appropriation bills come to the floor under an open rule so that Members have the right to offer amendments.

Is it frustrating? Yes. Does it take a lot of time? Yes. Are there some amendments that we wish wouldn’t be offered? Sure. But that is our job. Our job is to come here and debate issues, not expediency, trying to get them done at a specific time. By doing that, what we do is cut off Members’ ability to offer amendments and represent their constituencies.

I believe that Mr. OBEY was absolutely correct on October 6, 2000, when he said, We have gotten so far from regular order that I fear that if this continues, the House will not have the capacity to return to the precedents and procedures of the House that have given true meaning to the term “representative democracy.” The reason we have gotten so far from regular order as we have in this Institution is to protect the rights of every Member to participate, minority Members and majority Members. And when we lose those rights, we lose the right to call this the greatest deliberative body left in the world.

He is absolutely right, and we need to adopt this as a sense of Congress that we need to return to regular order so that Members can represent their constituents and they can offer amendments. It will take long, yes, but people will have the opportunity to represent their constituents. And everyone here on both sides of the aisle knows in their heart this is what we need to do if we are going to be called a “representative democracy” instead of trying to get it done because we have an August recess coming up.

I am willing to stay and work. I am willing to stay on the weekends and work if that is necessary to get our work done. And you should be, too. That is what we are getting paid for, not to cut Members off.

So I would urge you to adopt this motion to recommit so that we can return to regular order and so that Members have the right and the ability to represent their constituents on this floor.

I fear, as I said the other day, I truly fear that you know not the damage that you do to this Institution with the rules that are closing off debate on the appropriations process. We need to return to regular order and open debate and let Members offer their amendments and represent their constituents in the manner for which they were elected.

POINT OF ORDER

Ms. VELÁZQUEZ. Mr. Speaker, I insist on my point of order.

Putting aside the gentleman’s comments, let me just say that we spent almost 2 hours, 3 hours here debating the SBIR/STTR, and what we heard is people talking about the economic downturn and how can we grow this economy. This bill deals with title IX of the Small Business Act. As such, Mr. Speaker, under clause 7 of the House rule, the amendment is not in order and is not germane to the underlying bill.

The SPEAKER pro tempore. Does any other Member wish to be heard on the point of order? If not, the Chair is prepared to rule.

The motion proposes an amendment expressing a sense of Congress on a wholly unrelated topic. That amendment is not germane. The point of order is sustained. The motion is not in order.

Mr. SIMPSON. Mr. Speaker, I appeal the ruling of the Chair.

The SPEAKER pro tempore. The question is, Shall the decision of the Chair stand as the judgment of the House?

MOTION TO TABLE

Ms. VELÁZQUEZ. Mr. Speaker, I move to table the appeal.

The SPEAKER pro tempore. The question is on the motion to table.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Ms. VELÁZQUEZ. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. Pursuant to clause 8 and clause 9 of rule XX, this 15-minute vote on the motion to table, if not followed by proceedings in recommital, will be followed by 5-minute votes on passage; and approval of the Journal.

The vote was taken by electronic device, and there were—ayes 246, noes 181, not voting 5, as follows:

[Roll No. 485]

AYES—246

Abercrombie	Butterfield	Davis (IL)
Ackerman	Capps	Davis (TN)
Adler (NJ)	Capuano	DeFazio
Altmire	Cardoza	DeGette
Andrews	Carnahan	Delahunt
Arcuri	Carney	DeLauro
Baca	Carson (IN)	Dingell
Baird	Castor (FL)	Doggett
Baldwin	Chandler	Donnelly (IN)
Barrow	Childers	Doyle
Bean	Clarke	Driehaus
Becerra	Clay	Edwards (MD)
Berkley	Cleaver	Edwards (TX)
Berman	Clyburn	Ellison
Berry	Cohen	Ellsworth
Bishop (GA)	Connolly (VA)	Engel
Bishop (NY)	Conyers	Eshoo
Blumenauer	Cooper	Etheridge
Bocchieri	Costa	Farr
Boren	Costello	Fattah
Boswell	Courtney	Filner
Boucher	Crowley	Foster
Boyd	Cuellar	Frank (MA)
Brady (PA)	Cummings	Fudge
Braley (IA)	Dahlkemper	Giffords
Brown, Corrine	Davis (AL)	Gonzalez
Buchanan	Davis (CA)	Gordon (TN)

