

Whereas the global market for hemp is estimated to consist of more than 25,000 products;

Whereas the value of hemp imported into the United States for use in the production of other retail products is estimated at approximately \$76,000,000 annually;

Whereas the United States hemp industry estimates that the annual market value of hemp retail sales in the United States is more than \$570,000,000;

Whereas despite the legitimate uses of hemp, many agricultural producers of the United States are prohibited under current law from growing hemp;

Whereas because most hemp cannot be grown legally in the United States, raw hemp material and hemp products are imported for sale in the United States;

Whereas the United States is the largest consumer of hemp products in the world, but the United States is the only major industrialized country that restricts hemp farming; and

Whereas industrial hemp holds great potential to bolster the agricultural economy of the United States: Now, therefore, be it

Resolved, That the Senate—

(1) designates the week of June 6 through June 12, 2016, as “Hemp History Week”;

(2) recognizes the historical relevance of industrial hemp; and

(3) recognizes the growing economic potential of industrial hemp.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4670. Mr. NELSON (for himself and Mr. GARDNER) submitted an amendment intended to be proposed to amendment SA 4607 submitted by Mr. MCCAIN to the bill S. 2943, to authorize appropriations for fiscal year 2017 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table.

SA 4671. Mr. NELSON (for himself and Mr. GARDNER) submitted an amendment intended to be proposed by him to the bill S. 2943, supra; which was ordered to lie on the table.

SA 4672. Mrs. SHAHEEN (for herself and Mr. VITTER) submitted an amendment intended to be proposed to amendment SA 4253 submitted by Mrs. SHAHEEN (for herself and Mr. VITTER) and intended to be proposed to the bill S. 2943, supra; which was ordered to lie on the table.

SA 4673. Mr. TOOMEY submitted an amendment intended to be proposed to amendment SA 4609 submitted by Mr. ALEXANDER and intended to be proposed to the bill S. 2943, supra; which was ordered to lie on the table.

SA 4674. Mr. TOOMEY submitted an amendment intended to be proposed to amendment SA 4608 submitted by Mr. ALEXANDER (for himself and Mrs. MURRAY) and intended to be proposed to the bill S. 2943, supra; which was ordered to lie on the table.

SA 4675. Mr. BENNETT submitted an amendment intended to be proposed by him to the bill S. 2943, supra; which was ordered to lie on the table.

SA 4676. Mr. VITTER (for himself and Mrs. SHAHEEN) submitted an amendment intended to be proposed to amendment SA 4253 submitted by Mrs. SHAHEEN (for herself and Mr. VITTER) and intended to be proposed to the bill S. 2943, supra; which was ordered to lie on the table.

SA 4677. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 2943, supra; which was ordered to lie on the table.

SA 4678. Mr. REID (for himself and Mr. HELLER) submitted an amendment intended to be proposed by him to the bill S. 2943, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 4670. Mr. NELSON (for himself and Mr. GARDNER) submitted an amendment intended to be proposed to amendment SA 4607 submitted by Mr. MCCAIN to the bill S. 2943, to authorize appropriations for fiscal year 2017 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

On page 1, between lines 3 and 4, insert the following:

SEC. 829B. COMPETITIVE PROCUREMENT AND PHASE OUT OF ROCKET ENGINES FROM THE RUSSIAN FEDERATION IN THE EVOLVED EXPENDABLE LAUNCH VEHICLE PROGRAM FOR SPACE LAUNCH OF NATIONAL SECURITY SATELLITES.

(a) INEFFECTIVENESS OF SUPERSEDED REQUIREMENTS.—Sections 1036 and 1037 shall have no force or effect, and the amendments proposed to be made by section 1037 shall not be made.

(b) IN GENERAL.—Any competition for a contract for the provision of launch services for the evolved expendable launch vehicle program shall be open for award to all certified providers of evolved expendable launch vehicle-class systems.

(c) AWARD OF CONTRACTS.—In awarding a contract under subsection (b), the Secretary of Defense—

(1) subject to paragraph (2) and subsection (d), and notwithstanding any other provision of law, may, during the period beginning on the date of the enactment of this Act and ending on December 31, 2022, award the contract to a provider of launch services that intends to use any certified launch vehicle in its inventory without regard to the country of origin of the rocket engine that will be used on that launch vehicle; and

(2) may only award contracts utilizing an engine designed or manufactured in the Russian Federation for phase 1(a) and phase 2 evolved expendable launch vehicle procurements.

(d) LIMITATION.—The total number of rocket engines designed or manufactured in the Russian Federation and used on launch vehicles for the evolved expendable launch vehicle program shall not exceed 18.

SA 4671. Mr. NELSON (for himself and Mr. GARDNER) submitted an amendment intended to be proposed by him to the bill S. 2943, to authorize appropriations for fiscal year 2017 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

Strike sections 1036 and 1037 and insert the following:

SEC. 1036. COMPETITIVE PROCUREMENT AND PHASE OUT OF ROCKET ENGINES FROM THE RUSSIAN FEDERATION IN THE EVOLVED EXPENDABLE LAUNCH VEHICLE PROGRAM FOR SPACE LAUNCH OF NATIONAL SECURITY SATELLITES.

(a) IN GENERAL.—Any competition for a contract for the provision of launch services

for the evolved expendable launch vehicle program shall be open for award to all certified providers of evolved expendable launch vehicle-class systems.

(b) AWARD OF CONTRACTS.—In awarding a contract under subsection (a), the Secretary of Defense—

(1) subject to paragraph (2) and subsection (c), and notwithstanding any other provision of law, may, during the period beginning on the date of the enactment of this Act and ending on December 31, 2022, award the contract to a provider of launch services that intends to use any certified launch vehicle in its inventory without regard to the country of origin of the rocket engine that will be used on that launch vehicle; and

(2) may only award contracts utilizing an engine designed or manufactured in the Russian Federation for phase 1(a) and phase 2 evolved expendable launch vehicle procurements.

(c) LIMITATION.—The total number of rocket engines designed or manufactured in the Russian Federation and used on launch vehicles for the evolved expendable launch vehicle program shall not exceed 18.

SA 4672. Mrs. SHAHEEN (for herself and Mr. VITTER) submitted an amendment intended to be proposed to amendment SA 4253 submitted by Mrs. SHAHEEN (for herself and Mr. VITTER) and intended to be proposed to the bill S. 2943, to authorize appropriations for fiscal year 2017 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

In lieu of the matter proposed to be inserted, insert the following:

DIVISION F—SBIR AND STTR REAUTHORIZATION AND IMPROVEMENTS

SEC. 6001. SHORT TITLE.

This division may be cited as the “SBIR and STTR Reauthorization and Improvement Act of 2016”.

TITLE LXI—REAUTHORIZATION OF PROGRAMS

SEC. 6101. PERMANENCY OF SBIR PROGRAM AND STTR PROGRAM.

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

(1) in the subsection heading, by striking “TERMINATION” and inserting “SBIR PROGRAM AUTHORIZATION”; and

(2) by striking “terminate on September 30, 2017” and inserting “be in effect for each fiscal year”.

(b) STTR.—Section 9(n)(1)(A) of the Small Business Act (15 U.S.C. 638(n)(1)(A)) is amended by striking “through fiscal year 2017”.

TITLE LXII—ENHANCED SMALL BUSINESS ACCESS TO FEDERAL INNOVATION INVESTMENTS

SEC. 6201. ALLOCATION INCREASES AND TRANSPARENCY IN BASE CALCULATION.

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

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by striking “expend” and inserting “obligate for expenditure”; and

(B) in subparagraph (H), by striking “and” at the end;

(C) in subparagraph (I), by striking “in fiscal year 2017 and each fiscal year thereafter,” and inserting “in each of fiscal years 2017 through 2021”; and

(D) by inserting after subparagraph (I) the following:

“(J) for a Federal agency other than the Department of Defense, the National Science Foundation, or the Department of Health and Human Services—

“(i) not less than 3.4 percent of the extramural budget for research or research and development of the Federal agency in fiscal year 2022;

“(ii) not less than 3.6 percent of such extramural budget in fiscal year 2023;

“(iii) not less than 3.8 percent of such extramural budget in fiscal year 2024;

“(iv) not less than 4 percent of such extramural budget in fiscal year 2025;

“(v) not less than 4.2 percent of such extramural budget in fiscal year 2026;

“(vi) not less than 4.4 percent of such extramural budget in fiscal year 2027; and

“(vii) not less than 4.54 percent of such extramural budget in fiscal year 2028 and each fiscal year thereafter;

“(K) for the Department of Defense—

“(i) not less than 2.6 percent of the budget for research, development, test, and evaluation of the Department of Defense in fiscal year 2022;

“(ii) not less than 2.7 percent of such budget in fiscal year 2023;

“(iii) not less than 2.8 percent of such budget in fiscal year 2024;

“(iv) not less than 2.9 percent of such budget in fiscal year 2025;

“(v) not less than 3 percent of such budget in fiscal year 2026;

“(vi) not less than 3.1 percent of such budget in fiscal year 2027;

“(vii) not less than 3.2 percent of such budget in fiscal year 2028;

“(viii) not less than 3.3 percent of such budget in fiscal year 2029;

“(ix) not less than 3.4 percent of such budget in fiscal year 2030; and

“(x) not less than 3.5 percent of such budget in fiscal year 2031 and each fiscal year thereafter; and

“(L) for the National Science Foundation and the Department of Health and Human Services, for fiscal year 2022 and each fiscal year thereafter, the lesser of—

“(i) the percentage of the extramural budget for research or research and development of the National Science Foundation or the Department of Health and Human Services, respectively, equal to the sum of—

“(I) the percentage in effect under this paragraph for the National Science Foundation or the Department of Health and Human Services, respectively, for the previous fiscal year; and

“(II)(aa) 0.04 percent; or

“(bb) if the extramural budget for research or research and development of the National Science Foundation or the Department of Health and Human Services, respectively, for the fiscal year is not less than 103 percent of such extramural budget for the previous fiscal year, 0.2 percent; or

“(ii) 4.5 percent of the extramural budget for research or research and development of the National Science Foundation or the Department of Health and Human Services, respectively.”;

(2) in paragraph (2)(B), by inserting “(or for the Department of Defense, an amount of the budget for basic research of the Department of Defense)” after “research”; and

(3) in paragraph (4), by inserting “(or for the Department of Defense an amount of the budget for research, development, test, and evaluation of the Department of Defense)” after “of the agency”.

(b) STTR.—Section 9(n)(1) of the Small Business Act (15 U.S.C. 638(n)(1)) is amended—

(1) in subparagraph (A)—

(A) by striking “expend” and inserting “obligate for expenditure”; and

(B) by striking “not less than the percentage of that extramural budget specified in subparagraph (B)” and inserting “for a Federal agency other than the Department of Defense, the National Science Foundation, or the Department of Health and Human Services, not less than the percentage of that extramural budget specified in subparagraph (B), for the Department of Defense, not less than the percentage of the budget for research, development, test, and evaluation of the Department of Defense specified in subparagraph (B), and for the National Science Foundation and the Department of Health and Human Services, not less than the percentage of that extramural budget specified in subparagraph (C)”;

(2) in subparagraph (B)—

(A) in the subparagraph heading, by inserting “OTHER THAN FOR NSF AND HHS” after “AMOUNTS”;

(B) in the matter preceding clause (i), by striking “the extramural budget required to be expended by an agency” and inserting “the extramural budget, for a Federal agency other than the Department of Defense, the National Science Foundation, or the Department of Health and Human Services, and of the budget for research, development, test, and evaluation, for the Department of Defense, required to be obligated for expenditure with small business concerns”;

(C) in clause (iv), by striking “and” at the end;

(D) in clause (v), by striking “fiscal year 2016 and each fiscal year thereafter.” and inserting “each of fiscal years 2016 through 2021.”; and

(E) by adding at the end the following:

“(vi) 0.5 percent for fiscal year 2022;

“(vii) 0.55 percent for fiscal year 2023;

“(viii) 0.6 percent for fiscal year 2024;

“(ix) 0.65 percent for fiscal year 2025;

“(x) 0.7 percent for fiscal year 2026;

“(xi) 0.75 percent for fiscal year 2027;

“(xii) 0.8 percent for fiscal year 2028;

“(xiii) 0.85 percent for fiscal year 2029;

“(xiv) 0.9 percent for fiscal year 2030; and

“(xv) 0.95 percent for fiscal year 2031 and each fiscal year thereafter.”; and

(3) by adding at the end the following:

“(C) EXPENDITURE AMOUNTS FOR NSF AND HHS.—The percentage of the extramural budget required to be expended by the National Science Foundation and the Department of Health and Human Services in accordance with subparagraph (A) shall be—

“(i) for each of fiscal years 2016 through 2021, 0.45 percent; and

“(ii) for fiscal year 2022 and each fiscal year thereafter, the lesser of—

“(I) the percentage of the extramural budget for research or research and development of the National Science Foundation or the Department of Health and Human Services, respectively, equal to the sum of—

“(aa) the percentage in effect under this paragraph for the National Science Foundation or the Department of Health and Human Services, respectively, for the previous fiscal year; and

“(bb)(AA) 0 percent; or

“(BB) if the extramural budget for research or research and development of the National Science Foundation or the Department of Health and Human Services, respectively, for the fiscal year is not less than 103 percent of such extramural budget for the previous fiscal year, 0.05 percent; or

“(II) 0.95 percent of the extramural budget for research or research and development of the National Science Foundation or the Department of Health and Human Services, respectively.”.

SEC. 6202. REGULAR OVERSIGHT OF AWARD AMOUNTS.

(a) ELIMINATION OF AUTOMATIC INFLATION ADJUSTMENTS.—Section 9(j) of the Small Business Act (15 U.S.C. 638(j)) is amended—

(1) in paragraph (2)(D), by inserting “through fiscal year 2016” after “every year”; and

(2) by adding at the end the following:

“(4) 2016 MODIFICATIONS FOR DOLLAR VALUE OF AWARDS.—Not later than 120 days after the date of enactment of the SBIR and STTR Reauthorization and Improvement Act of 2016, the Administrator shall modify the policy directives issued under this subsection to—

“(A) eliminate the annual adjustments for inflation of the dollar value of awards described in paragraph (2)(D); and

“(B) clarify that Congress intends to review the dollar value of awards every 3 fiscal years.”.

