

the \$500 billion a year Federal marketplace. When small firms are awarded Federal contracts, the result is a win-win.

While category management is billed as the strategy to get agencies the lowest price, we have heard the contrary in our committee, in that more contracts are being consolidated out of the reach of small businesses.

By requiring that contracting activity under this new regime be reported in the annual goaling report from agencies to Congress, today's bill protects the industrial base by creating a mechanism for much needed accountability.

I am proud to be a cosponsor of H.R. 6382, and commend Congresswoman ADAMS for her work to provide accountability to the category management regime.

I urge Members to support this legislation, and I reserve the balance of my time.

Mr. CHABOT. Mr. Speaker, I have no further speakers, and I reserve the balance of my time.

Ms. VELAZQUEZ. Mr. Speaker, I yield 5 minutes to the gentlewoman from North Carolina (Ms. ADAMS), who is the sponsor of the bill and ranking member of the Subcommittee on Investigations, Oversight and Regulations.

Ms. ADAMS. Mr. Speaker, I rise in support of my bill, H.R. 6382, the Clarity on Small Business Participation in Category Management Act.

Small businesses are the heart of American enterprise, and we must ensure a level playing field for all of them to compete for Federal contracts. My legislation is the first step to addressing the many concerns of the small business community regarding the current administration's efforts to expand the use of category management.

Although category management has been billed as the procurement strategy that can get Federal agencies the lowest price, the actual numbers tell a very different story. In fact, the data shows us that small business vendors on the Multiple Award Schedule continually provided agencies with lower prices than those offered by category management contract holders.

However, due to the changes under this administration, many Federal agencies and contracting officers can no longer take advantage of increased competition and lower prices because some category management vehicles are the only option available.

Unfortunately, the current trend of this administration is to increase the number of agencies heading in this misguided direction. This will result in wasteful spending of taxpayer dollars because a reduction of competing vendors means Federal agencies will pay more than necessary for goods and services.

Furthermore, the harmful effect of the use of the category management business model could mean further exclusion of minorities, women, veterans, and other already disadvantaged small

business owners in the Federal marketplace.

My bill requires the Small Business Administration to include in their annual report information on best-in-class contractors, which are the companies that largely benefit from category management.

This bill would also provide lawmakers with information on whether category management is reducing the role of small firms, women-owned firms, minority-owned companies, and veteran-owned enterprises in Federal contracting.

I am also proud to say that my bill is endorsed by the National Defense Industrial Association, an association whose 1,600 corporate members and over 85,000 individual members are 70 percent small business. NDIA works to help small companies grow and remain a strong part of the defense industrial base.

The ability for Congress to see this data allows us to determine the effectiveness of such contracting vehicles for small firms and to make needed changes where appropriate.

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Mr. Speaker, I urge Members to support this legislation. I thank very much our chairman and our ranking member for their support.

Ms. VELAZQUEZ. Mr. Speaker, I want to thank the gentlewoman from North Carolina (Ms. ADAMS) for introducing this important piece of legislation to provide much needed oversight of small business participation in the streamlined acquisition strategy known as category management.

Mr. Speaker, I urge all the Members to support this important piece of legislation.

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

Mr. CHABOT. Mr. Speaker, I yield myself such time as I may consume to close.

Mr. Speaker, I would like to thank Ms. ADAMS for her leadership on this measure and congratulate her for its passage here shortly.

This legislation raises the profile of this important issue and requires that the SBA keep track of how much Federal spending is made through best-in-class vehicles. I applaud the administration for looking for ways to ensure taxpayer dollars are utilized in the most efficient ways possible.

At the same time, we must be watchful to safeguard small businesses' proper importance and place in the Federal marketplace. Enacting this legislation will help ensure that the correct data is collected and reported to help maintain that balance.

Mr. Speaker, I urge my colleagues to support this bipartisan legislation, and I yield back the balance of my time.

Ms. JACKSON LEE. Mr. Speaker, I rise in support of H.R. 6382, the "Clarity on Small Business Participation in Category Management Act of 2018".

H.R. 6382 amends the Small Business Act to require the Administrator of the Small Business

Administration to report certain information to the Congress and to the President.

This bill directs the administrator of the Small Business Administration to report to Congress on: the total amount of spending government wide in such designation; the number of small business concerns awarded contracts and the dollar amount of contracts within such category awarded to each of the following—

1. HUBZone small business concerns;
2. Small business concerns owned and controlled by women;
3. Small business concerns owned and controlled by service-disabled veterans; and
4. Socially and economically disadvantaged small business concerns.

More than 99 percent of Houston's businesses are considered small.

In 2016, roughly seven businesses in the Houston District received a loan averaging \$500,000 each weekday.

Small businesses are the lifeblood of our economy in Houston and across America.