Grayson	Markey (CO)	Rush	Moran (KS)	Rogers (AL)	Souder	Ellsworth	Lewis (CA)	Reyes
Green, Al	Markey (MA)	Ryan (OH)	Murphy, Tim	Rogers (KY)	Stearns	Emerson	Lewis (GA)	Richardson
Green, Gene	Marshall	Salazar	Myrick	Rogers (MI)	Sullivan	Engel	Lipinski	Rodriguez
Grijalva	Massa	Sánchez, Linda	Neugebauer	Rohrabacher	Terry	Eshoo	LoBiondo	Roe (TN)
Gutierrez	Matheson	T.	Nye	Rooney	Thompson (PA)	Etheridge	Loeb sack	Rogers (AL)
Hall (NY)	Matsui	Sanchez, Loretta	Olson	Ros-Lehtinen	Thornberry	Fallin	Lofgren, Zoe	Rogers (KY)
Halvorson	McCarthy (NY)	Sarbanes	Paul	Roskam	Tiaht	Farr	Lowe y	Rogers (MI)
Hare	McColum	Schakowsky	Paulsen	Royce	Tiberi	Fattah	Lucas	Rooney
Hastings (FL)	McDermott	Schauer	Pence	Ryan (WI)	Turner	Filner	Luetkemeyer	Ros-Lehtinen
Heinrich	McGovern	Schiff	Petri	Scalise	Upton	Fleming	Lujan	Roskam
Herseth Sandlin	McIntyre	Schrader	Pitts	Schmidt	Walden	Forbes	Lummis	Ross
Higgins	McMahon	Schwartz	Platts	Schock	Wamp	Fortenberry	Lungren, Daniel	Rothman (NJ)
Hill	McNerney	Scott (GA)	Poe (TX)	Sensenbrenner	Westmoreland	Foster	E.	Roybal-Allard
Himes	Meek (FL)	Scott (VA)	Posey	Sessions	Whitfield	Frank (MA)	Lynch	Ruppersberger
Hinche y	Meeks (NY)	Serrano	Price (GA)	Shadegg	Wilson (SC)	Frelinghuysen	Mack	Rush
Hinojosa	Michaud	Shea-Porter	Putnam	Shimkus	Wittman	Galle g y	Maffei	Ryan (OH)
Hirono	Miller (NC)	Sherman	Radanovich	Shuster	Wolf	Garrett (NJ)	Maloney	Ryan (WI)
Hodes	Miller, George	Shuler	Rehberg	Simpson	Young (AK)	Gerlach	Markey (CO)	Salazar
Holden	Mitchell	Sires	Reichert	Smith (NE)	Young (FL)	Giffords	Marshall	Sánchez, Linda
Holt	Mollohan	Skelton	Roe (TN)	Smith (NJ)		Gingrey (GA)	Massa	T.
Honda	Moore (KS)	Slaughter		Smith (TX)		Gohmert	Matheson	Sanchez, Loretta
Hoyer	Moore (WI)	Smith (WA)				Gonzalez	Matsui	Sarbanes
Inslee	Moran (VA)	Snyder				Goodlatte	McCarthy (CA)	Scalise
Israel	Murphy (CT)	Space				Gordon (TN)	McCarthy (NY)	Schakowsky
Jackson (IL)	Murphy (NY)	Speier				Granger	McCaul	Schiff
Jackson-Lee	Murphy, Patrick	Spratt				Graves	McColum	Schmidt
(TX)	Murtha	Stark				Grayson	McCotter	Schock
Johnson (GA)	Nadler (NY)	Stupak				Green, Al	McDermott	Schrader
Johnson (IL)	Napolitano	Sutton				Green, Gene	McGovern	Schwartz
Johnson, E. B.	Neal (MA)	Tanner				Griffith	McHenry	Scott (GA)
Kagen	Oberstar	Taylor				Grijalva	McHugh	Scott (VA)
Kanjorski	Obey	Teague				Guthrie	McIntyre	Serrano
Kaptur	Oliver	Thompson (CA)				Gutierrez	McKeon	Shea-Porter
Kennedy	Ortiz	Thompson (MS)				Hall (NY)	McMahon	Sherman