(b) SENSE OF CONGRESS REGARDING REGULAR REVIEW OF THE AWARD SIZES.—It is the sense of Congress that for fiscal year 2019, and every third fiscal year thereafter, Congress should evaluate whether the maximum award sizes under the Small Business Innovation Research Program and the Small Business Technology Transfer Program under section 9 of the Small Business Act (15 U.S.C. 638) should be adjusted and, if so, take appropriate action to direct that such adjustments be made under the policy directives issued under subsection (j) of such section.

(c) CLARIFICATION OF SEQUENTIAL PHASE II AWARDS.—Section 9(ff) of the Small Business Act (15 U.S.C. 638(ff)) is amended by adding at the end the following:

“(3) CLARIFICATION OF SEQUENTIAL PHASE II AWARDS.—The head of a Federal agency shall ensure that any sequential Phase II award is made in accordance with the limitations on award sizes under subsection (aa).

“(4) CROSS-AGENCY SEQUENTIAL PHASE II AWARDS.—A small business concern that receives a sequential Phase II SBIR or Phase II STTR award for a project from a Federal agency is eligible to receive an additional sequential Phase II award that continues work on that project from another Federal agency.”.

TITLE LXIII—COMMERCIALIZATION IMPROVEMENTS

SEC. 6301. PERSISTENCY OF THE COMMERCIALIZATION PILOT PROGRAM FOR CIVILIAN AGENCIES.

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

(1) in the subsection heading, by striking “PILOT PROGRAM” and inserting “COMMERCIALIZATION DEVELOPMENT AWARDS”;

(2) by striking paragraphs (2), (7), and (8);

(3) by redesignating paragraphs (3), (4), (5), and (6) as paragraphs (2), (3), (4), and (5), respectively;

(4) by adding at the end the following:

“(6) DEFINITIONS.—In this subsection—

“(A) the term ‘commercialization development program’ means a program established by a covered Federal agency under paragraph (1); and

“(B) the term ‘covered Federal agency’—

“(i) means a Federal agency participating in the SBIR program or the STTR program; and

“(ii) does not include the Department of Defense.”; and

(5) by striking “pilot program” each place it appears and inserting “commercialization development program”.

SEC. 6302. ENFORCEMENT OF NATIONAL SMALL BUSINESS GOAL FOR FEDERAL RESEARCH AND DEVELOPMENT.

Section 9(h) of the Small Business Act (15 U.S.C. 638(h)) is amended to read as follows:

“(h) NATIONAL SMALL BUSINESS GOAL FOR FEDERAL RESEARCH AND DEVELOPMENT.—

“(1) IN GENERAL.—The Administrator, in consultation with Federal agencies, shall establish a Governmentwide goal for each fiscal year, which shall be not less than 10 percent, for the percentage of the amounts made available for research or research and development that shall be obligated for funding agreements—

“(A) with small business concerns; or

“(B) that will facilitate the development of research and development small business concerns.

“(2) AGENCY GOALS.—

“(A) IN GENERAL.—The head of each Federal agency which has a budget for research or research and development in excess of \$20,000,000, in consultation with the Administrator, shall establish a goal for the Federal agency for each fiscal year that is appropriate to the mission of the Federal agency for the percentage of such budget that shall be obligated for funding agreements—

“(i) with small business concerns; or

“(ii) that will facilitate the development of research and development small business concerns.

“(B) LIMITATION.—The head of a Federal agency may not establish a percentage goal under subparagraph (A) for a fiscal year that is less than the percentage goal that was established under subparagraph (A) for the Federal agency for the previous fiscal year.”.

SEC. 6303. TRACKING RAPID INNOVATION FUND AWARDS IN ANNUAL CONGRESSIONAL REPORT.

Section 9(b)(7) of the Small Business Act (15 U.S.C. 638(b)(7)) is amended—

(1) in subparagraph (F), by striking “and” at the end;

(2) in subparagraph (G), by adding “and” at the end; and

(3) by adding at the end the following:

“(H) information regarding awards under the Rapid Innovation Program under section 1073 of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 (Public Law 111-383; 124 Stat. 4366; 10 U.S.C. 2359 note), including—

“(i) the number and dollar amount of awards made under the Rapid Innovation Program to business concerns receiving an award under the SBIR program or the STTR program;

“(ii) the proportion of awards under the Rapid Innovation Program made to business concerns receiving an award under the SBIR program or the STTR program;

“(iii) the proportion of awards under the Rapid Innovation Program made to small business concerns; and

“(iv) a projection of the effect on the number of awards under the Rapid Innovation Program if amounts to carry out the program were made available as a fixed allocation of the amount appropriated to the Department of Defense for research, development, test, and evaluation, excluding amounts appropriated for the defense universities.”.

SEC. 6304. PROTECTING INNOVATIVE TECHNOLOGIES.

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

“(tt) PROTECTING INNOVATIVE TECHNOLOGIES.—

“(1) COST-REIMBURSEMENT CONTRACTS.—

“(A) IN GENERAL.—Subject to subparagraph (B)(ii), the cost of seeking protection for intellectual property, including a trademark, copyright, or patent, that was created through work performed under an STTR award that uses a cost-reimbursement contract or an SBIR award that uses a cost-reimbursement contract is allowable as an indirect cost under that award.

“(B) CLARIFICATION OF PATENT COSTS.—

“(1) IN GENERAL.—A Federal agency shall not directly or indirectly inhibit, through the policies, directives, or practices of the Federal agency, an otherwise eligible small business concern performing under an award described in subparagraph (A) from recovering patent costs incurred as requirements under that award, including—

“(I) the costs of preparing—

“(aa) invention disclosures;

“(bb) reports; and

“(cc) other documents;

“(II) the costs for searching the art to the extent necessary to make the invention disclosures;

“(III) other costs in connection with the filing and prosecution of a United States patent application where title or royalty-free license is to be conveyed to the Federal Government; and

“(IV) general counseling services relating to patent matters, including advice on patent laws, regulations, clauses, and employee agreements.

“(ii) RECOVERY LIMITATIONS.—The patent costs described in clause (i) shall be allowable for technology developed under a—

“(I) Phase I award, as indirect costs in an amount not greater than \$5,000;

“(II) Phase II award, as indirect costs in an amount not greater than \$15,000; and

“(III) Phase III award in which the Federal Government has government purpose rights (as defined in section 227.7103-5 of title 48, Code of Federal Regulations).

“(2) FIRM FIXED-PRICE CONTRACTS.—An otherwise eligible small business concern performing under an STTR award that uses a firm fixed-price contract or an SBIR award that uses a firm fixed-price contract may recover fair and reasonable costs arising from seeking protection for intellectual property, including a trademark, copyright, or patent, that was created through work performed under that award.”.

SEC. 6305. ANNUAL GAO AUDIT OF COMPLIANCE WITH COMMERCIALIZATION GOALS.

Section 9(nn) of the Small Business Act (15 U.S.C. 638(nn)) is amended to read as follows:

“(nn) ANNUAL GAO REPORT ON GOVERNMENT COMPLIANCE WITH GOALS, INCENTIVES, AND PHASE III PREFERENCE.—Not later than 1 year after the date of enactment of the SBIR and STTR Reauthorization and Improvement Act of 2016, and every year thereafter until the date that is 5 years after the date of enactment of the SBIR and STTR Reauthorization and Improvement Act of 2016, the Comptroller General of the United States shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report that—

“(1) discusses the status of the compliance of Federal agencies with the requirements or authorities established under—

“(A) subsection (h), relating to the establishment by certain Federal agencies of a goal for funding agreements for research and research and development with small business concerns;

“(B) subsection (y)(5)(A), relating to the requirement for the Department of Defense to establish goals for the transition of Phase III technologies in subcontracting plans;

“(C) subsection (y)(5)(B), relating to the requirement for the Department of Defense to establish procedures for a prime contractor to report the number and dollar amount of contracts with small business concerns for Phase III SBIR projects or STTR projects of the prime contractor; and

“(D) subsection (y)(6), relating to the requirement for the Department of Defense to set a goal to increase the number of Phase II SBIR and STTR contracts that transition into programs of record or fielded systems;

“(2) includes, for a Federal agency that is in compliance with a requirement described under paragraph (1), a description of how the Federal agency achieved compliance; and

“(3) includes a list, organized by Federal agency, of small business concerns that have asserted that—

“(A) the Government or prime contractor—

“(i) did not protect the intellectual property of the small business concern in accordance with data rights under the SBIR or STTR award; or

“(ii) issued a Phase III SBIR or STTR award conditional on relinquishing data rights;

“(B) the Federal agency solicited bids for a contract, or provided funding to an entity other than the small business concern receiving the SBIR or STTR award, that was for work that derived from, extended, or completed efforts made under prior funding agreements under the SBIR program or STTR program;

“(C) the Government or prime contractor did not comply with the SBIR and STTR policy directives and the small business concern filed a comment or complaint to the Office of the National Ombudsman or appealed to the Administrator for intervention; or

“(D) the Federal agency did not comply with subsection (g)(12) or (o)(16) requiring timely notice to the Administrator of any case or controversy before any Federal judicial or administrative tribunal concerning the SBIR program or the STTR program of the Federal agency.”.

SEC. 6306. CLARIFYING THE PHASE III PREFERENCE.

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

(1) by striking paragraph (4);

(2) by redesignating paragraph (2) as paragraph (4), and transferring such paragraph to after paragraph (3); and

(3) by inserting after paragraph (1) the following:

“(2) PHASE III AWARD DIRECTION FOR AGENCIES AND PRIME CONTRACTORS.—To the greatest extent practicable, Federal agencies and Federal prime contractors shall issue Phase III awards relating to technology, including sole source awards and awards under the Defense Research and Development Rapid Innovation Program under section 1073 of the Ike Skelton National Defense Authorization Act for Fiscal Year 2011 (Public Law 111-383; 124 Stat. 4366; 10 U.S.C. 2359 note), to the SBIR and STTR award recipients that developed the technology.”.

SEC. 6307. IMPROVEMENTS TO TECHNICAL AND BUSINESS ASSISTANCE.

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

(1) in the subsection heading, by inserting “AND BUSINESS” after “TECHNICAL”;

(2) in paragraph (1)—

(A) in the matter preceding subparagraph (A)—

(i) by striking “a vendor selected under paragraph (2)” and inserting “1 or more vendors selected under paragraph (2)(A)”;

(ii) by inserting “and business” before “assistance services”; and

(iii) by inserting “assistance with product sales, intellectual property protections, market research, market validation, and development of regulatory plans and manufacturing plans,” after “technologies.”; and

(B) in subparagraph (D), by inserting “, including intellectual property protections” before the period at the end;

(3) in paragraph (2)—

(A) by striking “Each agency may select a vendor to assist small business concerns to meet” and inserting the following:

“(A) IN GENERAL.—Each agency may select 1 or more vendors from which small business concerns may obtain assistance in meeting”; and

(B) by adding at the end the following:

“(B) SELECTION BY SMALL BUSINESS CONCERN.—A small business concern may, by contract or otherwise, select 1 or more vendors to assist the small business concern in meeting the goals listed in paragraph (1).”; and

(4) in paragraph (3)—

(A) by inserting “(A)” after “paragraph (2)” each place it appears;

(B) in subparagraph (A), by striking “\$5,000 per year” each place it appears and inserting “\$6,500 per project”;

(C) in subparagraph (B)—

(i) by striking “\$5,000 per year” each place it appears and inserting “\$35,000 per project”; and

(ii) in clause (ii), by striking “which shall be in addition to the amount of the recipient’s award” and inserting “which may, as determined appropriate by the head of the Federal agency, be included as part of the recipient’s award or be in addition to the amount of the recipient’s award”;

(D) in subparagraph (C)—

(i) by inserting “or business” after “technical”;

(ii) by striking “the vendor” and inserting “a vendor”; and

(iii) by adding at the end the following: “Business-related services aimed at improving the commercialization success of a small business concern may be obtained from an entity, such as a public or private organization or an agency of or other entity established or funded by a State that facilitates or accelerates the commercialization of technologies or assists in the creation and growth of private enterprises that are commercializing technology.”;

(E) in subparagraph (D)—

(i) by inserting “or business” after “technical” each place it appears; and

(ii) in clause (i)—

(I) by striking “the vendor” and inserting “1 or more vendors”; and

(II) by striking “provides” and inserting “provide”; and

(F) by adding at the end the following:

“(E) MULTIPLE AWARD RECIPIENTS.—The Administrator shall establish a limit on the amount of technical and business assistance services that may be received or purchased under subparagraph (B) by small business concerns with respect to multiple Phase II SBIR or STTR awards for a fiscal year.”.

SEC. 6308. EXTENSION OF PHASE 0 PROOF OF CONCEPT PARTNERSHIP PILOT.

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

(1) in paragraph (6) by striking “The Director” and inserting “Not later than February 1, 2019, the Director”; and

(2) in paragraph (7), by striking “2017” and inserting “2019”.

TITLE LXIV—PROGRAM DIVERSIFICATION INITIATIVES

SEC. 6401. REGIONAL SBIR STATE COLLABORATIVE INITIATIVE PILOT PROGRAM.

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

(1) in subsection (mm)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking “2017” and inserting “2021”;

(ii) in subparagraph (I), by striking “and” at the end;

(iii) in subparagraph (J), by striking the period and inserting “; and”; and

(iv) by adding at the end the following:

“(K) funding for improvements that increase commonality across data systems, re-

duce redundancy, and improve data oversight and accuracy.”; and

(B) by adding at the end the following:

“(7) SBIR AND STTR PROGRAMS; FAST PROGRAM.—

“(A) DEFINITION.—In this paragraph, the term ‘covered Federal agency’ means a Federal agency that—

“(i) is required to conduct an SBIR program; and

“(ii) elects to use the funds allocated to the SBIR program of the Federal agency for the purposes described in paragraph (1).

“(B) REQUIREMENT.—Each covered Federal agency shall transfer an amount equal to 15 percent of the funds that are used for the purposes described in paragraph (1) to the Administration—

“(i) for the Regional SBIR State Collaborative Initiative Pilot Program established under subsection (uu);

“(ii) for the Federal and State Technology Partnership Program established under section 34; and

“(iii) to support the Office of the Administration that administers the SBIR program and the STTR program, subject to agreement from other agencies about how the funds will be used, in carrying out those programs and the programs described in clauses (i) and (ii).