Small business was key for the nation's recovery from the recession.

Between the middle of 2009 and the middle of 2013, 60 percent of the jobs created were from small businesses.

I am committed to producing tangible results in suffering communities through legislation that creates jobs, fosters minority business opportunities, and builds a foundation for the future.

Studies have shown that supporting small businesses is good for the American economy. For every \$1 invested, small businesses will contribute \$7 to the economy.

Every American deserves the right to be gainfully employed or own a successful business and I know we are all committed to that right and will not rest until all Americans have access to economic opportunity.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. CHABOT) that the House suspend the rules and pass the bill, H.R. 6382, as amended.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

SMALL BUSINESS INNOVATION PROTECTION ACT OF 2017

Mr. CHABOT. Mr. Speaker, I move to suspend the rules and pass the bill (S. 791) to amend the Small Business Act to expand intellectual property education and training for small businesses, and for other purposes.

The Clerk read the title of the bill.

The text of the bill is as follows:

S. 791

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Small Business Innovation Protection Act of 2017".

SEC. 2. DEFINITIONS.

In this Act—

- (1) the term "Administrator" means the Administrator of the SBA;
- (2) the term "Director" means the Under Secretary of Commerce for Intellectual Property and Director of the USPTO;

(3) the term “SBA” means the Small Business Administration;

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

(5) the term “small business development center” means a center described in section 21 of the Small Business Act (15 U.S.C. 648); and

(6) the term “USPTO” means the United States Patent and Trademark Office.

SEC. 3. FINDINGS.

Congress finds that—

(1) the USPTO and the SBA are positioned to—

(A) build upon several successful intellectual property and training programs aimed at small business concerns; and

(B) increase the availability of and the participation in the programs described in subparagraph (A) across the United States; and

(2) any education and training program administered by the USPTO and the SBA should be scalable so that the program is able to reach more small business concerns.

SEC. 4. SBA AND USPTO PARTNERSHIPS.

(a) IN GENERAL.—Beginning not later than 180 days after the date of enactment of this Act, the Administrator, in consultation with the Director, shall develop partnership agreements that—

(1) provide for the—

(A) development of high-quality training, including in-person or modular training sessions, for small business concerns relating to domestic and international protection of intellectual property;

(B) leveraging of training materials already developed for the education of inventors and small business concerns; and

(C) participation of a nongovernmental organization; and

(2) provide training—

(A) through electronic resources, including Internet-based webinars; and

(B) at physical locations, including—

(i) a small business development center; and

(ii) the headquarters or a regional office of the USPTO.

SEC. 5. SMALL BUSINESS DEVELOPMENT CENTERS.

Section 21(c)(3) of the Small Business Act (15 U.S.C. 648(c)(3)) is amended—

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

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

(3) by adding at the end the following:

“(U) in conjunction with the United States Patent and Trademark Office, providing training—

“(i) to small business concerns relating to—

“(I) domestic and international intellectual property protections; and

“(II) how the protections described in subclause (I) should be considered in the business plans and growth strategies of the small business concerns; and

“(ii) that may be delivered—

“(I) in person; or

“(II) through a website.”.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. CHABOT) and the gentlewoman from New York (Ms. VELÁZQUEZ) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio.

GENERAL LEAVE

Mr. CHABOT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise

and extend their remarks and include extraneous materials on the bill under consideration.

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

There was no objection.

Mr. CHABOT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise today in support of S. 791, the Small Business Innovation Protection Act of 2017.

As small-business entrepreneurs continue to expand both here and abroad, they must have the tools they need to protect their intellectual property. However, the process for obtaining intellectual property protections both in the U.S. and abroad can be daunting, even for the most experienced small-business owner.

We must ensure that small-business owners have the tools they need to protect their innovative ideas and products, as intellectual property protections are essential to promoting entrepreneurship and innovation.

Small-business owners often do not have the resources to protect their ideas and products, especially when they are competing in the international marketplace. Most simply cannot afford to retain attorneys to guide them through the difficult process of obtaining intellectual property protections, which leaves them vulnerable to their innovative ideas and products being stolen both here in the United States and internationally.

This legislation addresses this issue by developing a partnership between the Small Business Administration, the SBA, and the United States Patent and Trademark Office, USPTO, giving entrepreneurs the full breadth of knowledge of a Small Business Development Center system and the USPTO.

The bill utilizes existing resources at both agencies to better assist small-business owners and expand their outreach efforts to provide small businesses with the resources they need to address intellectual property issues.

Considering the important role that small-business entrepreneurs play in our global marketplace, it is our responsibility to ensure that they have the resources they need to better protect their intellectual property.

Mr. Speaker, I urge my colleagues to support this commonsense legislation, and I reserve the balance of my time.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON THE JUDICIARY,
Washington, DC, September 20, 2018.