Kildee	Pallone	Tierney				Hall (TX)	McMorris	Shimkus
Kilpatrick (MI)	Pascrell	Titus				Halvorson	Rodgers	Shuler
Kilroy	Pastor (AZ)	Tonko				Hare	McNerney	Shuster
Kind	Payne	Towns				Harper	Meek (FL)	Simpson
Kirkpatrick (AZ)	Perlmutter	Tsongas				Hastings (FL)	Meeks (NY)	Sires
Kissell	Perriello	Van Hollen				Hastings (WA)	Melancon	Skelton
Klein (FL)	Peters	Velázquez				Heinrich	Mica	Slaughter
Kucinich	Peterson	Viscosky				Heller	Michaud	Smith (NE)
Langevin	Pingree (ME)	Walz				Herger	Miller (FL)	Smith (NJ)
Larsen (WA)	Polis (CO)	Wasserman				Higgins	Miller (MI)	Smith (TX)
Larson (CT)	Pomeroy	Schultz				Hill	Miller (NC)	Smith (WA)
Lee (CA)	Price (NC)	Waters				Himes	Miller, George	Snyder
Levin	Quigley	Watson				Hinche y	Minnick	Souder
Lewis (GA)	Rahall	Watt				Hinojosa	Mitchell	Space
Lipinski	Rangel	Waxman				Hirono	Mollohan	Speier
Loeb sack	Reyes	Weiner				Holden	Moore (KS)	Spratt
Lofgren, Zoe	Richardson	Welch				Holt	Moore (WI)	Stark
Lowe y	Rodriguez	Wexler				Honda	Moran (KS)	Stearns
Lujan	Ross	Wilson (OH)				Hoyer	Moran (VA)	Stupak
Lynch	Rothman (NJ)	Woolsey				Hunter	Murphy (NY)	Sullivan
Maffei	Roybal-Allard	Wu				Inglis	Murphy, Patrick	Sutton
Maloney	Ruppersberger	Yarmuth				Inslee	Murphy, Tim	Tanner
						Israel	Murtha	Terry
						Jackson (IL)	Myrick	Thompson (CA)
						Jackson-Lee	Nadler (NY)	Thompson (MS)
						(TX)	Napolitano	Thompson (PA)
						Jenkins	Neal (MA)	Tiaht
						Johnson (GA)	Neugebauer	Tiberi
						Johnson (IL)	Nunes	Tierney
						Johnson, E. B.	Nye	Titus
						Johnson, Sam	Oberstar	Tonko
						Jones	Obey	Towns
						Kagen	Oliver	Turner
						Kanjorski	Ortiz	Upton
						Kaptur	Pallone	Van Hollen
						Kennedy	Pascrell	Velázquez
						Kildée	Pastor (AZ)	Viscosky
						Kilpatrick (MI)	Paulsen	Walden
						Kilroy	Payne	Walz
						Kind	Pence	Wamp
						King (IA)	Perlmutter	Wasserman
						King (NY)	Perriello	Schultz
						Kirk	Peters	Waters
						Kirkpatrick (AZ)	Peterson	Watt
						Kissell	Pingree (ME)	Waxman
						Klein (FL)	Pitts	Weiner
						Kline (MN)	Platts	Westmoreland
						Kosmas	Polis (CO)	Wexler
						Kratovil	Pomeroy	Whitfield
						Lamborn	Price (GA)	Wilson (OH)
						Lance	Price (NC)	Wilson (SC)
						Langevin	Putnam	Wittman
						Larsen (WA)	Quigley	Wolf
						Larson (CT)	Radanovich	Woolsey
						Latham	Rahall	Wu
						LaTourette	Rangel	Yarmuth
						Latta	Rehberg	Young (AK)
						Lee (CA)	Reichert	Young (FL)
						Levin		