“(8) PILOT PROGRAM.—

“(A) IN GENERAL.—Of amounts provided to the Administration under paragraph (7), not less than \$5,000,000 shall be used to provide awards under the Regional SBIR State Collaborative Initiative Pilot Program established under subsection (uu) for each fiscal year in which the program is in effect.

“(B) DISBURSEMENT FLEXIBILITY.—The Administration may use any unused funds made available under subparagraph (A) as of April 1 of each fiscal year for awards to carry out clauses (ii) and (iii) of paragraph (7)(B) after providing written notice to—

“(i) the Committee on Small Business and Entrepreneurship and the Committee on Appropriations of the Senate; and

“(ii) the Committee on Small Business and the Committee on Appropriations of the House of Representatives.”; and

(2) by adding after subsection (tt), as added by section 6304 of this Act, the following:

“(uu) REGIONAL SBIR STATE COLLABORATIVE INITIATIVE PILOT PROGRAM.—

“(1) DEFINITIONS.—In this subsection—

“(A) the term ‘eligible entity’ means—

“(i) a research institution; and

“(ii) a small business concern;

“(B) the term ‘eligible State’ means—

“(i) a State that the Administrator determines is in the bottom half of States, based on the average number of annual SBIR program awards made to companies in the State for the preceding 3 years for which the Administration has applicable data; and

“(ii) an EPSCoR State that—

“(I) is a State described in clause (i); or

“(II) is—

“(aa) not a State described in clause (i); and

“(bb) invited to participate in a regional collaborative;

“(C) the term ‘EPSCoR State’ means a State that participates in the Experimental Program to Stimulate Competitive Research of the National Science Foundation, as established under section 113 of the National Science Foundation Authorization Act of 1988 (42 U.S.C. 1862g);

“(D) the term ‘FAST program’ means the Federal and State Technology Partnership Program established under section 34;

“(E) the term ‘pilot program’ means the Regional SBIR State Collaborative Initiative Pilot Program established under paragraph (2);

“(F) the term ‘regional collaborative’ means a collaborative consisting of eligible entities that are located in not less than 3 eligible States; and

“(G) the term ‘State’ means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

“(2) ESTABLISHMENT.—The Administrator shall establish a pilot program, to be known as the Regional SBIR State Collaborative Initiative Pilot Program, under which the Administrator shall provide awards to regional collaboratives to address the needs of small business concerns in order to be more competitive in the proposal and selection process for awards under the SBIR program and the STTR program and to increase technology transfer and commercialization.

“(3) GOALS.—The goals of the pilot program are—

“(A) to create regional collaboratives that allow eligible entities to work cooperatively to leverage resources to address the needs of small business concerns;

“(B) to grow SBIR program and STTR program cooperative research and development and commercialization through increased awards under those programs;

“(C) to increase the participation of States that have historically received a lower level of awards under the SBIR program and the STTR program;

“(D) to utilize the strengths and advantages of regional collaboratives to better leverage resources, best practices, and economies of scale in a region for the purpose of increasing awards and increasing the commercialization of the SBIR program and STTR projects;

“(E) to increase the competitiveness of the SBIR program and the STTR program;

“(F) to identify sources of outside funding for applicants for an award under the SBIR program or the STTR program, including venture capitalists, angel investor groups, private industry, crowd funding, and special loan programs; and

“(G) to offer increased one-on-one engagements with companies and entrepreneurs for SBIR program and STTR program education, assistance, and successful outcomes.

“(4) APPLICATION.—

“(A) IN GENERAL.—A regional collaborative that desires to participate in the pilot program shall submit to the Administrator an application at such time, in such manner, and containing such information as the Administrator may require.

“(B) INCLUSION OF LEAD ELIGIBLE ENTITIES AND COORDINATOR.—A regional collaborative shall include in an application submitted under subparagraph (A)—

“(i) the name of each lead eligible entity from each eligible State in the regional collaborative, as designated under paragraph (5)(A); and

“(ii) the name of the coordinator for the regional collaborative, as designated under paragraph (6).

“(C) AVOIDANCE OF DUPLICATION.—A regional collaborative shall include in an application submitted under subparagraph (A) an explanation as to how the activities of the regional collaborative under the pilot program would differ from other State and Federal outreach activities in each eligible State in the regional collaborative.

“(5) LEAD ELIGIBLE ENTITY.—

“(A) IN GENERAL.—Each eligible State in a regional collaborative shall designate 1 eligible entity located in the eligible State to serve as the lead eligible entity for the eligible State.

“(B) AUTHORIZATION BY GOVERNOR.—Each lead eligible entity designated under subparagraph (A) shall be authorized to act as

the lead eligible entity by the Governor of the applicable eligible State.

“(C) RESPONSIBILITIES.—Each lead eligible entity designated under subparagraph (A) shall be responsible for administering the activities and program initiatives described in paragraph (7) in the applicable eligible State.

“(6) REGIONAL COLLABORATIVE COORDINATOR.—Each regional collaborative shall designate a coordinator from amongst the eligible entities located in the eligible States in the regional collaborative, who shall serve as the interface between the regional collaborative and the Administration with respect to measuring cross-State collaboration and program effectiveness and documenting best practices.

“(7) USE OF FUNDS.—Each regional collaborative that is provided an award under the pilot program may, in each eligible State in which an eligible entity of the regional collaborative is located—

“(A) establish an initiative under which first-time applicants for an award under the SBIR program or the STTR program are reviewed by experienced, national experts in the United States, as determined by the lead eligible entity designated under paragraph (5)(A);

“(B) engage national mentors on a frequent basis to work directly with applicants for an award under the SBIR program or the STTR program, particularly during Phase II, to assist with the process of preparing and submitting a proposal;

“(C) create and make available an online mechanism to serve as a resource for applicants for an award under the SBIR program or the STTR program to identify and connect with Federal labs, prime government contractor companies, other industry partners, and regional industry cluster organizations;

“(D) conduct focused and concentrated outreach efforts to increase participation in the SBIR program and the STTR program by small business concerns owned and controlled by women, small business concerns owned and controlled by veterans, small business concerns owned and controlled by socially and economically disadvantaged individuals (as defined in section 8(d)(3)(C)), and historically black colleges and universities;

“(E) administer a structured program of training and technical assistance—

“(i) to prepare applicants for an award under the SBIR program or the STTR program—

“(I) to compete more effectively for Phase I and Phase II awards; and

“(II) to develop and implement a successful commercialization plan;

“(ii) to assist eligible States focusing on transition and commercialization to win Phase III awards from public and private partners;

“(iii) to create more competitive proposals to increase awards from all Federal sources, with a focus on awards under the SBIR program and the STTR program; and

“(iv) to assist first-time applicants by providing small grants for proof of concept research; and

“(F) assist applicants for an award under the SBIR program or the STTR program to identify sources of outside funding, including venture capitalists, angel investor groups, private industry, crowd funding, and special loan programs.

“(8) AWARD AMOUNT.—

“(A) IN GENERAL.—The Administrator shall provide an award to each eligible State in which an eligible entity of a regional collaborative is located in an amount that is not more than \$300,000 to carry out the activities described in paragraph (7).

“(B) LIMITATION.—

“(i) IN GENERAL.—An eligible State may not receive an award under both the FAST program and the pilot program for the same year.

“(ii) RULE OF CONSTRUCTION.—Nothing in clause (i) shall be construed to prevent an eligible State from applying for an award under the FAST program and the pilot program for the same year.

“(9) DURATION OF AWARD.—An award provided under the pilot program shall be for a period of not more than 1 year, and may be renewed by the Administrator for 1 additional year.

“(10) TERMINATION.—The pilot program shall terminate on September 30, 2021.

“(11) REPORT.—Not later than February 1, 2021, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the pilot program, which shall include—

“(A) an assessment of the pilot program and the effectiveness of the pilot program in meeting the goals described in paragraph (3);

“(B) an assessment of the best practices, including an analysis of how the pilot program compares to the FAST program and a single-State approach; and

“(C) recommendations as to whether any aspect of the pilot program should be extended or made permanent.”.

SEC. 6402. FEDERAL AND STATE TECHNOLOGY PARTNERSHIP PROGRAM.

Section 34 of the Small Business Act (15 U.S.C. 657d) is amended—

(1) in subsection (h)—

(A) in paragraph (1), by striking “2001 through 2005” and inserting “2017 through 2021”; and

(B) in paragraph (2), by striking “fiscal years 2001 through 2005” and inserting “each of fiscal years 2017 through 2021”; and

(2) in subsection (i), by striking “September 30, 2005” and inserting “September 30, 2021”.

TITLE LXV—OVERSIGHT AND SIMPLIFICATION INITIATIVES

SEC. 6501. DATA REALIGNMENT AND MODERNIZATION.

Section 9 of the Small Business Act (15 U.S.C. 638) is amended by adding after subsection (uu), as added by section 6401 of this Act, the following:

“(vv) SBIR AND STTR INTERAGENCY POLICY COMMITTEE.—

“(1) DEFINITIONS.—In this subsection—

“(A) the term ‘Committee’ means the SBIR and STTR Interagency Policy Committee established under paragraph (2);

“(B) the term ‘participating Federal agency’ means a Federal agency with an SBIR program or an STTR program; and

“(C) the term ‘phase’ means Phase I, Phase II, and Phase III.

“(2) ESTABLISHMENT.—There is established an interagency committee to be known as the ‘SBIR and STTR Interagency Policy Committee’.

“(3) MEMBERSHIP.—The Committee shall include—

“(A) 4 representatives from each participating Federal agency, of which—

“(i) 1 shall have expertise with respect to the SBIR program and STTR program of the Federal agency;

“(ii) 1 shall have expertise with respect to the broader research and development missions and programs of the Federal agency;

“(iii) 1 shall have expertise with respect to marketplace commercialization or to the transition of technologies to support the missions of the Federal agency; and

“(iv) 1 shall have expertise with respect to the information technology systems of the Federal agency; and

“(B) 2 representatives from the Administration, of which—

“(i) 1 shall serve as chairperson of the Committee; and

“(ii) 1 shall be from the Information Technology Development Team of the Office of Investment and Innovation of the Administration.

“(4) WORKING GROUPS.—

“(A) IN GENERAL.—The Committee shall establish working groups as necessary to ensure consistency and clarity between the participating Federal agencies.

“(B) DATA REALIGNMENT AND MODERNIZATION WORKING GROUP.—

“(i) IN GENERAL.—The Committee shall establish a data alignment and modernization working group, which shall review the recommendations made in the report to Congress by the Office of Science and Technology of the Administration entitled ‘SBIR/STTR TechNet Public & Government Databases’, dated September 15, 2014, and the practices of participating Federal agencies to—

“(I) determine how to collect data on achievements by small business concerns in each phase of the SBIR program and the STTR program and ensure collection and dissemination of such data in a timely, efficient, and uniform manner;

“(II) establish a uniform baseline for metrics that support improving the solicitation, contracting, funding, and execution of program management in the SBIR program and the STTR program;

“(III) normalize formatting and database usage across participating Federal agencies; and

“(IV) determine the feasibility of developing a common system across all participating Federal agencies and the paperwork requirements under such a common system.

“(ii) MEMBERSHIP.—Each member of the Committee shall serve as a member of the data alignment and modernization working group.

“(5) IMPLEMENTATION.—Not later than September 31, 2018, the Committee shall brief the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives on the solutions identified by the working group under paragraph (4) and resources needed to execute the solutions.”.

SEC. 6502. IMPLEMENTATION OF OUTSTANDING REAUTHORIZATION PROVISIONS.

(a) IN GENERAL.—Section 9(mm) of the Small Business Act (15 U.S.C. 638(mm)), as amended by section 6401(1) of this Act, is amended—

(1) in paragraph (1), by striking “paragraph (3)” and inserting “paragraphs (3) and (9)”; and

(2) by adding at the end the following:

“(9) SUSPENSION OF FUNDING.—

“(A) FOR FEDERAL AGENCIES.—

“(i) IN GENERAL.—For fiscal years 2018 and 2019, any Federal agency that has not implemented each provision of law described in clause (ii)—

“(I) shall continue to provide amounts to the Administration in accordance with paragraph (7)(B); and

“(II) may not use any additional amounts as described in paragraph (1) until 30 days after the date on which the Federal agency submits to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives documentation demonstrating that the Federal agency has implemented and is in compliance with each provision of law described in clause (ii).

“(ii) PROVISIONS.—The provisions of law described in this subparagraph are the following:

“(I) Subsection (r)(4), relating to Phase III preferences.

“(II) Paragraphs (5) and (6) of subsection (y), relating to insertion goals.

“(III) Subsection (g)(4)(B), relating to shortening the decision time for SBIR awards.

“(IV) Subsection (o)(4)(B), relating to shortening the decision time for STTR awards.

“(V) Subsection (v), relating to reducing paperwork and compliance burdens.

“(B) FOR ADMINISTRATION.—For fiscal years 2018 and 2019, if the Administration is not in compliance with subsection (b)(7), relating to annual reports to Congress, the Administration may not use amounts received under paragraph (7)(B) of this subsection for a purpose described in clause (iii) of such paragraph (7)(B).”.

(b) CLARIFICATION OF REPORTING REQUIREMENT.—Section 9(b)(7) of the Small Business Act (15 U.S.C. 638(b)(7)) is amended in the matter preceding subparagraph (A), by striking “not less than annually” and inserting “not later than December 31 of each year”.

SEC. 6503. STRENGTHENING OF THE REQUIREMENT TO SHORTEN THE APPLICATION REVIEW AND DECISION TIME.