Hon. STEVE CHABOT,
Chairman, Committee on Small Business,
Washington, DC.

DEAR CHAIRMAN CHABOT, I write with respect to S. 791, the “Small Business Innovation Protection Act.” As a result of your having consulted with us on provisions within S. 791 that fall within the Rule X jurisdiction of the Committee on the Judiciary, I forego any further consideration of this bill so that it may proceed expeditiously to the House floor for consideration.

The Judiciary Committee takes this action with our mutual understanding that by foregoing consideration of S. 791 at this time, we

do not waive any jurisdiction over subject matter contained in this or similar legislation and that our committee will be appropriately consulted and involved as this bill or similar legislation moves forward so that we may address any remaining issues in our jurisdiction. Our committee also reserves the right to seek appointment of an appropriate number of conferees to any House-Senate conference involving this or similar legislation and asks that you support any such request.

I would appreciate a response to this letter confirming this understanding with respect to S. 791 and would ask that a copy of our exchange of letters on this matter be included in the Congressional Record during floor consideration of S. 791.

Sincerely,

BOB GOODLATTE,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON SMALL BUSINESS,
Washington, DC, September 20, 2018.

Hon. BOB GOODLATTE,
Chairman, Committee on the Judiciary,
House of Representatives, Washington, DC.

DEAR CHAIRMAN GOODLATTE: In reference to your letter of September 20, 2018, I write to confirm our mutual understanding regarding S. 791, the “Small Business Innovation Protection Act of 2017.”

I appreciate the House Committee on the Judiciary’s waiver of consideration of provisions under its jurisdiction and its subject matter as specified in your letter. I acknowledge that the waiver was granted only to expedite floor consideration of S. 791 and does not in any way waive or diminish the House Committee on the Judiciary’s jurisdictional interests over this or similar legislation. I will support a request from the House Committee on the Judiciary for appointment to any House-Senate conference on S. 791 or similar legislation.

Again, thank you for your assistance with these matters.

Sincerely,

STEVE CHABOT,
Chairman.

Ms. VELÁZQUEZ. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of S. 791, the Small Business Innovation Protection Act of 2017.

Innovation is an indispensable element driving economic growth and ensuring America’s competitive edge in the global marketplace. In fact, it is so important that studies show the IP industry supports an estimated 30 percent of all jobs and contributes over \$6 trillion to U.S. GDP.

While many entrepreneurs understand the benefits of holding IP rights, just as many do not know where to start or how to protect their ideas overseas. The USPTO reported that just 15 percent of small businesses that conduct overseas business understand they need to file for IP protection abroad.

This bill addresses the problem by creating a partnership between the two agencies best suited to take on this mission: the SBA and USPTO.

By leveraging existing IP education and training programs, and utilizing the immense network of SBDCs, small firms will have all the resources to better protect their interests both domestically and internationally.

I applaud Senator PETERS and Representative EVANS for recognizing the problem and working to advance the interests of our Nation's small businesses.

Mr. Speaker, I urge Members to vote "yes," and I reserve the balance of my time.

Mr. CHABOT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, S. 791 is the Senate counterpart to legislation spearheaded on the House side by Mr. EVANS and Mr. FITZPATRICK, both of Pennsylvania. Once again, it is bipartisan legislation coming out of the Small Business Committee.

That bill, H.R. 2655, was also reported unanimously out of our committee this spring. I commend them on their work on this important issue.

This legislation helps small businesses receive better access to education and training opportunities both domestically and abroad.

A partnership between the Small Business Administration and the USPTO would help more small-business owners learn how they can use intellectual property to protect their ideas and products. This important partnership between the two agencies will help to reach more small-business owners and better prepare them for doing business both here and abroad.

It is vital that small-business owners have as many tools and resources as possible to help protect their innovative ideas from intellectual property theft.

Mr. Speaker, I urge my colleagues to support this bipartisan legislation, and I reserve the balance of my time.

Ms. VELAZQUEZ. Mr. Speaker, in line with the bills we are debating today, this recognizes the special place small firms have in America's economy and provides them a simple tool to protect themselves and their ideas.

Today's bill leverages the current role of the USPTO and SBA to educate and protect innovative entrepreneurs at home and abroad. Doing so is paramount to remaining the global leader in innovation.

Mr. Speaker, I urge Members to support this bill.

Mr. Speaker, I would like to take this opportunity to thank the ranking member—the chairman, Mr. CHABOT, and the staff of both the minority and the majority side. It has been a great pleasure working on these nine bills.