NOT VOTING—5

Broun (GA) Harman
Dicks Melancon Sestak

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Members have 2 minutes remaining in this vote.

□ 1512

Mr. GRIFFITH changed his vote from “aye” to “no.”

So the motion to table was agreed to. The result of the vote was announced as above recorded.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Ms. VELÁZQUEZ. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 386, noes 41, not voting 5, as follows:

[Roll No. 486]

AYES—386

	NOES—181							
Aderholt	Conaway	Johnson, Sam						
Akin	Crenshaw	Jones						
Alexander	Culberson	Jordan (OH)						
Austria	Deval (KY)	King (IA)	Abercrombie	Boswell	Coble			
Bachmann	Deal (GA)	King (NY)	Ackerman	Boucher	Coffman (CO)			
Bachus	Dent	Kingston	Ackerholt	Boustany	Cohen			
Barrett (SC)	Diaz-Balart, L.	Kirk	Adler (NJ)	Boyd	Cole			
Bartlett	Diaz-Balart, M.	Kline (MN)	Akin	Brady (PA)	Conaway			
Barton (TX)	Dreier	Kosmas	Alexander	Brady (TX)	Connolly (VA)			
Biggert	Duncan	Kratovil	Altmire	Braley (IA)	Cooper			
Bilbray	Ehlers	Lamborn	Andrews	Bright	Costa			
Bilirakis	Emerson	Lance	Arcuri	Brown (SC)	Costello			
Bishop (UT)	Fallin	Latham	Austria	Brown, Corrine	Crenshaw			
Blackburn	Flake	LaTourette	Baca	Brown-Waite,	Crowley			
Blunt	Fleming	Latta	Bachmann	Ginny	Cuellar			
Boehner	Forbes	Lee (NY)	Bachus	Buchanan	Culberson			
Bonner	Fortenberry	Lewis (CA)	Baird	Burgess	Cummings			
Bono Mack	Fox	Linder	Baldwin	Burton (IN)	Dahlkemper			
Boozman	Franks (AZ)	LoBiondo	Barrett (SC)	Butterfield	Davis (AL)			
Boustany	Frelinghuysen	Lucas	Barrow	Buyer	Davis (CA)			
Brady (TX)	Galle g y	Luetkemeyer	Bartlett	Calvert	Davis (IL)			
Bright	Garrett (NJ)	Lummis	Barton (TX)	Camp	Davis (KY)			
Brown (SC)	Gerlach	Lungren, Daniel	Bean	Cantor	Davis (TN)			
Brown-Waite,	Gingrey (GA)	E.	Becerra	Cao	Deal (GA)			
Ginny	Gohmert	Mack	Berkley	Capito	DeFazio			
Burgess	Goodlatte	Manzullo	Berman	Capps	DeGette			
Burton (IN)	Granger	Marchant	Berry	Capuano	Delahunt			
Buyer	Graves	McCarthy (CA)	Biggert	Cardoza	DeLauro			
Calvert	Griffith	McCaul	Bilbray	Carnahan	Dent			
Camp	Guthrie	McClintock	Bilirakis	Carney	Diaz-Balart, L.			
Campbell	Hall (TX)	McCotter	Bishop (GA)	Carson (IN)	Diaz-Balart, M.			
Cantor	Harper	McHenry	Bishop (NY)	Carter	Dicks			
Cao	Hastings (WA)	McHugh	Bishop (UT)	Cassidy	Dingell			
Capito	Heller	McKeon	Blumenauer	Castle	Doggett			
Carter	Hensarling	McMorris	Blunt	Castor (FL)	Donnelly (IN)			
Cassidy	Herger	Rodgers	Bocchieri	Chandler	Doyle			
Castle	Hoekstra	Mica	Childers	Childers	Dreier			
Chaffetz	Hunter	Miller (FL)	Bonner	Clarke	Driedhaus	Blackburn	Duncan	Franks (AZ)
Coble	Inglis	Miller (MI)	Bono Mack	Clay	Edwards (MD)	Campbell	Ellison	Fudge
Coffman (CO)	Issa	Miller, Gary	Boozman	Cleaver	Edwards (TX)	Chaffetz	Flake	Hensarling
Cole	Jenkins	Minnick	Boren	Clyburn	Ehlers	Courtney	Fox	Herseth Sandlin