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

(1) in subsection (g)(4), by striking subparagraph (B) and inserting the following:

“(B) make a final decision on each proposal submitted under the SBIR program—

“(i) for the Department of Health and Human Services, not later than 1 year after the date on which the applicable solicitation closes, with a goal to reduce the review and decision time to less than 10 months by September 30, 2019;

“(ii) for the Department of Agriculture and the National Science Foundation, not later than 6 months after the date on which the applicable solicitation closes; or

“(iii) for any other Federal agency—

“(I) not later than 90 days after the date on which the applicable solicitation closes; or

“(II) if the Administrator authorizes an extension with respect to a solicitation, not later than 90 days after the date that would otherwise be applicable to the Federal agency under subclause (I);”;

(2) in subsection (o)(4), by striking subparagraph (B) and inserting the following:

“(B) make a final decision on each proposal submitted under the STTR program—

“(i) for the Department of Health and Human Services, not later than 1 year after the date on which the applicable solicitation closes, with a goal to reduce the review and decision time to less than 10 months by September 30, 2019;

“(ii) for the Department of Agriculture and the National Science Foundation, not later than 6 months after the date on which the applicable solicitation closes; or

“(iii) for any other Federal agency—

“(I) not later than 90 days after the date on which the applicable solicitation closes; or

“(II) if the Administrator authorizes an extension with respect to a solicitation, not later than 90 days after the date that would otherwise be applicable to the Federal agency under subclause (I);”.

SEC. 6504. CONTINUED GAO OVERSIGHT OF ALLOCATION COMPLIANCE AND ACCURACY IN FUNDING BASE CALCULATIONS.

Section 5136(a) of the National Defense Authorization Act for Fiscal Year 2012 (15 U.S.C. 638 note) is amended—

(1) in the matter preceding paragraph (1), by striking “until the date that is 5 years after the date of enactment of this Act” and insert “until the date on which the Comptroller General of the United States submits the report relating to fiscal year 2019”;

(2) in paragraph (1), by striking subparagraph (C) and inserting the following:

“(C) assess whether the change in the base funding for the Department of Defense as required by subparagraphs (J) and (K) of section 9(f)(1) of the Small Business Act (15 U.S.C. 638(f)(1))—

“(i) improves transparency for determining whether the Department is complying with the allocation requirements;

“(ii) reduces the burden of calculating the allocations; and

“(iii) improves the compliance of the Department with the allocation requirements; and”;

(3) in paragraph (2) by striking “under subparagraph (B)” and inserting “under subparagraphs (B) and (C)”.

SEC. 6505. COORDINATION BETWEEN AGENCIES ON COMMERCIALIZATION ASSISTANCE.

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

(1) in subsection (j), as amended by section 6202(a) of this Act, by adding at the end the following:

“(5) COORDINATION OF COMMERCIALIZATION ASSISTANCE.—Not later than 120 days after the date of enactment of this paragraph, the Administrator shall modify the policy directive issued pursuant to this subsection to clarify that a small business concern receiving training through the Innovation Corps program with administrative funds made available under subsection (mm) shall not receive discretionary business assistance funds for the same or similar activities as allowed under subsection (q).”;

(2) in subsection (p), by adding at the end the following:

“(4) COORDINATION OF COMMERCIALIZATION ASSISTANCE.—Not later than 120 days after the date of enactment of this paragraph, the Administrator shall modify the policy directive issued pursuant to this subsection to clarify that a small business concern receiving training through the Innovation Corps program with administrative funds made available under subsection (mm) shall not receive discretionary business assistance funds for the same or similar activities as allowed under subsection (q).”.

TITLE LXVI—PARTICIPATION BY WOMEN AND MINORITIES

SEC. 6601. SBA COORDINATION ON INCREASING OUTREACH FOR WOMEN AND MINORITY-OWNED BUSINESSES.

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

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

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

(3) by adding at the end the following:

“(10) to coordinate with participating agencies on efforts to increase outreach and awards under each of the SBIR and STTR programs to small business concerns owned and controlled by women and socially and economically disadvantaged small business concerns, as defined in section 8(a)(4).”.

SEC. 6602. FEDERAL AGENCY OUTREACH REQUIREMENTS FOR WOMEN AND MINORITY-OWNED BUSINESSES.

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

(1) in subsection (g)—

(A) in paragraph (11), by striking “and” at the end;

(B) in paragraph (12), by striking the period at the end and inserting “; and”;

(C) by adding at the end the following:

“(13) implement an outreach program to small business concerns for the purpose of enhancing its SBIR program, under which the Federal agency shall—

“(A) provide outreach to small business concerns owned and controlled by women

and socially and economically disadvantaged small business concerns, as defined in section 8(a)(4); and

“(B) establish goals for outreach by the Federal agency to the small business concerns described in subparagraph (A).”;

(2) in subsection (o)(14), by striking “SBIR program;” and inserting “SBIR program, under which the Federal agency shall—

“(A) provide outreach to small business concerns owned and controlled by women and socially and economically disadvantaged small business concerns, as defined in section 8(a)(4); and

“(B) establish goals for outreach by the Federal agency to the small business concerns described in subparagraph (A).”.

SEC. 6603. STTR POLICY DIRECTIVE MODIFICATION.

Section 9(p) of the Small Business Act (15 U.S.C. 638(p)), as amended by section 6505 of this Act, is amended by adding at the end the following:

“(5) ADDITIONAL MODIFICATIONS.—Not later than 120 days after the date of enactment of this paragraph, the Administrator shall modify the policy directive issued pursuant to this subsection to provide for enhanced outreach efforts to increase the participation of small business concerns owned and controlled by women and socially and economically disadvantaged small business concerns, as defined in section 8(a)(4), in technological innovation and in STTR programs.”.

SEC. 6604. INTERAGENCY SBIR/STTR POLICY COMMITTEE.

Section 5124 of the SBIR/STTR Reauthorization Act of 2011 (Public Law 112-81; 125 Stat. 1837) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following:

“(d) MEETINGS.—

“(1) IN GENERAL.—The Interagency SBIR/STTR Policy Committee shall meet not less than twice per year to carry out the duties under subsection (c).

“(2) OUTREACH AND TECHNICAL ASSISTANCE ACTIVITIES.—If the Interagency SBIR/STTR Policy Committee meets to discuss outreach and technical assistance activities to increase the participation of small business concerns that are underrepresented in the SBIR and STTR programs, the Committee shall invite to the meeting—

“(A) a representative of the Minority Business Development Agency; and

“(B) relevant stakeholders that work to advance the interests of—

“(i) small business concerns owned and controlled by women, as defined in section 3 of the Small Business Act (15 U.S.C. 632); and

“(ii) socially and economically disadvantaged small business concerns, as defined in section 8(a)(4) of the Small Business Act (15 U.S.C. 637(a)(4)).”.

SEC. 6605. DIVERSITY AND STEM WORKFORCE DEVELOPMENT PILOT PROGRAM.

(a) DEFINITIONS.—In this section—

(1) the term “Administrator” means the Administrator of the Small Business Administration;

(2) the term “covered STEM intern” means a student at, or recent graduate from, an institution of higher education serving as an intern—

(A) whose course of study studied is focused on the STEM fields; and

(B) who is a woman or a person from an underrepresented population in the STEM fields;

(3) the term “eligible entity” means a small business concern that—

(A) is receiving amounts under an award under the SBIR program or the STTR program of a Federal agency on the date on which the Federal agency awards a grant to the small business concern under subsection (b); and

(B) provides internships for covered STEM interns;

(4) the terms “Federal agency”, “SBIR”, and “STTR” have the meanings given those terms under section 9(e) of the Small Business Act (15 U.S.C. 638(e));

(5) the term “institution of higher education” has the meaning given the term under section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a));

(6) the term “person from an underrepresented population in the STEM fields” means a person from a group that is underrepresented in the population of STEM students, as determined by the Administrator;

(7) the term “pilot program” means the Diversity and STEM Workforce Development Pilot Program established under subsection (b);

(8) the term “recent graduate”, relating to a woman or a person from an underrepresented population in the STEM fields, means that the woman or person from an underrepresented population in the STEM fields earned an associate degree, baccalaureate degree, or postbaccalaureate from an institution of higher education during the 1-year period beginning on the date of the internship;

(9) the term “small business concern” has the meaning given the term under section 3 of the Small Business Act (15 U.S.C. 632); and

(10) the term “STEM fields” means the fields of science, technology, engineering, and math.

(b) **PILOT PROGRAM FOR INTERNSHIPS FOR WOMEN AND PEOPLE FROM UNDERREPRESENTED POPULATIONS.**—The Administrator shall establish a Diversity and STEM Workforce Development Pilot Program to encourage the business community to provide workforce development opportunities for covered STEM interns, under which a Federal agency participating in the SBIR program or STTR program may make a grant to 1 or more eligible entities for the costs of internships for covered STEM interns.

(c) **AMOUNT AND USE OF GRANTS.**—

(1) **AMOUNT.**—A grant under subsection (b)—

(A) may not be in an amount of more than \$15,000 per fiscal year; and

(B) shall be in addition to the amount of the award to the recipient under the SBIR program or the STTR program.

(2) **USE.**—Not less than 90 percent of the amount of a grant under subsection (b) shall be used by the eligible entity to provide stipends or other similar payments to interns.

(d) **EVALUATION.**—Not later than January 31 of the first calendar year after the third fiscal year during which the Administrator carries out the pilot program, the Administrator shall submit to Congress—

(1) data on the results of the pilot program, such as the number and demographics of the covered STEM interns participating in an internship funded under the pilot program and the amount spent on such internships; and

(2) an assessment of whether the pilot program helped the SBIR program and STTR program achieve the congressional objective of fostering and encouraging the participation of women and persons from underrepresented populations in the STEM fields.

(e) **TERMINATION.**—The pilot program shall terminate after the end of the fourth fiscal year during which the Administrator carries out the pilot program.

(f) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated such sums as may be necessary to carry out the pilot program.

TITLE LXVII—TECHNICAL CHANGES

SEC. 6701. UNIFORM REFERENCE TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.

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

(1) in subsection (cc), by striking “National Institutes of Health” and inserting “Department of Health and Human Services”; and

(2) in subsection (dd)(1)(A), by striking “Director of the National Institutes of Health” and inserting “Secretary of Health and Human Services”.

SEC. 6702. FLEXIBILITY FOR PHASE II AWARD INVITATIONS.

Section 9(e)(4)(B) of the Small Business Act (15 U.S.C. 638(e)(4)(B)) is amended in the matter preceding clause (i)—

(1) by striking “, which shall not include any invitation, pre-screening, or pre-selection process for eligibility for Phase II.”; and

(2) by inserting “in which eligibility for an award shall not be based only on an invitation, pre-screening, or pre-selection process and” before “in which awards”.

SA 4673. Mr. TOOMEY submitted an amendment intended to be proposed to amendment SA 4609 submitted by Mr. ALEXANDER and intended to be proposed to the bill S. 2943, to authorize appropriations for fiscal year 2017 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

Strike page 1 line 2 through page 15 line 2 and insert:

SEC. 578. BACKGROUND CHECKS FOR EMPLOYEES OF AGENCIES AND SCHOOLS PROVIDING ELEMENTARY AND SECONDARY EDUCATION FOR DEPARTMENT OF DEFENSE DEPENDENTS.

(a) **BACKGROUND CHECKS.**—Commencing not later than two years after the date of the enactment of this Act, each covered local educational agency and each Department of Defense domestic dependent elementary and secondary school established pursuant to section 2164 of title 10, United States Code, shall have in effect policies and procedures that—

(1) require that a criminal background check be conducted for each school employee of the agency or school, respectively, that includes—

(A) a search of the State criminal registry or repository of the State in which the school employee resides;

(B) a search of State-based child abuse and neglect registries and databases of the State in which the school employee resides;

(C) a Federal Bureau of Investigation fingerprint check using the Integrated Automated Fingerprint Identification System; and

(D) a search of the National Sex Offender Registry established under section 119 of the Adam Walsh Child Protection and Safety Act of 2006 (42 U.S.C. 16919);

(2) prohibit the employment of a school employee as a school employee at the agency or school, respectively, if such employee—

(A) refuses to consent to a criminal background check under paragraph (1);

(B) makes a false statement in connection with such criminal background check;

(C) has been convicted of a felony consisting of—

(i) murder;

(ii) child abuse or neglect;

(iii) a crime against children, including child pornography;

(iv) spousal abuse;

(v) a crime involving rape or sexual assault;

(vi) kidnapping;

(vii) arson; or

(viii) physical assault, battery, or a drug-related offense, committed on or after the date that is five years before the date of such employee's criminal background check under paragraph (1); or

(D) has been convicted of any other crime that is a violent or sexual crime against a minor;

(3) require that each criminal background check conducted under paragraph (1) be periodically repeated or updated in accordance with policies established by the covered local educational agency or the Department of Defense (in the case of a Department of Defense domestic dependent elementary and secondary school established pursuant to section 2164 of title 10, United States Code);

(4) upon request, provide each school employee who has had a criminal background check under paragraph (1) with a copy of the results of the criminal background check;

(5) provide for a timely process, by which a school employee of the school or agency may appeal, but which does not permit the employee to be employed as a school employee during such appeal, the results of a criminal background check conducted under paragraph (1) which prohibit the employee from being employed as a school employee under paragraph (2) to—

(A) challenge the accuracy or completeness of the information produced by such criminal background check; and

(B) establish or reestablish eligibility to be hired or reinstated as a school employee by demonstrating that the information is materially inaccurate or incomplete, and has been corrected; and

(6) allow the covered local educational agency or school, as the case may be, to share the results of a school employee's criminal background check recently conducted under paragraph (1) with another local educational agency that is considering such school employee for employment as a school employee.

(b) **FEES FOR BACKGROUND CHECKS.**—The Attorney General, attorney general of a State, or other State law enforcement official may charge reasonable fees for conducting a criminal background check under subsection (a)(1), but such fees shall not exceed the actual costs for the processing and administration of the criminal background check.

(c) **DEFINITIONS.**—In this section:

(1) **COVERED LOCAL EDUCATIONAL AGENCY.**—The term “covered local educational agency” means a local educational agency that receives funds—

(A) under subsection (b) or (d) of section 8003, or section 8007, of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703, 7707), as such sections are in effect before the effective date for title VII of the Every Student Succeeds Act (Public Law 114-95); or

(B) under subsection (b) or (d) of section 7003, or section 7007, of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703, 7707), beginning on the effective date of such title VII.