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

Mr. CHABOT. Mr. Speaker, I would just advise the gentlewoman not to get ahead of herself there. It ain't happened yet, and I don't think it is going to happen. But nonetheless, we have had a wonderful working relationship over the years. I have been the chair; I have been the ranking member. The gentlewoman from New York has been the chair and the ranking member. We would like to keep it just the way it is now, but we will see in about 6 weeks.

Mr. Speaker, I have already given the closing statement, so I yield back the balance of my time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Ohio (Mr. CHABOT) that the House suspend the rules and pass the bill, S. 791.

The question was taken; and (two-thirds being in the affirmative) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

STUDY OF UNDERREPRESENTED CLASSES CHASING ENGINEERING AND SCIENCE SUCCESS ACT OF 2018

Mr. CHABOT. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 6758) to direct the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office, in consultation with the Administrator of the Small Business Administration, to study and provide recommendations to promote the participation of women and minorities in entrepreneurship activities and the patent system, to extend by 8 years the Patent and Trademark Office's authority to set the amounts for the fees it charges, and for other purposes, as amended.

The Clerk read the title of the bill.

The text of the bill is as follows:

H.R. 6758

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

SECTION 1. SHORT TITLE.

This Act may be cited as the "Study of Underrepresented Classes Chasing Engineering and Science Success Act of 2018" or the "SUCCESS Act".

SEC. 2. FINDINGS; SENSE OF CONGRESS.

(a) *FINDINGS.*—Congress finds the following:

(1) *Patents and other forms of intellectual property are important engines of innovation, invention, and economic growth.*

(2) *Many innovative small businesses, which create over 20 percent of the total number of new jobs created in the United States each year, depend on patent protections to commercialize new technologies.*

(3) *Universities and their industry partners also rely on patent protections to transfer innovative new technologies from the laboratory or classroom to commercial use.*

(4) *Recent studies have shown that there is a significant gap in the number of patents applied for and obtained by women and minorities.*

(b) *SENSE OF CONGRESS.*—It is the sense of Congress that the United States has the responsibility to work with the private sector to close the gap in the number of patents applied for and obtained by women and minorities to harness the maximum innovative potential and continue to promote United States leadership in the global economy.

SEC. 3. REPORT.

(a) *STUDY.*—The Director, in consultation with the Administrator and any other head of an appropriate agency, shall conduct a study that—

(1) *identifies publicly available data on the number of patents annually applied for and obtained by, and the benefits of increasing the number of patents applied for and obtained by women, minorities, and veterans and small businesses owned by women, minorities, and veterans; and*

(2) *provides legislative recommendations for how to—*

(A) *promote the participation of women, minorities, and veterans in entrepreneurship activities; and*

(B) *increase the number of women, minorities, and veterans who apply for and obtain patents.*

(b) *REPORT.*—Not later than 1 year after the date of the enactment of this Act, the Director shall submit to the Committees on the Judiciary and Small Business of the House of Representatives and the Committees on the Judiciary and Small Business and Entrepreneurship of the Senate a report on the results of the study conducted under subsection (a).

SEC. 4. EXTENSION OF FEE-SETTING AUTHORITY.

Section 10(i)(2) of the Leahy-Smith America Invents Act (Public Law 112–29; 125 Stat. 319; 35 U.S.C. 41 note) is amended by striking "7-year" and inserting "15-year".

SEC. 5. DEFINITIONS.

In this Act:

(1) *ADMINISTRATOR.*—The term "Administrator" means the Administrator of the Small Business Administration.

(2) *AGENCY.*—The term "agency" means a department, agency, or instrumentality of the United States Government.

(3) *DIRECTOR.*—The term "Director" means the Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office.

The SPEAKER pro tempore. Pursuant to the rule, the gentleman from Ohio (Mr. CHABOT) and the gentleman from Georgia (Mr. JOHNSON) each will control 20 minutes.

The Chair recognizes the gentleman from Ohio.

GENERAL LEAVE

Mr. CHABOT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks and include extraneous materials on H.R. 6758, currently under consideration.

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

There was no objection.

Mr. CHABOT. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of H.R. 6758, the SUCCESS Act.

Back in 2011, I was one of five Members of Congress who cosponsored the Leahy-Smith America Invents Act that the President eventually signed into law. In it, a provision was included to provide the Director of the United States Patent and Trademark Office with the authority to set fees to cover the cost of examining patent applications and registering trademarks.

Today, as a senior member of the House Judiciary Committee, I recognize the need to extend that authority another 8 years.

The PTO plays a critical role in the development of new technologies. The agency operates on fees it collects from patent and trademark applicants. To ensure that the PTO has the resources it needs to properly examine patent applications and register trademarks to study the issue of patenting by women, minority, and veteran entrepreneurs, and to perform the countless other activities it undertakes that are essential to maintaining America's competitiveness, Congress needs to reauthorize the PTO's authority to adjust its fees.