NOES—41

Hodes	Markey (MA)	Schauer	Baird	Hastings (FL)	Oberstar	Fleming	Luetkemeyer	Rogers (KY)
Hoekstra	McClintock	Sensenbrenner	Baldwin	Heinrich	Obey	Forbes	Lummis	Rogers (MI)
Issa	Miller, Gary	Sessions	Barrow	Heller	Olver	Fox	Lungren, Daniel	Rohrabacher
Jordan (OH)	Murphy (CT)	Shadegg	Bean	Herseth Sandlin	Ortiz	Franks (AZ)	E.	Rooney
Kingston	Paul	Taylor	Becerra	Higgins	Pallone	Frelinghuysen	Mack	Roskam
Kucinich	Petri	Teague	Berkley	Himes	Pascrell	Gallely	Manzullo	Royce
Lee (NY)	Poe (TX)	Thornberry	Berman	Hinchey	Pastor (AZ)	Garrett (NJ)	Marchant	Ryan (WI)
Linder	Posey	Tsongas	Berry	Hinojosa	Paulsen	Gerlach	Markey (CO)	Scalise
Manzullo	Rohrabacher	Welch	Bishop (GA)	Hirono	Payne	Giffords	Markey (MA)	Schmidt
Marchant	Royce		Bishop (NY)	Hodes	Perlmutter	Gingrey (GA)	McCarthy (CA)	Schock
			Blumenauer	Hoekstra	Perriello	Goodlatte	McCotter	Sensenbrenner
			Bocieri	Holden	Peters	Granger	McHenry	Sessions
			Boucher	Holt	Pingree (ME)	Graves	McHugh	Shadegg
			Boyd	Honda	Pitts	Griffith	McKeon	Shimkus
			Brady (PA)	Hoyer	Polis (CO)	Guthrie	McMorris	Shuler
			Braley (IA)	Inslee	Pomeroy	Hall (TX)	Rodgers	Shuster
			Brown, Corrine	Israel	Posey	Halvorson	Mica	Simpson
			Buchanan	Jackson (IL)	Price (NC)	Harper	Miller (FL)	Smith (NE)
			Butterfield	Jackson-Lee	Quigley	Hastings (WA)	Miller (MI)	Smith (NJ)
			Buyer	(TX)	Rahall	Hensarling	Miller, Gary	Smith (TX)
			Capito	Johnson (GA)	Rangel	Herger	Minnick	Souder
			Capps	Johnson (IL)	Reyes	Hill	Moore (KS)	Space
			Capuano	Johnson, E. B.	Richardson	Hunter	Moran (KS)	Stearns
			Cardoza	Kagen	Rodriguez	Inglis	Murphy (NY)	Stupak
			Carnahan	Kanjorski	Ross	Issa	Murphy, Tim	Sullivan
			Carson (IN)	Kaptur	Rothman (NJ)	Jenkins	Myrick	Taylor
			Castor (FL)	Kennedy	Roybal-Allard	Johnson, Sam	Neugebauer	Terry
			Chaffetz	Kildee	Ruppersberger	Jones	Nunes	Thompson (CA)
			Chandler	Kilpatrick (MI)	Rush	Jordan (OH)	Nye	Thompson (PA)
			Clarke	Kilroy	Ryan (OH)	King (IA)	Olson	Thornberry
			Clay	Kind	Salazar	King (NY)	Paul	Tiahrt
			Cleaver	Kissell	Sánchez, Linda	Kingston	Pence	Tiberi
			Clyburn	Klein (FL)	T.	Kirk	Peterson	Turner
			Cohen	Kosmas	Sanchez, Loretta	Kirkpatrick (AZ)	Petri	Upton
			Cooper	Kucinich	Sarbanes	Kline (MN)	Platts	Walden
			Costa	Lance	Schakowsky	Kratovil	Poe (TX)	Wamp
			Costello	Langevin	Schauer	Lamborn	Price (GA)	Westmoreland
			Courtney	Larsen (WA)	Schiff	LaTourette	Putnam	Wilson (SC)
			Crowley	Larson (CT)	Schrader	Latta	Radanovich	Wittman
			Cuellar	Latham	Schwartz	Lee (NY)	Rehberg	Wolf
			Cummings	Lee (CA)	Scott (GA)	Lewis (CA)	Reichert	Young (AK)
			Dahlkemper	Levin	Scott (VA)	Linder	Roe (TN)	Young (FL)
			Davis (AL)	Lewis (GA)	Serrano	LoBiondo	Rogers (AL)	
			Davis (CA)	Lipinski	Shea-Porter	Lucas		
			Davis (TN)	Loebsack	Sherman			
			DeFazio	Lofgren, Zoe	Sires			
			DeGette	Lowey	Skelton			
			Delahunt	Luján	Slaughter			
			DeLauro	Lynch	Smith (WA)			
			Dent	Maffei	Snyder			
			Dicks	Maloney	Speier			
			Dingell	Marshall	Spratt			
			Doggett	Massa	Stark			
			Doyle	Matheson	Sutton			
			Dreier	Matsui	Tanner			
			Driehaus	McCarthy (NY)	Teague			
			Edwards (MD)	McCaul	Thompson (MS)			
			Edwards (TX)	McClintock	Tierney			
			Ehlers	McCollum	Titus			
			Ellison	McDermott	Tonko			
			Engel	McGovern	Towns			
			Eshoo	McIntyre	Tsongas			
			Farr	McNerney	Van Hollen			
			Fattah	Meek (FL)	Velázquez			
			Filner	Meeks (NY)	Visclosky			
			Fortenberry	Melancon	Walz			
			Foster	Michaud	Wasserman			
			Frank (MA)	Miller (NC)	Schultz			
			Fudge	Miller, George	Waters			
			Gonzalez	Mollohan	Watt			
			Gordon (TN)	Moore (WI)	Waxman			
			Grayson	Moran (VA)	Weiner			
			Green, Al	Murphy (CT)	Welch			
			Green, Gene	Murphy, Patrick	Wexler			
			Grijalva	Murtha	Whitfield			
			Gutierrez	Nadler (NY)	Wilson (OH)			
			Hall (NY)	Napolitano	Woolsey			
			Hare	Neal (MA)	Yarmuth			