(2) **SCHOOL EMPLOYEE.**—The term “school employee” means—

(A) a person who—

(i) is an employee of, or is seeking employment with—

(I) a covered local educational agency; or

(II) a Department of Defense domestic dependent elementary and secondary school established pursuant to section 2164 of title 10,

United States Code, such elementary and secondary school; and

(ii) as a result of such employment, has (or will have) a job duty that results in unsupervised access to elementary school or secondary school students; or

(B)(i) any person, or an employee of any person, who has a contract or agreement to provide services to a covered local educational agency or a Department of Defense domestic dependent elementary and secondary school established pursuant to section 2164 of title 10, United States Code; and

(ii) such person or employee, as a result of such contract or agreement, has a job duty that results in unsupervised access to elementary school or secondary school students.

SEC. 578A. PROHIBITION ON AIDING AND ABETTING SEXUAL ABUSE.

SA 4674. Mr. TOOMEY submitted an amendment intended to be proposed to amendment SA 4608 submitted by Mr. ALEXANDER (for himself and Mrs. MURRAY) and intended to be proposed to the bill S. 2943, to authorize appropriations for fiscal year 2017 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

Strike page 1 line 2 through page 6 line 15 and insert:

SEC. 578. BACKGROUND CHECKS FOR EMPLOYEES OF AGENCIES AND SCHOOLS PROVIDING ELEMENTARY AND SECONDARY EDUCATION FOR DEPARTMENT OF DEFENSE DEPENDENTS.

(a) **BACKGROUND CHECKS.**—Commencing not later than two years after the date of the enactment of this Act, each covered local educational agency and each Department of Defense domestic dependent elementary and secondary school established pursuant to section 2164 of title 10, United States Code, shall have in effect policies and procedures that—

(1) require that a criminal background check be conducted for each school employee of the agency or school, respectively, that includes—

(A) a search of the State criminal registry or repository of the State in which the school employee resides;

(B) a search of State-based child abuse and neglect registries and databases of the State in which the school employee resides;

(C) a Federal Bureau of Investigation fingerprint check using the Integrated Automated Fingerprint Identification System; and

(D) a search of the National Sex Offender Registry established under section 119 of the Adam Walsh Child Protection and Safety Act of 2006 (42 U.S.C. 16919);

(2) prohibit the employment of a school employee as a school employee at the agency or school, respectively, if such employee—

(A) refuses to consent to a criminal background check under paragraph (1);

(B) makes a false statement in connection with such criminal background check;

(C) has been convicted of a felony consisting of—

(i) murder;

(ii) child abuse or neglect;

(iii) a crime against children, including child pornography;

(iv) spousal abuse;

(v) a crime involving rape or sexual assault;

(vi) kidnapping;

(vii) arson; or

(viii) physical assault, battery, or a drug-related offense, committed on or after the date that is five years before the date of such employee's criminal background check under paragraph (1); or

(D) has been convicted of any other crime that is a violent or sexual crime against a minor;

(3) require that each criminal background check conducted under paragraph (1) be periodically repeated or updated in accordance with policies established by the covered local educational agency or the Department of Defense (in the case of a Department of Defense domestic dependent elementary and secondary school established pursuant to section 2164 of title 10, United States Code);

(4) upon request, provide each school employee who has had a criminal background check under paragraph (1) with a copy of the results of the criminal background check;

(5) provide for a timely process, by which a school employee of the school or agency may appeal, but which does not permit the employee to be employed as a school employee during such appeal, the results of a criminal background check conducted under paragraph (1) which prohibit the employee from being employed as a school employee under paragraph (2) to—

(A) challenge the accuracy or completeness of the information produced by such criminal background check; and

(B) establish or reestablish eligibility to be hired or reinstated as a school employee by demonstrating that the information is materially inaccurate or incomplete, and has been corrected; and

(6) allow the covered local educational agency or school, as the case may be, to share the results of a school employee's criminal background check recently conducted under paragraph (1) with another local educational agency that is considering such school employee for employment as a school employee.

(b) **FEES FOR BACKGROUND CHECKS.**—The Attorney General, attorney general of a State, or other State law enforcement official may charge reasonable fees for conducting a criminal background check under subsection (a)(1), but such fees shall not exceed the actual costs for the processing and administration of the criminal background check.

(c) **DEFINITIONS.**—In this section:

(1) **COVERED LOCAL EDUCATIONAL AGENCY.**—The term “covered local educational agency” means a local educational agency that receives funds—

(A) under subsection (b) or (d) of section 8003, or section 8007, of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703, 7707), as such sections are in effect before the effective date for title VII of the Every Student Succeeds Act (Public Law 114-95); or

(B) under subsection (b) or (d) of section 7003, or section 7007, of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7703, 7707), beginning on the effective date of such title VII.

(2) **SCHOOL EMPLOYEE.**—The term “school employee” means—

(A) a person who—

(i) is an employee of, or is seeking employment with—

(I) a covered local educational agency; or

(II) a Department of Defense domestic dependent elementary and secondary school established pursuant to section 2164 of title 10, United States Code, such elementary and secondary school; and

(ii) as a result of such employment, has (or will have) a job duty that results in unsupervised access to elementary school or secondary school students; or

(B)(i) any person, or an employee of any person, who has a contract or agreement to provide services to a covered local educational agency or a Department of Defense domestic dependent elementary and secondary school established pursuant to section 2164 of title 10, United States Code; and

(ii) such person or employee, as a result of such contract or agreement, has a job duty that results in unsupervised access to elementary school or secondary school students.

SA 4675. Mr. BENNET submitted an amendment intended to be proposed by him to the bill S. 2943, to authorize appropriations for fiscal year 2017 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle E of title XVI, add the following:

SEC. 1667. INCREASED FUNDING FOR CERTAIN MISSILE DEFENSE ACTIVITIES.

(a) **PROCUREMENT, DEFENSE-WIDE.**—The amount authorized to be appropriated for fiscal year 2017 for the Department of Defense by section 101 is hereby increased by \$290,000,000, with the amount of increase to be available for procurement, Defense-wide, as specified in the funding table in section 4101 and available for procurement for the following:

(1) Iron Dome, \$20,000,000.

(2) David's Sling Weapon System, \$150,000,000.

(3) Arrow 3 Upper Tier, \$120,000,000.

(b) **RDT&E, DEFENSE-WIDE.**—The amount authorized to be appropriated for fiscal year 2017 for the Department of Defense by section 201 is hereby increased by \$29,900,000, with the amount of increase to be available for research, development, test, and evaluation, Defense-wide, as specified in the funding table in section 4201 and available for research, development, test, and evaluation for the following:

(1) David's Sling Weapon System, \$19,300,000.

(2) Arrow 3 Upper Tier, \$4,100,000.

(3) Base Arrow, \$6,500,000.

(c) **CONSTRUCTION OF INCREASE.**—Amounts available under subsection (a) for procurement for items specified in subsection (a), and amounts available under subsection (b) for research, development, test, and evaluation for items specified in subsection (b), are in addition to any other amounts available for such purposes for such items in this Act.

(d) **OFFSET.**—

(1) **O&M, NAVY.**—The amount authorized to be appropriated for fiscal year 2017 for the Department of Defense by section 301 is hereby decreased by \$24,900,000, with the amount of decrease to be applied against amounts available for Operation and Maintenance, Navy, for Enterprise Information as specified in the funding table in section 4301.

(2) **O&M, DEFENSE-WIDE.**—The amount authorized to be appropriated for fiscal year 2017 for the Department of Defense by section 301 is hereby decreased by \$295,000,000, with the amount of decrease to be applied against savings otherwise available for Operation and Maintenance, Defense-wide, as specified in the funding table in section 4301 for purposes, and in amounts, as follows:

(A) Foreign currency savings, \$200,000,000.

(B) Bulk fuel overestimation, \$95,000,000.

SA 4676. Mr. VITTER (for himself and Mrs. SHAHEEN) submitted an

amendment intended to be proposed to amendment SA 4253 submitted by Mrs. SHAHEEN (for herself and Mr. VITTER) and intended to be proposed to the bill S. 2943, to authorize appropriations for fiscal year 2017 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

In lieu of the matter proposed to be inserted, insert the following:

**DIVISION F—SBIR AND STTR
REAUTHORIZATION AND IMPROVEMENTS
SEC. 6001. SHORT TITLE.**

This division may be cited as the “SBIR and STTR Reauthorization and Improvement Act of 2016”.

**TITLE LXI—REAUTHORIZATION OF
PROGRAMS**

**SEC. 6101. PERMANENCY OF SBIR PROGRAM AND
STTR PROGRAM.**

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

(1) in the subsection heading, by striking “TERMINATION” and inserting “SBIR PROGRAM AUTHORIZATION”; and

(2) by striking “terminate on September 30, 2017” and inserting “be in effect for each fiscal year”.

(b) STTR.—Section 9(n)(1)(A) of the Small Business Act (15 U.S.C. 638(n)(1)(A)) is amended by striking “through fiscal year 2017”.

**TITLE LXII—ENHANCED SMALL BUSINESS
ACCESS TO FEDERAL INNOVATION
INVESTMENTS**

**SEC. 6201. ALLOCATION INCREASES AND TRANS-
PARENCY IN BASE CALCULATION.**

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

(1) in paragraph (1)—

(A) in the matter preceding subparagraph (A), by striking “expend” and inserting “obligate for expenditure”; and

(B) in subparagraph (H), by striking “and” at the end;

(C) in subparagraph (I), by striking “in fiscal year 2017 and each fiscal year thereafter,” and inserting “in each of fiscal years 2017 through 2021”; and

(D) by inserting after subparagraph (I) the following:

“(J) for a Federal agency other than the Department of Defense, the National Science Foundation, or the Department of Health and Human Services—

“(i) not less than 3.4 percent of the extramural budget for research or research and development of the Federal agency in fiscal year 2022;

“(ii) not less than 3.6 percent of such extramural budget in fiscal year 2023;

“(iii) not less than 3.8 percent of such extramural budget in fiscal year 2024;

“(iv) not less than 4 percent of such extramural budget in fiscal year 2025;

“(v) not less than 4.2 percent of such extramural budget in fiscal year 2026;

“(vi) not less than 4.4 percent of such extramural budget in fiscal year 2027; and

“(vii) not less than 4.54 percent of such extramural budget in fiscal year 2028 and each fiscal year thereafter;

“(K) for the Department of Defense—

“(i) not less than 2.6 percent of the budget for research, development, test, and evaluation of the Department of Defense in fiscal year 2022;

“(ii) not less than 2.7 percent of such budget in fiscal year 2023;

“(iii) not less than 2.8 percent of such budget in fiscal year 2024;

“(iv) not less than 2.9 percent of such budget in fiscal year 2025;

“(v) not less than 3 percent of such budget in fiscal year 2026;

“(vi) not less than 3.1 percent of such budget in fiscal year 2027;

“(vii) not less than 3.2 percent of such budget in fiscal year 2028;

“(viii) not less than 3.3 percent of such budget in fiscal year 2029;

“(ix) not less than 3.4 percent of such budget in fiscal year 2030; and

“(x) not less than 3.5 percent of such budget in fiscal year 2031 and each fiscal year thereafter; and

“(L) for the National Science Foundation and the Department of Health and Human Services, for fiscal year 2022 and each fiscal year thereafter, the lesser of—

“(i) the percentage of the extramural budget for research or research and development of the National Science Foundation or the Department of Health and Human Services, respectively, equal to the sum of—

“(I) the percentage in effect under this paragraph for the National Science Foundation or the Department of Health and Human Services, respectively, for the previous fiscal year; and

“(II)(aa) 0.04 percent; or

“(bb) if the extramural budget for research or research and development of the National Science Foundation or the Department of Health and Human Services, respectively, for the fiscal year is not less than 103 percent of such extramural budget for the previous fiscal year, 0.2 percent; or

“(ii) 4.5 percent of the extramural budget for research or research and development of the National Science Foundation or the Department of Health and Human Services, respectively.”;

(2) in paragraph (2)(B), by inserting “(or for the Department of Defense, an amount of the budget for basic research of the Department of Defense)” after “research”; and

(3) in paragraph (4), by inserting “(or for the Department of Defense an amount of the budget for research, development, test, and evaluation of the Department of Defense)” after “of the agency”.

(b) STTR.—Section 9(n)(1) of the Small Business Act (15 U.S.C. 638(n)(1)) is amended—

(1) in subparagraph (A)—

(A) by striking “expend” and inserting “obligate for expenditure”; and

(B) by striking “not less than the percentage of that extramural budget specified in subparagraph (B)” and inserting “for a Federal agency other than the Department of Defense, the National Science Foundation, or the Department of Health and Human Services, not less than the percentage of that extramural budget specified in subparagraph (B), for the Department of Defense, not less than the percentage of the budget for research, development, test, and evaluation of the Department of Defense specified in subparagraph (B), and for the National Science Foundation and the Department of Health and Human Services, not less than the percentage of that extramural budget specified in subparagraph (C)”;

(2) in subparagraph (B)—

(A) in the subparagraph heading, by inserting “OTHER THAN FOR NSF AND HHS” after “AMOUNTS”; and

(B) in the matter preceding clause (i), by striking “the extramural budget required to be expended by an agency” and inserting “the extramural budget, for a Federal agency other than the Department of Defense, the National Science Foundation, or the Department of Health and Human Services, and of the budget for research, development,

test, and evaluation, for the Department of Defense, required to be obligated for expenditure with small business concerns”;

(C) in clause (iv), by striking “and” at the end;

(D) in clause (v), by striking “fiscal year 2016 and each fiscal year thereafter.” and inserting “each of fiscal years 2016 through 2021.”; and

(E) by adding at the end the following:

“(vi) 0.5 percent for fiscal year 2022;

“(vii) 0.55 percent for fiscal year 2023;

“(viii) 0.6 percent for fiscal year 2024;

“(ix) 0.65 percent for fiscal year 2025;

“(x) 0.7 percent for fiscal year 2026;

“(xi) 0.75 percent for fiscal year 2027;

“(xii) 0.8 percent for fiscal year 2028;

“(xiii) 0.85 percent for fiscal year 2029;

“(xiv) 0.9 percent for fiscal year 2030; and

“(xv) 0.95 percent for fiscal year 2031 and each fiscal year thereafter.”; and

(3) by adding at the end the following:

“(C) EXPENDITURE AMOUNTS FOR NSF AND HHS.—The percentage of the extramural budget required to be expended by the National Science Foundation and the Department of Health and Human Services in accordance with subparagraph (A) shall be—

“(i) for each of fiscal years 2016 through 2021, 0.45 percent; and

“(ii) for fiscal year 2022 and each fiscal year thereafter, the lesser of—

“(I) the percentage of the extramural budget for research or research and development of the National Science Foundation or the Department of Health and Human Services, respectively, equal to the sum of—

“(aa) the percentage in effect under this paragraph for the National Science Foundation or the Department of Health and Human Services, respectively, for the previous fiscal year; and

“(bb)(AA) 0 percent; or

“(BB) if the extramural budget for research or research and development of the National Science Foundation or the Department of Health and Human Services, respectively, for the fiscal year is not less than 103 percent of such extramural budget for the previous fiscal year, 0.05 percent; or

“(II) 0.95 percent of the extramural budget for research or research and development of the National Science Foundation or the Department of Health and Human Services, respectively.”.

**SEC. 6202. REGULAR OVERSIGHT OF AWARD
AMOUNTS.**

(a) ELIMINATION OF AUTOMATIC INFLATION ADJUSTMENTS.—Section 9(j) of the Small Business Act (15 U.S.C. 638(j)) is amended—

(1) in paragraph (2)(D), by inserting “through fiscal year 2016” after “every year”; and

(2) by adding at the end the following:

“(4) 2016 MODIFICATIONS FOR DOLLAR VALUE OF AWARDS.—Not later than 120 days after the date of enactment of the SBIR and STTR Reauthorization and Improvement Act of 2016, the Administrator shall modify the policy directives issued under this subsection to—

“(A) eliminate the annual adjustments for inflation of the dollar value of awards described in paragraph (2)(D); and

“(B) clarify that Congress intends to review the dollar value of awards every 3 fiscal years.”.

(b) SENSE OF CONGRESS REGARDING REGULAR REVIEW OF THE AWARD SIZES.—

(1) IN GENERAL.—It is the sense of Congress that for fiscal year 2019, and every third fiscal year thereafter, Congress should evaluate whether the maximum award sizes under the Small Business Innovation Research Program and the Small Business Technology Transfer Program under section 9 of the Small Business Act (15 U.S.C. 638) should be adjusted and, if so, take appropriate action

to direct that such adjustments be made under the policy directives issued under subsection (j) of such section.

(2) **POLICY CONSIDERATIONS.**—In reviewing adjustments to the maximum award sizes, Congress should take into consideration the balance of number of awards to size of awards, the missions of Federal agencies, and the technology needed to support national goals.

(c) **CLARIFICATION OF SEQUENTIAL PHASE II AWARDS.**—Section 9(ff) of the Small Business Act (15 U.S.C. 638(ff)) is amended by adding at the end the following:

“(3) **CLARIFICATION OF SEQUENTIAL PHASE II AWARDS.**—The head of a Federal agency shall ensure that any sequential Phase II award is made in accordance with the limitations on award sizes under subsection (aa).

“(4) **CROSS-AGENCY SEQUENTIAL PHASE II AWARDS.**—A small business concern that receives a sequential Phase II SBIR or Phase II STTR award for a project from a Federal agency is eligible to receive an additional sequential Phase II award that continues work on that project from another Federal agency.”.

TITLE LXIII—COMMERCIALIZATION IMPROVEMENTS

SEC. 6301. PERMANENCY OF THE COMMERCIALIZATION PILOT PROGRAM FOR CIVILIAN AGENCIES.

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

(1) in the subsection heading, by striking “PILOT PROGRAM” and inserting “COMMERCIALIZATION DEVELOPMENT AWARDS”;

(2) by striking paragraphs (2), (7), and (8);

(3) by redesignating paragraphs (3), (4), (5), and (6) as paragraphs (2), (3), (4), and (5), respectively;

(4) by adding at the end the following:

“(6) **DEFINITIONS.**—In this subsection—

“(A) the term ‘commercialization development program’ means a program established by a covered Federal agency under paragraph (1); and

“(B) the term ‘covered Federal agency’—

“(i) means a Federal agency participating in the SBIR program or the STTR program; and

“(ii) does not include the Department of Defense.”; and

(5) by striking “pilot program” each place it appears and inserting “commercialization development program”.

SEC. 6302. ENFORCEMENT OF NATIONAL SMALL BUSINESS GOAL FOR FEDERAL RESEARCH AND DEVELOPMENT.

Section 9(h) of the Small Business Act (15 U.S.C. 638(h)) is amended to read as follows:

“(h) **NATIONAL SMALL BUSINESS GOAL FOR FEDERAL RESEARCH AND DEVELOPMENT.**—

“(1) **IN GENERAL.**—The Administrator, in consultation with Federal agencies, shall establish a Governmentwide goal for each fiscal year, which shall be not less than 10 percent, for the percentage of the amounts made available for research or research and development that shall be obligated for funding agreements—

“(A) with small business concerns; or

“(B) that will facilitate the development of research and development small business concerns.

“(2) **AGENCY GOALS.**—

“(A) **IN GENERAL.**—The head of each Federal agency which has a budget for research or research and development in excess of \$20,000,000, in consultation with the Administrator, shall establish a goal for the Federal agency for each fiscal year that is appropriate to the mission of the Federal agency for the percentage of such budget that shall be obligated for funding agreements—

“(i) with small business concerns; or

“(ii) that will facilitate the development of research and development small business concerns.

“(B) **LIMITATION.**—The head of a Federal agency may not establish a percentage goal under subparagraph (A) for a fiscal year that is less than the percentage goal that was established under subparagraph (A) for the Federal agency for the previous fiscal year.”.

SEC. 6303. PROTECTING INNOVATIVE TECHNOLOGIES.

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

“(tt) **PROTECTING INNOVATIVE TECHNOLOGIES.**—

“(1) **COST-REIMBURSEMENT CONTRACTS.**—

“(A) **IN GENERAL.**—Subject to subparagraph (B)(ii), the cost of seeking protection for intellectual property, including a trademark, copyright, or patent, that was created through work performed under an STTR award that uses a cost-reimbursement contract or an SBIR award that uses a cost-reimbursement contract is allowable as an indirect cost under that award.

“(B) **CLARIFICATION OF PATENT COSTS.**—

“(i) **IN GENERAL.**—A Federal agency shall not directly or indirectly inhibit, through the policies, directives, or practices of the Federal agency, an otherwise eligible small business concern performing under an award described in subparagraph (A) from recovering patent costs incurred as requirements under that award, including—

“(I) the costs of preparing—

“(aa) invention disclosures;

“(bb) reports; and

“(cc) other documents;

“(II) the costs for searching the art to the extent necessary to make the invention disclosures;

“(III) other costs in connection with the filing and prosecution of a United States patent application where title or royalty-free license is to be conveyed to the Federal Government; and

“(IV) general counseling services relating to patent matters, including advice on patent laws, regulations, clauses, and employee agreements.

“(ii) **RECOVERY LIMITATIONS.**—The patent costs described in clause (i) shall be allowable for technology developed under a—

“(I) Phase I award, as indirect costs in an amount not greater than \$5,000;

“(II) Phase II award, as indirect costs in an amount not greater than \$15,000; and

“(III) Phase III award in which the Federal Government has government purpose rights (as defined in section 227.7103-5 of title 48, Code of Federal Regulations).

“(2) **FIRM FIXED-PRICE CONTRACTS.**—An otherwise eligible small business concern performing under an STTR award that uses a firm fixed-price contract or an SBIR award that uses a firm fixed-price contract may recover fair and reasonable costs arising from seeking protection for intellectual property, including a trademark, copyright, or patent, that was created through work performed under that award.”.

SEC. 6304. ANNUAL GAO AUDIT OF COMPLIANCE WITH COMMERCIALIZATION GOALS.

Section 9(nn) of the Small Business Act (15 U.S.C. 638(nn)) is amended to read as follows:

“(nn) **ANNUAL GAO REPORT ON GOVERNMENT COMPLIANCE WITH GOALS, INCENTIVES, AND PHASE III PREFERENCE.**—Not later than 1 year after the date of enactment of the SBIR and STTR Reauthorization and Improvement Act of 2016, and every year thereafter until the date that is 5 years after the date of enactment of the SBIR and STTR Reauthorization and Improvement Act of 2016, the Comptroller General of the United States shall submit to the Committee on Small Business

and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report that—

“(1) discusses the status of the compliance of Federal agencies with the requirements or authorities established under—

“(A) subsection (h), relating to the establishment by certain Federal agencies of a goal for funding agreements for research and research and development with small business concerns;

“(B) subsection (y)(5)(A), relating to the requirement for the Department of Defense to establish goals for the transition of Phase III technologies in subcontracting plans;

“(C) subsection (y)(5)(B), relating to the requirement for the Department of Defense to establish procedures for a prime contractor to report the number and dollar amount of contracts with small business concerns for Phase III SBIR projects or STTR projects of the prime contractor; and

“(D) subsection (y)(6), relating to the requirement for the Department of Defense to set a goal to increase the number of Phase II SBIR and STTR contracts that transition into programs of record or fielded systems;

“(2) includes, for a Federal agency that is in compliance with a requirement described under paragraph (1), a description of how the Federal agency achieved compliance; and

“(3) includes a list, organized by Federal agency, of small business concerns that have asserted to an appropriate Federal agency that—

“(A) the Government or prime contractor—

“(i) did not protect the intellectual property of the small business concern in accordance with data rights under the SBIR or STTR award; or

“(ii) issued a Phase III SBIR or STTR award conditional on relinquishing data rights;

“(B) the Federal agency solicited bids for a contract, or provided funding to an entity other than the small business concern receiving the SBIR or STTR award, that was for work that derived from, extended, or completed efforts made under prior funding agreements under the SBIR program or STTR program;

“(C) the Government or prime contractor did not comply with the SBIR and STTR policy directives and the small business concern filed a comment or complaint to the Office of the National Ombudsman or appealed to the Administrator for intervention; or

“(D) the Federal agency did not comply with subsection (g)(12) or (o)(16) requiring timely notice to the Administrator of any case or controversy before any Federal judicial or administrative tribunal concerning the SBIR program or the STTR program of the Federal agency.”.

SEC. 6305. CLARIFYING THE PHASE III PREFERENCE.

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

(1) by striking paragraph (4);

(2) by redesignating paragraph (2) as paragraph (4), and transferring such paragraph to after paragraph (3); and

(3) by inserting after paragraph (1) the following:

“(2) **PHASE III AWARD DIRECTION FOR AGENCIES AND PRIME CONTRACTORS.**—To the greatest extent practicable, Federal agencies and Federal prime contractors shall issue Phase III awards relating to technology, including sole source awards, to the SBIR and STTR award recipients that developed the technology.”.

SEC. 6306. IMPROVEMENTS TO TECHNICAL AND BUSINESS ASSISTANCE.

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

(1) in the subsection heading, by inserting “AND BUSINESS” after “TECHNICAL”;

(2) in paragraph (1)—

(A) in the matter preceding subparagraph (A)—

(i) by striking “a vendor selected under paragraph (2)” and inserting “1 or more vendors selected under paragraph (2)(A)”;

(ii) by inserting “and business” before “assistance services”; and

(iii) by inserting “assistance with product sales, intellectual property protections, market research, market validation, and development of regulatory plans and manufacturing plans,” after “technologies,”; and

(B) in subparagraph (D), by inserting “, including intellectual property protections” before the period at the end;

(3) in paragraph (2)—

(A) by striking “Each agency may select a vendor to assist small business concerns to meet” and inserting the following:

“(A) IN GENERAL.—Each agency may select 1 or more vendors from which small business concerns may obtain assistance in meeting”; and

(B) by adding at the end the following:

“(B) SELECTION BY SMALL BUSINESS CONCERN.—A small business concern may, by contract or otherwise, select 1 or more vendors to assist the small business concern in meeting the goals listed in paragraph (1).”; and

(4) in paragraph (3)—

(A) by inserting “(A)” after “paragraph (2)” each place it appears;

(B) in subparagraph (A), by striking “\$5,000 per year” each place it appears and inserting “\$6,500 per project”;

(C) in subparagraph (B)—

(i) by striking “\$5,000 per year” each place it appears and inserting “\$35,000 per project”; and

(ii) in clause (ii), by striking “which shall be in addition to the amount of the recipient’s award” and inserting “which may, as determined appropriate by the head of the Federal agency, be included as part of the recipient’s award or be in addition to the amount of the recipient’s award”;

(D) in subparagraph (C)—

(i) by inserting “or business” after “technical”;

(ii) by striking “the vendor” and inserting “a vendor”; and

(iii) by adding at the end the following: “Business-related services aimed at improving the commercialization success of a small business concern may be obtained from an entity, such as a public or private organization or an agency of or other entity established or funded by a State that facilitates or accelerates the commercialization of technologies or assists in the creation and growth of private enterprises that are commercializing technology.”;

(E) in subparagraph (D)—

(i) by inserting “or business” after “technical” each place it appears; and

(ii) in clause (i)—

(I) by striking “the vendor” and inserting “1 or more vendors”; and

(II) by striking “provides” and inserting “provide”; and

(F) by adding at the end the following:

“(E) MULTIPLE AWARD RECIPIENTS.—The Administrator shall establish a limit on the amount of technical and business assistance services that may be received or purchased under subparagraph (B) by small business concerns with respect to multiple Phase II SBIR or STTR awards for a fiscal year.”.

SEC. 6307. EXTENSION OF PHASE 0 PROOF OF CONCEPT PARTNERSHIP PILOT.

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

(1) in paragraph (6) by striking “The Director” and inserting “Not later than February 1, 2019, the Director”; and

(2) in paragraph (7), by striking “2017” and inserting “2019”.

TITLE LXIV—PROGRAM DIVERSIFICATION INITIATIVES

SEC. 6401. REGIONAL SBIR STATE COLLABORATIVE INITIATIVE PILOT PROGRAM.

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

(1) in subsection (mm)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking “2017” and inserting “2021”;

(ii) in subparagraph (I), by striking “and” at the end;

(iii) in subparagraph (J), by striking the period and inserting “; and”; and

(iv) by adding at the end the following:

“(K) funding for improvements that increase commonality across data systems, reduce redundancy, and improve data oversight and accuracy.”; and

(B) by adding at the end the following:

“(7) SBIR AND STTR PROGRAMS; FAST PROGRAM.—

“(A) DEFINITION.—In this paragraph, the term ‘covered Federal agency’ means a Federal agency that—

“(i) is required to conduct an SBIR program; and

“(ii) elects to use the funds allocated to the SBIR program of the Federal agency for the purposes described in paragraph (1).