NOT VOTING—5

Broun (GA)	Harman	Watson
Conyers	Sestak	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). Two minutes remain in this vote.

□ 1522

Mr. MURPHY of Connecticut and Mrs. BLACKBURN changed their vote from “aye” to “no.”

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

MOMENT OF SILENCE IN REMEMBRANCE OF MEMBERS OF ARMED FORCES AND THEIR FAMILIES

The SPEAKER. The Chair would ask all present to rise for the purpose of a moment of silence.

The Chair asks that the House now observe a moment of silence in remembrance of our brave men and women in uniform who have given their lives in the service of our Nation in Iraq and in Afghanistan and their families, and all who serve in our Armed Forces and their families.

ANNOUNCEMENT BY THE SPEAKER

The SPEAKER. Without objection, 5-minute voting will continue.

There was no objection.

THE JOURNAL

The SPEAKER pro tempore (Mr. ALTMIRE). Pursuant to clause 8 of rule XX, the unfinished business is the question on agreeing to the Speaker’s approval of the Journal, which the Chair will put de novo.

The question is on the Speaker’s approval of the Journal.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

RECORDED VOTE

Mr. LAMBORN. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The SPEAKER pro tempore. This will be a 5-minute vote.

The vote was taken by electronic device, and there were—ayes 237, noes 184, answered “present” 1, not voting 10, as follows:

[Roll No. 487]

AYES—237

Abercrombie	Aderholt	Andrews
Ackerman	Altmire	Baca

NOES—184

Adler (NJ)	Boozman	Childers
Akin	Boren	Coble
Alexander	Boswell	Coffman (CO)
Arcuri	Boustany	Cole
Austria	Brady (TX)	Conaway
Bachmann	Brown (SC)	Connolly (VA)
Bachus	Brown-Waite,	Crenshaw
Barrett (SC)	Ginny	Culberson
Bartlett	Burgess	Davis (IL)
Barton (TX)	Burton (IN)	Davis (KY)
Biggart	Calvert	Deal (GA)
Bilbray	Camp	Diaz-Balart, L.
Bilirakis	Campbell	Diaz-Balart, M.
Bishop (UT)	Cantor	Donnelly (IN)
Blackburn	Cao	Duncan
Blunt	Carney	Ellsworth
Boehner	Carter	Etheridge
Bonner	Cassidy	Fallin
Bono Mack	Castle	Flake

ANSWERED “PRESENT”—1

Gohmert

NOT VOTING—10

Bright	Harman	Watson
Broun (GA)	McMahon	Wu
Conyers	Ros-Lehtinen	
Emerson	Sestak	

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore (during the vote). There are 2 minutes remaining in the vote.

□ 1531

So the Journal was approved.

The result of the vote was announced as above recorded.

MOTION TO ADJOURN

Mr. WESTMORELAND. Mr. Speaker, I move that the House do now adjourn. The SPEAKER pro tempore. The question is on the motion to adjourn.

The question was taken; and the Speaker pro tempore announced that the noes appeared to have it.

RECORDED VOTE

Mr. WESTMORELAND. Mr. Speaker, I demand a recorded vote.

A recorded vote was ordered.

The vote was taken by electronic device, and there were—ayes 36, noes 364, not voting 32, as follows:

[Roll No. 488]

AYES—36

Bartlett	Connolly (VA)	Issa
Barton (TX)	Flake	Johnson (IL)
Bishop (UT)	Fox	Johnson, Sam
Blackburn	Garrett (NJ)	King (IA)
Boehner	Gohmert	Lewis (CA)
Campbell	Halvorson	Luetkemeyer
Chaffetz	Hensarling	Mack
Coffman (CO)	Inglis	Marchant