“(B) REQUIREMENT.—Each covered Federal agency shall transfer an amount equal to 15 percent of the funds that are used for the purposes described in paragraph (1) to the Administration—

“(i) for the Regional SBIR State Collaborative Initiative Pilot Program established under subsection (uu);

“(ii) for the Federal and State Technology Partnership Program established under section 34; and

“(iii) to support the Office of the Administration that administers the SBIR program and the STTR program, subject to agreement from other agencies about how the funds will be used, in carrying out those programs and the programs described in clauses (i) and (ii).

“(8) PILOT PROGRAM.—

“(A) IN GENERAL.—Of amounts provided to the Administration under paragraph (7), not less than \$5,000,000 shall be used to provide awards under the Regional SBIR State Collaborative Initiative Pilot Program established under subsection (uu) for each fiscal year in which the program is in effect.

“(B) DISBURSEMENT FLEXIBILITY.—The Administration may use any unused funds made available under subparagraph (A) as of April 1 of each fiscal year for awards to carry out clauses (ii) and (iii) of paragraph (7)(B) after providing written notice to—

“(i) the Committee on Small Business and Entrepreneurship and the Committee on Appropriations of the Senate; and

“(ii) the Committee on Small Business and the Committee on Appropriations of the House of Representatives.”; and

(2) by adding after subsection (tt), as added by section 6303 of this Act, the following:

“(uu) REGIONAL SBIR STATE COLLABORATIVE INITIATIVE PILOT PROGRAM.—

“(1) DEFINITIONS.—In this subsection—

“(A) the term ‘eligible entity’ means—

“(i) a research institution; and

“(ii) a small business concern;

“(B) the term ‘eligible State’ means—

“(i) a State that the Administrator determines is in the bottom half of States, based on the average number of annual SBIR program awards made to companies in the State

for the preceding 3 years for which the Administration has applicable data; and

“(ii) an EPSCoR State that—

“(I) is a State described in clause (i); or

“(II) is—

“(aa) not a State described in clause (i); and

“(bb) invited to participate in a regional collaborative; and

“(C) the term ‘EPSCoR State’ means a State that participates in the Experimental Program to Stimulate Competitive Research of the National Science Foundation, as established under section 113 of the National Science Foundation Authorization Act of 1988 (42 U.S.C. 1862g);

“(D) the term ‘FAST program’ means the Federal and State Technology Partnership Program established under section 34;

“(E) the term ‘pilot program’ means the Regional SBIR State Collaborative Initiative Pilot Program established under paragraph (2);

“(F) the term ‘regional collaborative’ means a collaborative consisting of eligible entities that are located in not less than 3 eligible States; and

“(G) the term ‘State’ means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, and any territory or possession of the United States.

“(2) ESTABLISHMENT.—The Administrator shall establish a pilot program, to be known as the Regional SBIR State Collaborative Initiative Pilot Program, under which the Administrator shall provide awards to regional collaboratives to address the needs of small business concerns in order to be more competitive in the proposal and selection process for awards under the SBIR program and the STTR program and to increase technology transfer and commercialization.

“(3) GOALS.—The goals of the pilot program are—

“(A) to create regional collaboratives that allow eligible entities to work cooperatively to leverage resources to address the needs of small business concerns;

“(B) to grow SBIR program and STTR program cooperative research and development and commercialization through increased awards under those programs;

“(C) to increase the participation of States that have historically received a lower level of awards under the SBIR program and the STTR program;

“(D) to utilize the strengths and advantages of regional collaboratives to better leverage resources, best practices, and economies of scale in a region for the purpose of increasing awards and increasing the commercialization of the SBIR program and STTR projects;

“(E) to increase the competitiveness of the SBIR program and the STTR program;

“(F) to identify sources of outside funding for applicants for an award under the SBIR program or the STTR program, including venture capitalists, angel investor groups, private industry, crowd funding, and special loan programs; and

“(G) to offer increased one-on-one engagements with companies and entrepreneurs for SBIR program and STTR program education, assistance, and successful outcomes.

“(4) APPLICATION.—

“(A) IN GENERAL.—A regional collaborative that desires to participate in the pilot program shall submit to the Administrator an application at such time, in such manner, and containing such information as the Administrator may require.

“(B) INCLUSION OF LEAD ELIGIBLE ENTITIES AND COORDINATOR.—A regional collaborative shall include in an application submitted under subparagraph (A)—

“(i) the name of each lead eligible entity from each eligible State in the regional collaborative, as designated under paragraph (5)(A); and

“(ii) the name of the coordinator for the regional collaborative, as designated under paragraph (6).

“(C) AVOIDANCE OF DUPLICATION.—A regional collaborative shall include in an application submitted under subparagraph (A) an explanation as to how the activities of the regional collaborative under the pilot program would differ from other State and Federal outreach activities in each eligible State in the regional collaborative.

“(5) LEAD ELIGIBLE ENTITY.—

“(A) IN GENERAL.—Each eligible State in a regional collaborative shall designate 1 eligible entity located in the eligible State to serve as the lead eligible entity for the eligible State.

“(B) AUTHORIZATION BY GOVERNOR.—Each lead eligible entity designated under subparagraph (A) shall be authorized to act as the lead eligible entity by the Governor of the applicable eligible State.

“(C) RESPONSIBILITIES.—Each lead eligible entity designated under subparagraph (A) shall be responsible for administering the activities and program initiatives described in paragraph (7) in the applicable eligible State.

“(6) REGIONAL COLLABORATIVE COORDINATOR.—Each regional collaborative shall designate a coordinator from amongst the eligible entities located in the eligible States in the regional collaborative, who shall serve as the interface between the regional collaborative and the Administration with respect to measuring cross-State collaboration and program effectiveness and documenting best practices.

“(7) USE OF FUNDS.—Each regional collaborative that is provided an award under the pilot program may, in each eligible State in which an eligible entity of the regional collaborative is located—

“(A) establish an initiative under which first-time applicants for an award under the SBIR program or the STTR program are reviewed by experienced, national experts in the United States, as determined by the lead eligible entity designated under paragraph (5)(A);

“(B) engage national mentors on a frequent basis to work directly with applicants for an award under the SBIR program or the STTR program, particularly during Phase II, to assist with the process of preparing and submitting a proposal;

“(C) create and make available an online mechanism to serve as a resource for applicants for an award under the SBIR program or the STTR program to identify and connect with Federal labs, prime government contractor companies, other industry partners, and regional industry cluster organizations;

“(D) conduct focused and concentrated outreach efforts to increase participation in the SBIR program and the STTR program by small business concerns owned and controlled by women, small business concerns owned and controlled by veterans, small business concerns owned and controlled by socially and economically disadvantaged individuals (as defined in section 8(d)(3)(C)), and historically black colleges and universities;

“(E) administer a structured program of training and technical assistance—

“(i) to prepare applicants for an award under the SBIR program or the STTR program—

“(I) to compete more effectively for Phase I and Phase II awards; and

“(II) to develop and implement a successful commercialization plan;

“(ii) to assist eligible States focusing on transition and commercialization to win Phase III awards from public and private partners;

“(iii) to create more competitive proposals to increase awards from all Federal sources, with a focus on awards under the SBIR program and the STTR program; and

“(iv) to assist first-time applicants by providing small grants for proof of concept research; and

“(F) assist applicants for an award under the SBIR program or the STTR program to identify sources of outside funding, including venture capitalists, angel investor groups, private industry, crowd funding, and special loan programs.

“(8) AWARD AMOUNT.—

“(A) IN GENERAL.—The Administrator shall provide an award to each eligible State in which an eligible entity of a regional collaborative is located in an amount that is not more than \$300,000 to carry out the activities described in paragraph (7).

“(B) LIMITATION.—

“(i) IN GENERAL.—An eligible State may not receive an award under both the FAST program and the pilot program for the same year.

“(ii) RULE OF CONSTRUCTION.—Nothing in clause (i) shall be construed to prevent an eligible State from applying for an award under the FAST program and the pilot program for the same year.

“(9) DURATION OF AWARD.—An award provided under the pilot program shall be for a period of not more than 1 year, and may be renewed by the Administrator for 1 additional year.

“(10) TERMINATION.—The pilot program shall terminate on September 30, 2021.

“(11) REPORT.—Not later than February 1, 2021, the Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report on the pilot program, which shall include—

“(A) an assessment of the pilot program and the effectiveness of the pilot program in meeting the goals described in paragraph (3);

“(B) an assessment of the best practices, including an analysis of how the pilot program compares to the FAST program and a single-State approach; and

“(C) recommendations as to whether any aspect of the pilot program should be extended or made permanent.”.

SEC. 6402. FEDERAL AND STATE TECHNOLOGY PARTNERSHIP PROGRAM.

Section 34 of the Small Business Act (15 U.S.C. 657d) is amended—

(1) in subsection (h)—

(A) in paragraph (1), by striking “2001 through 2005” and inserting “2017 through 2021”; and

(B) in paragraph (2), by striking “fiscal years 2001 through 2005” and inserting “each of fiscal years 2017 through 2021”; and

(2) in subsection (i), by striking “September 30, 2005” and inserting “September 30, 2021”.

TITLE LXV—OVERSIGHT AND SIMPLIFICATION INITIATIVES

SEC. 6501. DATA REALIGNMENT AND MODERNIZATION.

Section 9 of the Small Business Act (15 U.S.C. 638) is amended by adding after subsection (uu), as added by section 6401 of this Act, the following:

“(vv) SBIR AND STTR INTERAGENCY POLICY COMMITTEE.—

“(1) DEFINITIONS.—In this subsection—

“(A) the term ‘Committee’ means the SBIR and STTR Interagency Policy Committee established under paragraph (2);

“(B) the term ‘participating Federal agency’ means a Federal agency with an SBIR program or an STTR program; and

“(C) the term ‘phase’ means Phase I, Phase II, and Phase III.

“(2) ESTABLISHMENT.—There is established an interagency committee to be known as the ‘SBIR and STTR Interagency Policy Committee’.

“(3) MEMBERSHIP.—The Committee shall include—

“(A) 4 representatives from each participating Federal agency, of which—

“(i) 1 shall have expertise with respect to the SBIR program and STTR program of the Federal agency;

“(ii) 1 shall have expertise with respect to the broader research and development missions and programs of the Federal agency;

“(iii) 1 shall have expertise with respect to marketplace commercialization or to the transition of technologies to support the missions of the Federal agency; and

“(iv) 1 shall have expertise with respect to the information technology systems of the Federal agency; and

“(B) 2 representatives from the Administration, of which—

“(i) 1 shall serve as chairperson of the Committee; and

“(ii) 1 shall be from the Information Technology Development Team of the Office of Investment and Innovation of the Administration.

“(4) WORKING GROUPS.—

“(A) IN GENERAL.—The Committee shall establish working groups as necessary to ensure consistency and clarity between the participating Federal agencies.

“(B) DATA REALIGNMENT AND MODERNIZATION WORKING GROUP.—

“(i) IN GENERAL.—The Committee shall establish a data alignment and modernization working group, which shall review the recommendations made in the report to Congress by the Office of Science and Technology of the Administration entitled ‘SBIR/STTR TechNet Public & Government Databases’, dated September 15, 2014, and the practices of participating Federal agencies to—

“(I) determine how to collect data on achievements by small business concerns in each phase of the SBIR program and the STTR program and ensure collection and dissemination of such data in a timely, efficient, and uniform manner;

“(II) establish a uniform baseline for metrics that support improving the solicitation, contracting, funding, and execution of program management in the SBIR program and the STTR program;

“(III) normalize formatting and database usage across participating Federal agencies; and

“(IV) determine the feasibility of developing a common system across all participating Federal agencies and the paperwork requirements under such a common system.

“(ii) MEMBERSHIP.—Each member of the Committee shall serve as a member of the data alignment and modernization working group.

“(5) IMPLEMENTATION.—Not later than September 31, 2018, the Committee shall brief the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives on the solutions identified by the working group under paragraph (4) and resources needed to execute the solutions.”.

SEC. 6502. IMPLEMENTATION OF OUTSTANDING REAUTHORIZATION PROVISIONS.

(a) IN GENERAL.—Section 9(mm) of the Small Business Act (15 U.S.C. 638(mm)), as amended by section 6401(1) of this Act, is amended—

(1) in paragraph (1), by striking “paragraph (3)” and inserting “paragraphs (3) and (9)”; and

(2) by adding at the end the following:

“(9) SUSPENSION OF FUNDING.—

“(A) FOR FEDERAL AGENCIES.—

“(i) IN GENERAL.—For fiscal years 2018 and 2019, any Federal agency that has not implemented each provision of law described in clause (ii)—

“(I) shall continue to provide amounts to the Administration in accordance with paragraph (7)(B); and

“(II) may not use any additional amounts as described in paragraph (1) until 30 days after the date on which the Federal agency submits to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives documentation demonstrating that the Federal agency has implemented and is in compliance with each provision of law described in clause (ii).

“(ii) PROVISIONS.—The provisions of law described in this subparagraph are the following:

“(I) Subsection (r)(4), relating to Phase III preferences.

“(II) Paragraphs (5) and (6) of subsection (y), relating to insertion goals.

“(III) Subsection (g)(4)(B), relating to shortening the decision time for SBIR awards.

“(IV) Subsection (o)(4)(B), relating to shortening the decision time for STTR awards.

“(V) Subsection (v), relating to reducing paperwork and compliance burdens.

“(B) FOR ADMINISTRATION.—For fiscal years 2018 and 2019, if the Administration is not in compliance with subsection (b)(7), relating to annual reports to Congress, the Administration may not use amounts received under paragraph (7)(B) of this subsection for a purpose described in clause (iii) of such paragraph (7)(B).”.

(b) CLARIFICATION OF REPORTING REQUIREMENT.—Section 9(b)(7) of the Small Business Act (15 U.S.C. 638(b)(7)) is amended in the matter preceding subparagraph (A), by striking “not less than annually” and inserting “not later than December 31 of each year”.

SEC. 6503. STRENGTHENING OF THE REQUIREMENT TO SHORTEN THE APPLICATION REVIEW AND DECISION TIME.

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

(1) in subsection (g)(4), by striking subparagraph (B) and inserting the following:

“(B) make a final decision on each proposal submitted under the SBIR program—

“(i) for the Department of Health and Human Services, not later than 1 year after the date on which the applicable solicitation closes, with a goal to reduce the review and decision time to less than 10 months by September 30, 2019;

“(ii) for the Department of Agriculture and the National Science Foundation, not later than 6 months after the date on which the applicable solicitation closes; or

“(iii) for any other Federal agency—

“(I) not later than 90 days after the date on which the applicable solicitation closes; or

“(II) if the Administrator authorizes an extension with respect to a solicitation, not later than 90 days after the date that would otherwise be applicable to the Federal agency under subclause (I);”;

(2) in subsection (o)(4), by striking subparagraph (B) and inserting the following:

“(B) make a final decision on each proposal submitted under the STTR program—

“(i) for the Department of Health and Human Services, not later than 1 year after the date on which the applicable solicitation closes, with a goal to reduce the review and

decision time to less than 10 months by September 30, 2019;

“(ii) for the Department of Agriculture and the National Science Foundation, not later than 6 months after the date on which the applicable solicitation closes; or

“(iii) for any other Federal agency—

“(I) not later than 90 days after the date on which the applicable solicitation closes; or

“(II) if the Administrator authorizes an extension with respect to a solicitation, not later than 90 days after the date that would otherwise be applicable to the Federal agency under subclause (I);”.

SEC. 6504. CONTINUED GAO OVERSIGHT OF ALLOCATION COMPLIANCE AND ACCURACY IN FUNDING BASE CALCULATIONS.

Section 5136(a) of the National Defense Authorization Act for Fiscal Year 2012 (15 U.S.C. 638 note) is amended—

(1) in the matter preceding paragraph (1), by striking “until the date that is 5 years after the date of enactment of this Act” and insert “until the date on which the Comptroller General of the United States submits the report relating to fiscal year 2019”; and

(2) in paragraph (1), by striking subparagraph (C) and inserting the following:

“(C) assess whether the change in the base funding for the Department of Defense as required by subparagraphs (J) and (K) of section 9(f)(1) of the Small Business Act (15 U.S.C. 638(f)(1))—

“(i) improves transparency for determining whether the Department is complying with the allocation requirements;

“(ii) reduces the burden of calculating the allocations; and

“(iii) improves the compliance of the Department with the allocation requirements; and”;

(3) in paragraph (2) by striking “under subparagraph (B)” and inserting “under subparagraphs (B) and (C)”.

SEC. 6505. COORDINATION BETWEEN AGENCIES ON COMMERCIALIZATION ASSISTANCE.

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

(1) in subsection (j), as amended by section 6202(a) of this Act, by adding at the end the following:

“(5) COORDINATION OF COMMERCIALIZATION ASSISTANCE.—Not later than 120 days after the date of enactment of this paragraph, the Administrator shall modify the policy directive issued pursuant to this subsection to clarify that a small business concern receiving training through the Innovation Corps program with administrative funds made available under subsection (mm) shall not receive discretionary business assistance funds for the same or similar activities as allowed under subsection (q).”;

(2) in subsection (p), by adding at the end the following:

“(4) COORDINATION OF COMMERCIALIZATION ASSISTANCE.—Not later than 120 days after the date of enactment of this paragraph, the Administrator shall modify the policy directive issued pursuant to this subsection to clarify that a small business concern receiving training through the Innovation Corps program with administrative funds made available under subsection (mm) shall not receive discretionary business assistance funds for the same or similar activities as allowed under subsection (q).”.

TITLE LXVI—PARTICIPATION BY WOMEN AND MINORITIES

SEC. 6601. SBA COORDINATION ON INCREASING OUTREACH FOR WOMEN AND MINORITY-OWNED BUSINESSES.

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

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

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

(3) by adding at the end the following:

“(10) to coordinate with participating agencies on efforts to increase outreach and awards under each of the SBIR and STTR programs to small business concerns owned and controlled by women and socially and economically disadvantaged small business concerns, as defined in section 8(a)(4).”.

SEC. 6602. FEDERAL AGENCY OUTREACH REQUIREMENTS FOR WOMEN AND MINORITY-OWNED BUSINESSES.

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

(1) in subsection (g)—

(A) in paragraph (11), by striking “and” at the end;

(B) in paragraph (12), by striking the period at the end and inserting “; and”; and

(C) by adding at the end the following:

“(13) implement an outreach program to small business concerns for the purpose of enhancing its SBIR program, under which the Federal agency shall—

“(A) provide outreach to small business concerns owned and controlled by women and socially and economically disadvantaged small business concerns, as defined in section 8(a)(4); and

“(B) establish goals for outreach by the Federal agency to the small business concerns described in subparagraph (A).”;

(2) in subsection (o)(14), by striking “SBIR program;” and inserting “SBIR program, under which the Federal agency shall—

“(A) provide outreach to small business concerns owned and controlled by women and socially and economically disadvantaged small business concerns, as defined in section 8(a)(4); and

“(B) establish goals for outreach by the Federal agency to the small business concerns described in subparagraph (A).”.

SEC. 6603. STTR POLICY DIRECTIVE MODIFICATION.

Section 9(p) of the Small Business Act (15 U.S.C. 638(p)), as amended by section 6505 of this Act, is amended by adding at the end the following:

“(5) ADDITIONAL MODIFICATIONS.—Not later than 120 days after the date of enactment of this paragraph, the Administrator shall modify the policy directive issued pursuant to this subsection to provide for enhanced outreach efforts to increase the participation of small business concerns owned and controlled by women and socially and economically disadvantaged small business concerns, as defined in section 8(a)(4), in technological innovation and in STTR programs.”.

SEC. 6604. INTERAGENCY SBIR/STTR POLICY COMMITTEE.

Section 5124 of the SBIR/STTR Reauthorization Act of 2011 (Public Law 112-81; 125 Stat. 1837) is amended—

(1) by redesignating subsection (d) as subsection (e); and

(2) by inserting after subsection (c) the following:

“(d) MEETINGS.—

“(1) IN GENERAL.—The Interagency SBIR/STTR Policy Committee shall meet not less than twice per year to carry out the duties under subsection (c).

“(2) OUTREACH AND TECHNICAL ASSISTANCE ACTIVITIES.—If the Interagency SBIR/STTR Policy Committee meets to discuss outreach and technical assistance activities to increase the participation of small business concerns that are underrepresented in the SBIR and STTR programs, the Committee shall invite to the meeting—

“(A) a representative of the Minority Business Development Agency; and

“(B) relevant stakeholders that work to advance the interests of—

“(i) small business concerns owned and controlled by women, as defined in section 3 of the Small Business Act (15 U.S.C. 632); and

“(ii) socially and economically disadvantaged small business concerns, as defined in section 8(a)(4) of the Small Business Act (15 U.S.C. 637(a)(4)).”.

SEC. 6605. DIVERSITY AND STEM WORKFORCE DEVELOPMENT PILOT PROGRAM.

(a) **DEFINITIONS.**—In this section—

(1) the term “Administrator” means the Administrator of the Small Business Administration;

(2) the term “covered STEM intern” means a student at, or recent graduate from, an institution of higher education serving as an intern—

(A) whose course of study studied is focused on the STEM fields; and

(B) who is a woman or a person from an underrepresented population in the STEM fields;

(3) the term “eligible entity” means a small business concern that—

(A) is receiving amounts under an award under the SBIR program or the STTR program of a Federal agency on the date on which the Federal agency awards a grant to the small business concern under subsection (b); and

(B) provides internships for covered STEM interns;

(4) the terms “Federal agency”, “SBIR”, and “STTR” have the meanings given those terms under section 9(e) of the Small Business Act (15 U.S.C. 638(e));

(5) the term “institution of higher education” has the meaning given the term under section 101(a) of the Higher Education Act of 1965 (20 U.S.C. 1001(a));

(6) the term “person from an underrepresented population in the STEM fields” means a person from a group that is underrepresented in the population of STEM students, as determined by the Administrator;

(7) the term “pilot program” means the Diversity and STEM Workforce Development Pilot Program established under subsection (b);

(8) the term “recent graduate”, relating to a woman or a person from an underrepresented population in the STEM fields, means that the woman or person from an underrepresented population in the STEM fields earned an associate degree, baccalaureate degree, or postbaccalaureate from an institution of higher education during the 1-year period beginning on the date of the internship;

(9) the term “small business concern” has the meaning given the term under section 3 of the Small Business Act (15 U.S.C. 632); and

(10) the term “STEM fields” means the fields of science, technology, engineering, and math.

(b) **PILOT PROGRAM FOR INTERNSHIPS FOR WOMEN AND PEOPLE FROM UNDERREPRESENTED POPULATIONS.**—The Administrator shall establish a Diversity and STEM Workforce Development Pilot Program to encourage the business community to provide workforce development opportunities for covered STEM interns, under which a Federal agency participating in the SBIR program or STTR program may make a grant to 1 or more eligible entities for the costs of internships for covered STEM interns.

(c) **AMOUNT AND USE OF GRANTS.**—

(1) **AMOUNT.**—A grant under subsection (b)—

(A) may not be in an amount of more than \$15,000 per fiscal year; and

(B) shall be in addition to the amount of the award to the recipient under the SBIR program or the STTR program.

(2) **USE.**—Not less than 90 percent of the amount of a grant under subsection (b) shall

be used by the eligible entity to provide stipends or other similar payments to interns.

(d) **EVALUATION.**—Not later than January 31 of the first calendar year after the third fiscal year during which the Administrator carries out the pilot program, the Administrator shall submit to Congress—

(1) data on the results of the pilot program, such as the number and demographics of the covered STEM interns participating in an internship funded under the pilot program and the amount spent on such internships; and

(2) an assessment of whether the pilot program helped the SBIR program and STTR program achieve the congressional objective of fostering and encouraging the participation of women and persons from underrepresented populations in the STEM fields.

(e) **TERMINATION.**—The pilot program shall terminate after the end of the fourth fiscal year during which the Administrator carries out the pilot program.

(f) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated such sums as may be necessary to carry out the pilot program.

TITLE LXVII—TECHNICAL CHANGES

SEC. 6701. UNIFORM REFERENCE TO THE DEPARTMENT OF HEALTH AND HUMAN SERVICES.

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

(1) in subsection (cc), by striking “National Institutes of Health” and inserting “Department of Health and Human Services”; and

(2) in subsection (dd)(1)(A), by striking “Director of the National Institutes of Health” and inserting “Secretary of Health and Human Services”.

SEC. 6702. FLEXIBILITY FOR PHASE II AWARD INVITATIONS.

Section 9(e)(4)(B) of the Small Business Act (15 U.S.C. 638(e)(4)(B)) is amended in the matter preceding clause (i)—

(1) by striking “, which shall not include any invitation, pre-screening, or pre-selection process for eligibility for Phase II.”; and

(2) by inserting “in which eligibility for an award shall not be based only on an invitation, pre-screening, or pre-selection process and” before “in which awards”.

SA 4677. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill S. 2943, to authorize appropriations for fiscal year 2017 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

On page 508, strike line 10 and all that follows through “(d) TRAINING.—” on line 15 and insert the following:

Section 2332 of title 10, United States Code, is amended by adding at the end the following new subsection:

“(e) **TRAINING.**—

On page 901, strike lines 8 and 9.

On page 1018, strike line 13 and all that follows through “(e) **REPEAL.**—” on line 24 and insert the following:

(d) **REPEAL.**—

On page 1064, line 23, strike “conducting one or more of the following” and insert “building the capacity of such country or countries to conduct one or more of the following”.

On page 1124, beginning on line 14, strike “**GENERALLY.**—” and all that follows through “**Subject**” on line 15 and insert the following: “**GENERALLY.**—**Subject**”.

On page 1124, strike lines 19 through 21.

On page 1129, line 11, insert “available” before “unobligated”.

On page 1129, line 15, insert “Such funds transferred in to the fund shall retain its original period of availability.” after “subsection (a).”.

On page 1129, line 20, insert “available” before “unobligated”.

Strike section 2812.

SA 4678. Mr. REID (for himself and Mr. HELLER) submitted an amendment intended to be proposed by him to the bill S. 2943, to authorize appropriations for fiscal year 2017 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe military personnel strengths for such fiscal year, and for other purposes; which was ordered to lie on the table; as follows:

At the end of subtitle I of title X, add the following:

SEC. 1097. REPORT.

(a) **DEFINITIONS.**—In this section:

(1) **CLASS III GAMING.**—The term “class III gaming” has the meaning given the term in section 4 of the Indian Gaming Regulatory Act (25 U.S.C. 2703).

(2) **EXCLUSIVITY CLAUSE.**—The term “exclusivity clause” means a provision that requires a Tribe to pay to a State a percentage of gross gaming revenue only if the State does not change the law of the State to permit commercial gaming activity by any other person.

(b) **REPORT.**—Not later than 120 calendar days after the date of enactment of this Act, the Secretary of the Interior shall submit to the Committee on Indian Affairs of the Senate and the Committee on Natural Resources of the House of Representatives a report on—

(1) the number of Tribal-State compacts, and amendments to such compacts, that contain exclusivity clauses that may be impacted by a determination of the Secretary of the Interior to approve a compact or compact amendment that could have the effect of advancing commercial gaming activity on non-Indian land where such activity is owned or operated, directly or indirectly, by 1 or more Indian tribe; and

(2) the extent to which gaming regulations and laws in States where class III gaming occurs on Indian land pursuant to a Tribal-State compact, approved under the Indian Gaming Regulatory Act (25 U.S.C. 2701 et seq.), meets or exceeds standards established in that Act or regulations issued by the National Indian Gaming Commission.

(c) **CONSULTATION.**—The Secretary of the Interior shall consult with Indian tribes, State governments, and commercial gaming enterprises before issuing the report required under subsection (b).

FEDERAL LAW ENFORCEMENT SELF-DEFENSE AND PROTECTION ACT OF 2015

Mr. McCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 2137, which was received from the House.

The PRESIDING OFFICER. The clerk will report the bill by title.

The senior assistant legislative clerk read as follows:

A bill (H.R. 2137) to ensure Federal law enforcement officers remain able to ensure their own safety, and the safety of their families, during a covered furlough.